

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



February 10, 2023

**Advice Letter 6794-E**

Mr. Sidney Bob Dietz II  
Director, Regulatory Relations  
Pacific Gas and Electric Company  
77 Beale St., Mail Code B13U  
P.O. Box 770000  
San Francisco, CA 94177

**Subject: Long-Term Market Offer Proforma Contract and Solicitation Protocols**

Dear Mr. Dietz:

Pacific Gas and Electric Company (PG&E) Advice Letter (AL) 6794-E is approved and is effective February 2, 2023, for the reasons described below.

**Background**

Decision (D.) 21-05-030 in Rulemaking (R.) 17-06-026 implemented the Voluntary Allocation and Market Offer (VAMO) framework for Power Charge Indifference Adjustment (PCIA) eligible Renewables Portfolio Standard (RPS) contracts. D.21-05-030 directed the implementation of the VAMO process through the RPS proceeding, R.18-07-003. PG&E, together with Southern California Edison Company (SCE) and San Diego Gas & Electric Company (SDG&E) offered proposals for the Market Offer process as part of Track 1 of 2022 RPS Procurement Plans

The California Public Utilities Commission (Commission) considered the IOUs' Market Offer proposals as part of R.18-07-003 and issued D.22-11-021 directing certain modifications to the IOUs' proposals. Ordering Paragraph 13 of D.22-11-021 directed PG&E, SCE, and SDG&E to each file a Tier 2 Advice Letter by December 19, 2022, to implement a solicitation for long-term PCIA-eligible contracts remaining after the Voluntary Allocation process.

**Protests**

California Community Choice Association (CalCCA) filed a protest to PG&E AL 6794-E on January 9, 2023.

**CalCCA's Protest**

CalCCA states the IOUs' joint long-term solicitation timeline does not follow D.22-11-021's requirement to provide sufficient information, consistent with what was provided in the Joint IOUs' short-term solicitation timeline.<sup>1</sup> CalCCA argues that providing a detailed timeline is in line with D.22-11-021's statement about moving the market offer process

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<sup>1</sup> CalCCA Protest at 1-3.

forward in an expedient manner.<sup>2</sup> CalCCA requests that the IOUs include several proposed additions to their joint long-term solicitation timeline.<sup>3</sup>

### **PG&E's Reply**

On January 17, 2023, PG&E submitted its response to CalCCA's protest. In its response PG&E argues "because the changes that CalCCA requests are not required as part of D. 22-11-021, CalCCA has no valid grounds under General Order 96-B Section 7.4.2 to support its Protest."<sup>4</sup> PG&E also asserts there are three instances where CalCCA's proposal may be suboptimal.<sup>5</sup> First, CalCCA's proposed 35-day period to notify qualified participants does not consider all the work PG&E must complete to assess the bids, including a consultation of the Procurement Review Group and implementation for the first time of an optimization between short-term and long-term market offer bids.<sup>6</sup> Second, CalCCA's proposed 30-day period to execute contracts after notifying qualified participants does not consider the internal reviews PG&E and counterparties must complete, which for PG&E involves both a risk management review and a delegation of authority.<sup>7</sup> Third, CalCCA's proposed submission of a tier 3 Advice Letter within 45-days of bid notification to qualified participants is likely unachievable due to the need for a detailed evaluation, including the completion of Independent Evaluator report.<sup>8</sup>

### **Discussion**

Energy Division finds the joint IOUs' proposed schedule is consistent with D.22-11-021 and its requirements. D.22-11-021 at pages 38-39 states

At a minimum, each IOU will launch the solicitation and receive bids on the exact same dates not to advantage one IOU's Market Offer over another... the IOUs shall submit a revised and up-to-date timeline, which will be subject to Energy Division review and approval, when they file their Tier 1 and Tier 2 Advice Letter with modifications adopted in this decision. Given the revisions adopted in this decision, the IOUs are best placed to recommend a schedule implementing Market Offer... The IOUs must keep in mind the urgency of executing contracts as soon as practicable.

CalCCA argues the IOUs must modify the schedule to provide additional detail.<sup>9</sup> D.22-11-021 at pages 38-39 directs the IOUs 1.) to recommend a schedule with matching dates for launching their solicitations and receiving bids, and 2.) to execute contracts in an expedient manner. Beyond what is stated above, D.22-11-021 does not include any additional requirements about the level of detail required in the IOUs' long-term Market Offer solicitation schedules. Staff finds PG&E's schedule is reasonable given the IOUs have matching dates for launching their solicitations and receiving bids. Therefore, CalCCA's protest is rejected.

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<sup>2</sup> CalCCA Protest at 3.

<sup>3</sup> CalCCA Protest at 3-4.

<sup>4</sup> PG&E Reply at 2.

<sup>5</sup> PG&E Reply at 2.

<sup>6</sup> PG&E Reply at 2-3.

<sup>7</sup> PG&E Reply at 3.

<sup>8</sup> PG&E Reply at 3.

<sup>9</sup> CalCCA Protest at 2-3.

**Disposition**

Energy Division approves PG&E AL 6794-E, as it complies with the requirements of D.22-11-021.

Sincerely,

A handwritten signature in black ink that reads "Leuwam Tesfai". The signature is written in a cursive, slightly slanted style.

Leuwam Tesfai  
Deputy Executive Director for Energy and Climate Policy/  
Director, Energy Division  
California Public Utilities Commission

cc: Evelyn Kahl, CalCCA, General Counsel and Director of Policy (Evelyn@cal-cca.org)  
Kimberly Loo, PG&E, Advice Letter Regulatory Analyst (KELM@pge.com)  
PGETariffs@pge.com

December 19, 2022

**Advice 6794-E**

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Tier 2 Advice Letter Regarding Market Offer****Purpose**

The California Public Utilities Commission (the “Commission”) November 18, 2022 Decision Approving Voluntary Allocations and Modifying Market Offer Process for the Sale of Excess Renewable Resources to Lower Power Charge Indifference Adjustment (“PCIA”) Costs Pursuant to Decision (“D.”) 21-05-030 (“the Market Offer Decision”) clarifies requirements on Pacific Gas and Electric Company (“PG&E”) concerning the Market Offer process. Pursuant to the Commission’s directive regarding sales from PG&E’s long-term PCIA-eligible resources remaining after Voluntary Allocation, PG&E submits this Tier 2 Advice Letter comprising of the Long-Term Market Offer Process and Protocols, which include a revised timeline for the Market Offer process associated with PG&E’s long-term portfolio, and necessary changes to PG&E’s pro forma agreements to conform to directives of the Market Offer Decision.

**Background**

D. 21-05-030 adopted the Voluntary Allocation and Market Offer (“VAMO”) process for PCIA eligible energy. The VAMO is a two-step process. First, PG&E offered Voluntary Allocations at the Market Price Benchmark in 10% increment slices of each Load Serving Entity (“LSE”) based on its “vintage, forecasted annual load share.” LSE Voluntary Allocation elections were approved by the Market Offer Decision.<sup>1</sup> Second, any PCIA-eligible Renewables Portfolio Standard (“RPS”)-eligible energy not taken by LSEs through the Voluntary Allocation is offered to all market participants through the Market Offer process. D. 21-05-030 directed implementation of the VAMO process through Rulemaking (“R.”) 18-07-003. PG&E, together with Southern California Edison Company (“SCE”), and San Diego Gas and Electric Company (“SDG&E”) (together, the “Joint IOUs”), offered proposals for Market Offer as part of Track 1 of 2022 RPS Plans. The

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<sup>1</sup> D. 21-05-030, Ordering Paragraph 1.

Commission considered such proposals as part of R. 18-07-003, and issued the Market Offer Decision directing certain modifications to such proposals.

Ordering Paragraph 12 of the Market Offer Decision directs PG&E, SCE, and SDG&E to each file a Tier 1 Advice Letter within 15 days of the Market Offer Decision's issuance date with "[t]he changes to the Market Offer process and protocols ordered in this decision, their revised timeline for the Market Offer process, and any necessary changes to their Market Offer pro formas to conform to directives of this decision." The attachments hereto contain materials which address PG&E's requirement to offer 100 percent of the short-term contracts remaining after Voluntary Allocation (i.e., eligible contracts with less than 10 years remaining) as part of a Short-Term Market Offer process. PG&E's Tier 1 Advice Letter was submitted on December 5, 2022 as Advice 6779-E, comprising of conforming revisions to the Joint IOUs' Market Offer Proposal relevant to the Short-Term Market Offer process, and PG&E's specific attachments.

Ordering Paragraph 13 of the Market Offer Decision directs PG&E, SCE, and SDG&E to each file a Tier 2 Advice Letter by December 19, 2022 relevant to the solicitation for long-term contracts remaining after Voluntary Allocation, with applicable changes to the Market Offer process and protocols. PG&E's Tier 2 filing includes as an attachment Joint IOUs' Market Offer Proposal, with revisions to address long-term sales.

PG&E also includes necessary changes to PG&E's Market Offer pro formas agreements to conform to directives of the Market Offer Decision concerning the sale of its long-term resources. The revised pro forma agreements address the sale of PG&E's long-term portfolio remaining (i.e., contracts with greater than 10 years remaining and utility owned generation) remaining after Voluntary Allocation. Consistent with Ordering Paragraphs 3 and 4 of the Market Offer Decision, PG&E's Tier 2 Advice Filing includes a methodology to optimize the value of bids for ratepayers, so that as part of the long-term market offer process, it may offer 65 percent of the remaining Power Charge Indifference Adjustment eligible long-term contracts in the Market Offer as long-term or short-term product.

Specifically, PG&E attaches hereto:

Attachment A	Revised Joint IOU Filing on Track 1-Final 2022 Renewables Portfolio Standard-Market Offer Process
Attachment B	PG&E's Long Term Market Offer Framework (Confidential)
Attachment C	PG&E's Long Term Market Offer Framework (Public)
Attachment D	PG&E's Long Term Market Offer Process Solicitation Protocol
Attachment E.1	Market Offer Confirm Product C
Attachment E.2	Market Offer Confirm Product D

Attachment E.3 Market Offer Confirm Product E

Attachment E.4 Market Offer Confirm Product F

PG&E requests that the Energy Division issue a disposition letter no later than to support a timely launch on February 15<sup>th</sup>.

Any such disposition that makes this advice letter effective shall be deemed to constitute the following:

1. A finding that the PG&E Market Offer Process and Protocols for the solicitation of PG&E's long-term portfolio are approved, consistent with Ordering Paragraph 3 and Ordering Paragraph 4 of Decision 21-11-021; and
2. A finding that the PG&E Market Offer Process and Protocols for the solicitation of PG&E's long-term portfolio remaining after Voluntary Allocation, including the revised timeline for the Market Offer process, and the necessary changes to PG&E Market Offer pro formas to conform to directives of D. 21-11-021 are approved, consistent with Ordering Paragraph 13 of Decision 21-11-021.

A summary of PG&E-specific changes to conform to the Market Offer Decision is provided in Tables 1, 2 and 3 below.

For ease of review, PG&E developed its Long-term Market Offer framework redlined on top of its Short-Term Market Offer framework. Table 1 reflects the redlines made to PG&E's short-term Market Offer.

<b>Table 1. Summary of Changes to Long-Term Market Offer Sales Framework</b>		
<b>Reference (Page no and Paragraph)</b>	<b>Modification</b>	<b>Reason for Modification</b>
All References to "2022 Indifference Adjustment ("PCIA") Renewables Portfolio Standard ("RPS") Market Offer Solicitation ("Solicitation") RPS Market Offer"	The year "2022" in references to 2022 PCIA RPS Market Offer Solicitation has been changed "2023".	Compliance with OP 11 and OP 12 of D.22-11-021.
Page 1 Title	Adds language to clarify that the Market Offer solicitation relates specifically to the Long-Term Market Offer.	Compliance with OP 3, OP 4 and OP 12 of D.22-11-021.
Page 1, Paragraph 1	Clarifies that the Market Offer solicitation is to be held in Compliance with D.22-11-021 and that the framework maybe updated	Compliance with OP 2, OP 3, OP 4, OP 12 and OP 13 of D.22-11-021.

<b>Table 1. Summary of Changes to Long-Term Market Offer Sales Framework</b>		
<b>Reference (Page no and Paragraph)</b>	<b>Modification</b>	<b>Reason for Modification</b>
	for subsequent Market Offer solicitations in compliance with OP 3 and OP 4 D.22-11-021.	
Pages 1 and 2, Products Sold	Adds language to clarify that PG&E will offer long-term and short-term products from facilities with power purchase agreements with delivery terms of more than 10 years left in PG&E's PCIA-eligible RPS portfolio that remains following the Voluntary Allocation process.	Compliance with OP 3, OP 4 and OP 13 of D.22-11-021.
Page 3 and Page 4 Price Evaluation Criteria	Amended to provide bid floors for all products to be offered in the market offer	Compliance with OP 3, OP 4 and OP 13 of D.22-11-021.
Page 4 and Page 5 Volume Limit for Each Product	Adds language to clarify that PG&E will offer (a) 35% of its remaining RPS-eligible energy and/or associated RECs if any, following PG&E's Voluntary Allocation process from facilities with power purchase agreements with terms of more than 10 years remaining from the start date of market offer deliveries as long-term products; and (b) 65% of the remaining RPS-eligible energy and/or associated RECs if any, following PG&E's Voluntary Allocation process from facilities with power purchase agreements with	Compliance with OP 3, OP 4 and OP 13 of D.22-11-021.

<b>Table 1. Summary of Changes to Long-Term Market Offer Sales Framework</b>		
<b>Reference (Page no and Paragraph)</b>	<b>Modification</b>	<b>Reason for Modification</b>
	terms of more than 10 years remaining from the start date of market offer deliveries, as short-term and long-term products.	
Page 6	Provides description of evaluation process and optimization strategy.	Compliance with OP 3, OP 4 and OP 13 of D.22-11-021.

<b>Table 2. Summary of Changes to Market Offer Protocol</b>		
<b>Section/Reference</b>	<b>Modification</b>	<b>Reason for Modification</b>
All References to “2022 Indifference Adjustment (“PCIA”) Renewables Portfolio Standard (“RPS”) Market Offer Solicitation (“Solicitation”) RPS Market Offer”	The year “2022” in references to 2022 PCIA RPS Market Offer Solicitation has been changed to “2023”.	Compliance with OP 11 and OP 12 of D.22-11-021.
Section I.A Overview	Clarifies that products to be offered will be RPS energy and Renewable Energy Credits (“REC”) from facilities with power purchase agreements with contract delivery terms of more than 10 years left in PG&E’s RPS portfolio eligible for Voluntary Allocation that remains following the Voluntary Allocation process.	Compliance with OP 2 and OP 6 of D.22-11-021.
Section I.A Overview	Adds language to clarify that the Market Offer solicitation relates specifically to the Long-Term Market Offer.	Compliance with OP 3, OP 4 and OP 13 of D.22-11-021.

<b>Table 2. Summary of Changes to Market Offer Protocol</b>		
<b>Section/Reference</b>	<b>Modification</b>	<b>Reason for Modification</b>
Section I.C  Table 1: 2023 PCIA RPS Market Offer Solicitation Schedule of Events	Updated the solicitation schedule of events.	Compliance with OP 11 and OP 13 of D.22-11-021.
Section II A  Product Attributes - Product	Adds language to clarify that PG&E will offer long- term and short-term products from facilities with power purchase agreements with delivery terms of more than 10 years left in PG&E's PCIA- eligible RPS portfolio that remains following the Voluntary Allocation process.	Compliance with OP 2 and OP 13 of D.22-11-021.
Section II A  Product Attributes - Location	Clarifies delivery locations for products to be offered by PG&E in the solicitation	Compliance with OP 13 of D.22-11-021
Section II A  Product Attributes – Delivery Term	Clarifies that delivery start date will begin after receipt of final CPUC Approval.  Adds language to clarify the estimated delivery period for each product.	Compliance with OP 6 of D.22-11-021.
Section III	Updates Protocol to clarify that PG&E will use price as sole quantitative criterion.	Compliance with OP 13 of D.22-11-021
Section IV.B.1.a  Bid Package	Updates Protocol to clarify the Bid Form for each product.	Compliance with OP 13 of D.22-11-021.
Section IV.B.1.a  Bid Package - Elections	Updates Protocol to require bidders to submit one percentage for entire delivery term.	Compliance with OP 13 of D.22-11-021.
Section IV.B.1.a  Bid Package – Green Attributes Price	Updates Protocol to require bidders to submit one bid price for entire delivery term.	Compliance with OP 13 of D.22-11-021.

<b>Table 2. Summary of Changes to Market Offer Protocol</b>		
<b>Section/Reference</b>	<b>Modification</b>	<b>Reason for Modification</b>
Section VI Procurement Review Group	Adds language to state that PG&E will consult with PRG prior to launch of the solicitation	Compliance with Finding of Fact 18 of D.22-11-021.
Section VII Regulatory Approval	Adds language to state that PG&E will seek approval of executed short-term contracts via a Tier 1 Advice Letter and executed long-term contracts via a Tier 3 Advice Letter.	Compliance with OP 6 of D.22-11-021.
Section IX Termination of the Solicitation-Related Matters	Adds language indicating that all agreements from the solicitation must be executed by [.] 2023, to ensure timely submission of the Advice Letter for Market Offer transactions within the same time range as the other IOUs.	Compliance with OP 6 and OP 13 of D.22-11-021.

<b>Table 3. Summary of Changes to Market Offer Confirms</b>		
<b>Section/Reference</b>	<b>Modification</b>	<b>Reason for Modification</b>
All References to "Short-Term Resource Pool"	Changed to refer to the "Long-Term Resource Pool" since these confirms are for the Long-Term Market Offer Solicitation.	Compliance with OP 3 and OP 4 of D.22-11-021.
All References and Definitions of "Product"	Amends the definition of products to reflect all remaining PCIA-eligible RPS energy and Green Attributes generated and associated with resources from the Long-Term Resource Pool.	Compliance with OP 3, OP 4 and OP 5 of D.22-11-021.
Definition of "Long-Term Resource Pool"	Defines the "Long-Term Resource Pool" as all PCIA-eligible RPS	Compliance with OP 3 OP 4, and OP 5 of D.22-11-021.

<b>Table 3. Summary of Changes to Market Offer Confirms</b>		
<b>Section/Reference</b>	<b>Modification</b>	<b>Reason for Modification</b>
	resources remaining after Voluntary Allocation with power purchase agreements with terms that have greater than 10 years remaining from the start of the Delivery Period. Note that the actual resources included in PG&E's Long Term Resource Pool may change for the reasons put forth in section 2.4 of each respective confirm.	
Definition of "Delivery Period"	The Delivery Period for contracts executed as part of the Long-Term Market Offer Solicitation has been amended to begin upon CPUC approval and last through and until either (1) the Long-Term End Date for Product C and Product D or; (2) December 31, 2024 for Product E and Product F.	Compliance with OP 3, OP 4, and OP 5 of D.22-11-021.
Article 7 - Credit Terms	<p>Article 7 'Credit Terms' of all Market Offer Confirms have been updated.</p> <p>For Long-Term Contracts for Products C and D (Attachments E.1 and E.2), Credit Terms have been updated to reflect collateral associated with Long-Term Products.</p> <p>For Short-Term Contracts for Products E and F (Attachments E.3 and E.4), Credit Terms have been updated to reflect collateral associated with Short-</p>	Compliance with OP 3, OP 4, OP 5 of D.21-11-021.

<b>Table 3. Summary of Changes to Market Offer Confirms</b>		
<b>Section/Reference</b>	<b>Modification</b>	<b>Reason for Modification</b>
	<p>Term Products with lengths of less than 2 years. PG&amp;E assumes that any Short-Term contracts executed as part of the Long-Term Market Offer Solicitation will not begin deliveries until after January 1, 2023 given its proposed schedule. Since these Short-Term contracts would end on December 31, 2024 they will have terms of less than 2 years. These credit terms are different than PG&amp;E's credit terms shown in Confirms for Short-Term Products filed under AL 6779-E This difference reflects internal PG&amp;E decisions that have occurred since materials included in AL 6779-E were filed.</p>	
<p>Appendix B -List of Resources in Long-Term Resource Pool</p>	<p>Appendix B has been updated to reflect the Long-Term Resource Pool for each Product sold in PG&amp;E's Long-Term Market Offer Solicitation based on contracts that are greater than 10 years as of January 1<sup>st</sup>, 2023. Note that the actual resources included in PG&amp;E's Long Term Resource Pool may change subject to reasons put forth in in Section 2.4 of each respective Confirm. PG&amp;E will update Appendix B for each form to best align the expected</p>	<p>Compliance with OP 5 and OP 11 of D.22-11-021.</p>

<b>Table 3. Summary of Changes to Market Offer Confirms</b>		
<b>Section/Reference</b>	<b>Modification</b>	<b>Reason for Modification</b>
	Delivery Period start dates with the delivery terms of the underlying contracts in Appendix B.	
All references to sale of RPS energy for Attachments E.2 and E.4	Upon evaluating the available resources in PG&E's Long-Term Resource Pool that do not meet the criteria of Public Utilities Code §399.16(b)(1), PG&E determined that all of these resources are for Green Attributes only and amended the confirms for Products D and F to reflect this.	Compliance with OP 13 of D.21-11-021.

### **Protests**

Anyone wishing to protest this submittal may do so by letter sent electronically via E-mail, no later than January 9, 2023, which is 21 days<sup>2</sup> after the date of this submittal. Protests must be submitted to:

CPUC Energy Division  
ED Tariff Unit  
E-mail: EDTariffUnit@cpuc.ca.gov

The protest shall also be electronically sent to PG&E via E-mail at the address shown below on the same date it is electronically delivered to the Commission:

Sidney Bob Dietz II  
Director, Regulatory Relations  
c/o Megan Lawson  
E-mail: PGETariffs@pge.com

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<sup>2</sup> The 20-day protest period concludes on a weekend, therefore, PG&E is moving this date to the following business day.

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 and 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).

### **Effective Date**

Pursuant to General Order (GO) 96-B, Rule 5.2, this advice letter is submitted with a Tier 2 designation. PG&E requests that this Tier 2 advice submittal become effective on regular notice, January 18, 2023, which is 30 calendar days after the date of submittal.

### **Notice**

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically to parties shown on the attached list and the parties on the service list for R.18-07-003 and R.17-06-026. Address changes to the General Order 96-B service list should be directed to PG&E at email address [PGETariffs@pge.com](mailto: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](mailto:Process_Office@cpuc.ca.gov). Send all electronic approvals to [PGETariffs@pge.com](mailto:PGETariffs@pge.com). Advice letter submittals can also be accessed electronically at: <http://www.pge.com/tariffs/>.

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/S/

Sidney Bob Dietz II  
Director, Regulatory Relations

Attachments

cc: Service Lists R.18-07-003 and R.17-06-026



# ADVICE LETTER 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       WATER  
 PLC       HEAT

Contact Person: Kimberly Loo

Phone #: (415)973-4587

E-mail: PGETariffs@pge.com

E-mail Disposition Notice to: KELM@pge.com

EXPLANATION OF UTILITY TYPE

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

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 6794-E

Tier Designation: 2

Subject of AL: Tier 2 Advice Letter Regarding Market Offer

Keywords (choose from CPUC listing): Compliance

AL Type:  Monthly  Quarterly  Annual  One-Time  Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:

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:

Confidential treatment requested?  Yes  No

If yes, specification of confidential information: See Confidentiality Declaration and Matrix  
 Confidential information will be made available to appropriate parties who execute a  
 nondisclosure agreement. Name and contact information to request nondisclosure agreement/  
 access to confidential information: Brendan Lucker, Brendan.Lucker@pge.com

Resolution required?  Yes  No

Requested effective date: 1/18/23

No. of tariff sheets: 0

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<sup>1</sup>: N/A

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

<sup>1</sup>Discuss in AL if more space is needed.

**Protests and correspondence regarding this AL are to be sent via email and are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:**

California Public Utilities Commission  
Energy Division Tariff Unit Email:  
[EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

Contact Name: Sidnev Bob Dietz II. c/o Megan Lawson  
Title: Director, Regulatory Relations  
Utility/Entity Name: Pacific Gas and Electric Company  
  
Telephone (xxx) xxx-xxxx:  
Facsimile (xxx) xxx-xxxx:  
Email: PGETariffs@pge.com

Contact Name:  
Title:  
Utility/Entity Name:  
  
Telephone (xxx) xxx-xxxx:  
Facsimile (xxx) xxx-xxxx:  
Email:

CPUC  
Energy Division Tariff Unit  
505 Van Ness Avenue  
San Francisco, CA 94102

Clear Form

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE  
STATE OF CALIFORNIA**

**PACIFIC GAS AND ELECTRIC COMPANY**

**DECLARATION OF BRENDAN LUCKER  
SEEKING CONFIDENTIAL TREATMENT  
FOR CERTAIN DATA AND INFORMATION CONTAINED  
IN ADVICE LETTER 6794-E**

I, Brendan Lucker, declare:

1. I am a Senior Manager of Energy Transactions and Solicitations within the Energy Policy and Procurement organization at Pacific Gas and Electric Company (PG&E). In this position, my responsibilities include overseeing the negotiations for the purchase and sale of Renewables Portfolio Standard (RPS) energy as well as designing and administering solicitations for the purchase and sale of energy and energy-related products. This declaration is based on my personal knowledge of PG&E's practices and my understanding of the Commission's decisions protecting the confidentiality of market-sensitive information.

2. Based on my knowledge and experience, and in accordance with Decisions 06-06-066, 08-04-023, 21-11-029, and relevant Commission rules, I make this declaration seeking confidential treatment for certain data and information contained in the attachments to Advice Letter 6794-E.

3. Attached to this declaration is a matrix identifying the data and information for which PG&E is seeking confidential treatment. The matrix specifies that the material PG&E is seeking to protect constitutes confidential market sensitive data and information covered by Public Utilities Code section 454.5(g), D.06-06-066, D.08-04-023, D.21-11-029, and/or relevant Commission rules. The matrix also specifies why confidential protection is justified. Further, the data and information: (1) is not already public; and (2) cannot be aggregated,



**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 E) TRACK 1- REVISED 2022 RENEWABLES PORTFOLIO  
STANDARD PROCUREMENT PLAN - MARKET OFFER PROCESS  
IDENTIFICATION OF CONFIDENTIAL INFORMATION**

<b>Redaction Reference</b>	<b>Category from D.06-06- 066, D. 21-11-029 Appendix 1, or Separate Confidentiality Statute or Order That Data Corresponds To</b>	<b>Justification for Confidential Treatment</b>	<b>Length of Time Data To Be Kept Confidential</b>
Grey Shading in Appendix B	VII – Score sheets, analysis and evaluation for RPS Projects	Confidential score sheets, analyses and evaluation for RPS contracts.	Three years

**PACIFIC GAS AND ELECTRIC COMPANY**

**Attachment A**

**Revised Joint IOU Filing on Track 1 –  
Final 2022 Renewables Portfolio Standard-  
Market Offer Process**

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE  
STATE OF CALIFORNIA**

Order Instituting Rulemaking to Continue  
Implementation and Administration, and  
Consider Further Development, of California  
Renewables Portfolio Standard Program.

Rulemaking 18-07-003

**REVISED JOINT FILING ON TRACK 1 – FINAL 2022 RENEWABLES PORTFOLIO  
STANDARD PROCUREMENT PLAN - MARKET OFFER PROCESS**

JANET S. COMBS  
CAROL SCHMID-FRAZEE  
Attorneys for  
SOUTHERN CALIFORNIA EDISON  
COMPANY  
Southern California Edison Company  
2244 Walnut Grove Avenue  
Post Office Box 800  
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Dated: **December 19, 2022**

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE  
STATE OF CALIFORNIA**

Order Instituting Rulemaking to Continue  
Implementation and Administration, and  
Consider Further Development, of California  
Renewables Portfolio Standard Program.

Rulemaking 18-07-003

**REVISED JOINT FILING ON TRACK 1 – FINAL 2022 RENEWABLES PORTFOLIO  
STANDARD PROCUREMENT PLAN - MARKET OFFER PROCESS**

**I.**

**EXECUTIVE SUMMARY**

In compliance with Decision (“D.”) 22-11-021, Ordering Paragraph 12, Pacific Gas and Electric Company (“PG&E”), Southern California Edison Company (“SCE”), and San Diego Gas and Electric Company (“SDG&E”) (together the “Joint Utilities”) were ordered to each file a Tier 1 Advice Letter within 15 days of D.22-11-021’s issuance date with “[t]he changes to the Market Offer process and protocols ordered in this decision, their revised timeline for the Market Offer process, and any necessary changes to their Market Offer pro formas to conform to directives of this decision.” On December 5, 2022, each of the Joint Utilities filed separate Tier 1 Advice Letters pursuant to such order. Included as an Attachment each Advice Letter is a “Revised Joint IOU Filing on Track 1-Final 2022 Renewables Portfolio Standard-Market Offer Process” (“Joint Market Offer Filing”), which the Joint Utilities refer to here. To the extent that no revisions were required to specific sections of such Joint Market Offer Filing required by the Tier 2 Advice Letter filing required by Ordering Paragraph 13 of D.22-11-021, the Joint Utilities provide reference to each compliance advice letter for reference.

For SCE, this section was submitted in Advice Letter 4914-E submitted December 5, 2022. For PG&E, this section was submitted in Advice Letter 6779-E submitted December 5, 2022. For SDG&E, this section was submitted in Advice Letter 4117-E, submitted December 5, 2022.

## **II.**

### **PROCEDURAL BACKGROUND AND OVERVIEW**

For SCE, this section was submitted in Advice Letter 4914-E submitted December 5, 2022. For PG&E, this section was submitted in Advice Letter 6779-E submitted December 5, 2022. For SDG&E, this section was submitted in Advice Letter 4117-E, submitted December 5, 2022.

## **III.**

### **RENEWABLE ENERGY CREDITS SALES FRAMEWORK**

For SCE, this section was submitted in Advice Letter 4914-E submitted December 5, 2022. For PG&E, this section was submitted in Advice Letter 6779-E submitted December 5, 2022. For SDG&E, this section was submitted in Advice Letter 4117-E, submitted December 5, 2022.

#### **A. Short-Term Market Offer Sales Framework**

For SCE, this section was submitted in Advice Letter 4914-E submitted December 5, 2022. For PG&E, this section was submitted in Advice Letter 6779-E submitted December 5, 2022. For SDG&E, this section was submitted in Advice Letter 4117-E, submitted December 5, 2022.

**B. Long-Term REC Sales Framework**

**1. SCE**

Ordering Paragraph (“OP”) 3 of D.22-11-021 requires the Joint Utilities to offer 35% of remaining Power Charge Indifference Adjustment (“PCIA”)-eligible long-term contracts as long-term product. Consistent with OP 3, SCE’s Tier 2 Advice Letter offers 35% of its remaining PCIA-eligible long-term contracts as long-term product through its long-term solicitation. Consistent with OP 4 of D.22-11-021, SCE will optimize the value of bids for its customers by offering 65% of its remaining PCIA-eligible long-term contracts as short-term product in its short-term solicitation. This will optimize the value of SCE’s remaining PCIA-eligible long-term contracts for two reasons. First, limiting long-term contracts to 35% of remaining PCIA-eligible long-term contracts will limit the risk to SCE’s customers associated with returning customer load because if some customer load returns to SCE. This is because SCE will have the 65% of remaining PCIA-eligible long-term contracts available to serve returning customer load. Second, limiting long-term contracts to 35% of remaining PCIA-eligible long-term contracts will allow deliveries on the 65% of remaining PCIA-eligible long-term contracts as short-term contracts to commence earlier in time. This will provide additional benefits to customers in the short-term because SCE will receive revenues sooner to reduce customer costs for the remaining PCIA-eligible long-term contracts.

Confidential Appendix A to SCE’s Advice Letter 4914-E, submitted December 5, 2022, contains the REC Sales Framework for both its long-term and short-term solicitations. For ease of use, Confidential Appendix A is attached to SCE’s Tier 2 Advice Letter, but has not been changed from the document submitted in SCE’s Advice Letter 4914-E.

## **2. PG&E and SDG&E**

OP 3 of D.22-11-021 requires the Joint Utilities to offer 35% of remaining PCIA-eligible long-term contracts as long-term product, and PG&E and SDG&E offer such volume as long-term product into the solicitation. Consistent with OP 4 of D.22-11-021, PG&E's and SDG&E's Tier 2 Advice Filing each include a separately submitted confidential methodology to optimize the value of bids for ratepayers, so that PG&E and SDG&E may offer 65 percent of their respective remaining Power Charge Indifference Adjustment eligible long-term contracts in the Market Offer as long-term or short-term product.

### **C. Products Offered**

For SCE, this section was submitted in Advice Letter 4914-E submitted December 5, 2022. For PG&E, this section was submitted in Advice Letter 6779-E submitted December 5, 2022. For SDG&E, this section was submitted in 4117-E, submitted December 5, 2022.

### **D. Confidential Sales Framework**

#### **1. Short-Term Sales Framework**

For SCE, this section was submitted as a confidential attachment to in Advice Letter 4914-E submitted December 5, 2022. For PG&E, this section was submitted as a confidential attachment to in Advice Letter 6779-E submitted December 5, 2022. For SDG&E, this section was submitted in a confidential attachment to Advice Letter 4117-E, submitted December 5, 2022.

#### **2. Long-Term Confidential Sales Framework**

PG&E's and SDG&E's Tier 2 Advice Filing each include a separately submitted confidential sales framework addressing long-term sales. Those confidential attachments address a methodology to optimize the value of bids for ratepayers, so that PG&E and SDG&E

may offer 65 percent of their respective remaining Power Charge Indifference Adjustment eligible long-term contracts in the Market Offer as long-term or short-term product.

For SCE, Confidential Appendix A to its Advice Letter 4914-E submitted December 5, 2022 contained the confidential sales framework for both its long and short-term Market Offer sales. For ease of use, Confidential Appendix A is attached to SCE's Tier 2 Advice Letter, but it has not been changed from the document submitted in SCE's Advice Letter 4914-E.

**E. Competitive Solicitation Only**

For SCE, this section was submitted in Advice Letter 4914-E submitted December 5, 2022. For PG&E, this section was submitted in Advice Letter 6779-E submitted December 5, 2022. For SDG&E, this section was submitted in Advice Letter 4117-E, submitted December 5, 2022.

**F. Commission Approval of Short-Term Sales Through Tier 1 Advice Letter, Long-Term Sales Through Tier 3 Advice Letter**

For SCE, this section was submitted in Advice Letter 4914-E submitted December 5, 2022. For PG&E, this section was submitted in Advice Letter 6779-E submitted December 5, 2022. For SDG&E, this section was submitted in Advice Letter 4117-E, submitted December 5, 2022.

**G. Involvement of Procurement Review Group (PRG) and Independent Evaluator (IE)**

For SCE, this section was submitted in Advice Letter 4914-E submitted December 5, 2022. For PG&E, this section was submitted in Advice Letter 6779-E submitted December 5, 2022. For SDG&E, this section was submitted in Advice Letter 4117-E, submitted December 5, 2022.

**H. Short-Term Market Offer Proposed Timeline**

For SCE, this section was submitted in Advice Letter 4914-E submitted December 5, 2022. For PG&E, this section was submitted in Advice Letter 6779-E submitted December 5, 2022. For SDG&E, this section was submitted in Advice Letter 4117-E, submitted December 5, 2022.

**I. Long-Term Market Offer Proposed Timeline**

The Joint IOUs agreed to launch their Long-Term Market Offers the later of February 15, 2023 or 10 Business Days after final and non-appealable disposition of Tier 2 Advice Letter. Bids will be due 35 calendar days after launch. This extended period will accommodate certain counterparties' approval processes to offer a new long-term product, in addition to the Joint IOUs' Short-Term and Long-Term Market Offer Processes overlapping each other.

**IV.**

**ALLOCATION OF SALES REVENUE**

**A. Ratemaking for Market Offer Sales Revenues**

For SCE, this section was submitted in Advice Letter 4914-E submitted December 5, 2022. For PG&E, this section was submitted in Advice Letter 6779-E submitted December 5, 2022. For SDG&E, this section was submitted in Advice Letter 4117-E, submitted December 5, 2022.

**PACIFIC GAS AND ELECTRIC COMPANY**

**Attachment B**

**PG&E's Long Term Market Offer Framework**

**(Confidential)**

**PACIFIC GAS AND ELECTRIC COMPANY**

**Attachment C**

**PG&E's Long Term Market Offer Framework**

**(Public)**

## **PG&E's Revised Framework for Assessing Market Offer Sales of Renewables Portfolio Standard Volumes: Long-Term Market Offer**

This Appendix B governs Pacific Gas and Electric Company's (PG&E) framework (Sales Framework) for sales of Renewables Portfolio Standard (RPS) volumes through the 2023 Power Charge Indifference Adjustment (PCIA) RPS Market Offer process held in compliance with Ordering Paragraphs 3 and 4 of Decision (D.) 22-11-021 for Market Offer RPS sales held pursuant to Advice Letter 6794-E.<sup>1</sup> PG&E may update this Sales Framework as part of subsequent RPS Plan filings that include Market Offer solicitations. PG&E may therefore adjust its methodology and the resulting calculations of volumes for sale in any future Market Offer solicitation.

### **Products Sold:**

As described in the Track 1 Draft RPS Plan, PG&E will offer its PCIA-eligible long-term contracts and utility owned generation (UOG) resources remaining after Voluntary Allocation through long-term and short-term sales. Products relevant to the Long-Term Market Offer are defined herein as Product C, Product D, Product E, and Product F.<sup>2</sup>

Product C: Following Voluntary Allocation, all remaining bundled RPS-eligible energy and associated RECs from UOG and facilities with power purchase agreements with remaining terms of more than 10 years from the start date of market offer deliveries in PG&E's PCIA-eligible RPS portfolio that meet the criteria of Public Utilities Code §399.16(b)(1), to be delivered to counterparties from the start date of the market offer deliveries until the Long-Term End Date.<sup>3</sup>

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<sup>1</sup> Southern California Edison Company, PG&E, and San Diego Gas & Electric Company jointly filed a Draft 2022 Renewables Portfolio Standard Procurement Plan – Market Offer Process, on May 2, 2022, in Rulemaking 18-07-003 and D. 22-11-021 ordered revisions to such filing as provided by an attachment to PG&E's Tier 1 Advice Letter Filing (hereinafter referred to as Track 1 Draft 2022 RPS Plan).

<sup>2</sup> Definitions are intended to distinguish products resulting from a solicitation held in compliance with Ordering Paragraph 2 of D.21-11-021.

<sup>3</sup> "Long-Term End Date" as defined in PG&E's Long-Term Market Offer Confirms for Product C and Product D is the end date of the contract with the longest term in the Long-Term Resource Pool, excluding contracts with utility owned generation facilities and resources without fixed expiration dates.

Product D: Following Voluntary Allocation, all remaining RECs from facilities with power purchase agreements with remaining terms of more than 10 years from the start date of market offer deliveries in PG&E's PCIA-eligible RPS portfolio that do not meet the criteria of Public Utilities Code §399.16(b)(1), to be delivered to counterparties from the start date of the market offer deliveries until the Long-Term End Date.

Product E: Following Voluntary Allocation, all remaining bundled RPS-eligible energy and associated RECs from UOG facilities with power purchase agreements with remaining terms more than 10 years from the start date of market offer deliveries in PG&E's PCIA-eligible RPS portfolio that meet the criteria of Public Utilities Code §399.16(b)(1), to be delivered to counterparties from the start date of the market offer deliveries until December 31, 2024.

Product F: Following Voluntary Allocation, all remaining RECs from facilities with power purchase agreements with remaining terms of more than 10 years from the start date of market offer deliveries in PG&E's PCIA RPS-eligible portfolio that do not meet the criteria of Public Utilities Code §399.16(b)(1), to be delivered to counterparties from the start date of the market offer deliveries until December 31, 2024.

**Price Evaluation Criteria:**

[REDACTED]

[REDACTED]

- [REDACTED] 4]
- [REDACTED]
- [REDACTED]

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4 [REDACTED]

[Redacted]

- [Redacted] 5]
- [Redacted]
- [Redacted]

[Redacted]

- [Redacted]
- [Redacted]
- [Redacted]

[Redacted]

- [Redacted]
- [Redacted]
- [Redacted]

[Redacted]

5

[Redacted]

## Volume Limits for Each Product:

In compliance with D.22-11-021, PG&E will offer:

- 35% of its remaining PCIA-eligible RPS energy and/or associated RECs if any, following PG&E's Voluntary Allocation process<sup>6</sup> from UOG and facilities with power purchase agreements with terms of more than 10 years remaining from the start date of market offer deliveries as long-term products.
- 65% of its remaining PCIA-eligible RPS energy and/or associated RECs if any, following PG&E's Voluntary Allocation process<sup>7</sup> from UOG and facilities with power purchase agreements with terms of more than 10 years remaining from the start date of market offer deliveries as either short-term or long-term products.

PG&E will do the following to establish the amount of RPS volume available for sale.

- Determine the total Solicitation Volume Limit for all products sold from its Long-Term Resource Pool.<sup>8</sup>

PG&E will calculate the Solicitation Volume Limits prior to the solicitation and adhere to the following processes:

- PG&E will issue one solicitation for volumes in PG&E's Long-Term Resource Pool governed by Track 1 of the 2022 RPS Plan.
- PG&E will utilize the Solicitation Protocol included as Appendix D to the Track 1 Draft 2022 RPS Plan or as amended by Commission Order, and PG&E will execute sales using the pro forma sales agreement resulting from the disposition of Advice Letter 6794-E, as is subsequently amended in compliance with D.22-11-021. PG&E will show any necessary changes to the pro forma sales

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<sup>6</sup> See Track 1 Draft 2022 RPS Plan, p. 3. For a description of the Voluntary Allocation process, see Track 1 Draft 2022 RPS Plan, pp. 3-4.

<sup>7</sup> See Track 1 Draft 2022 RPS Plan, p. 3. For a description of the Voluntary Allocation process, see Track 1 Draft 2022 RPS Plan, pp. 3-4.

<sup>8</sup> PG&E's Long Term Resource Pool as defined in PG&E's Long-Term Market Offer Confirms for each respective product means all PCIA-eligible RPS resources remaining after Voluntary Allocation with power purchase agreements with terms that have greater than 10 years remaining from the start of the Delivery Period. The actual resources included in this pool and defined in each confirm may change.



[REDACTED]

- PG&E retains the discretion, subject to Commission review, to decline to accept any bids and/or to discontinue the sales solicitation under any circumstances in which there is evidence of market manipulation.

- [REDACTED]

**PACIFIC GAS AND ELECTRIC COMPANY**

**Attachment D**

**PG&E's Long Term Market Offer Process  
Solicitation Protocol**



# **2023 PCIA RPS Market Offer – Long-Term Solicitation Protocol**

**Issuance Date: [.] , 2023**

**2023 PCIA RPS Long-Term Market Offer Solicitation Protocol**

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- Attachment B: 2023 PCIA RPS Market Offer – Participant Attestations
- Attachment C: 2023 PCIA RPS Market Offer – Confidentiality Agreement

## I. Overview

### A. Overview

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Pacific Gas and Electric Company (“PG&E”) is issuing the Long-Term Resource 2023 Power Charge Indifference Adjustment (“PCIA”) Renewables Portfolio Standard (“RPS”) Market Offer Solicitation (“Solicitation”) to solicit bids (“Bids”) from participants (“Participants”) to purchase RPS-eligible energy and/or Renewable Energy Credits (“REC”) from facilities with power purchase agreements with delivery terms of more than 10 years remaining from the start date of the Delivery Period in PG&E’s PCIA-eligible RPS portfolio that remains following the Voluntary Allocation process, including utility owned generation (collectively, “Product”) pursuant to a confirmation (“Agreement”). This Solicitation protocol (“Solicitation Protocol”) describes the process by which PG&E seeks, evaluates, and accepts Bids in this Solicitation from winning Participants (“Buyers”).

The Long-Term Solicitation complies with the Joint Track 1 2022 RPS Plan, which was approved by the California Public Utilities Commission (“CPUC” or “Commission”) in Decision (“D.”) 22-11-021. Pursuant to Ordering Paragraphs 3 and 4 of D.22-11-021, PG&E’s Long-Term Solicitation offers 100 percent of PCIA-eligible long-term contracts (including PG&E owned resources without fixed expiration dates) remaining after Voluntary Allocation in this Market Offer solicitation.

PG&E will make all sales according to the terms and conditions set forth in the Agreement. This Solicitation Protocol sets forth the procedures a Participant must follow in order to participate in the Solicitation. Capitalized terms used in this Solicitation Protocol, but not otherwise defined herein, have the meanings set forth in the Agreement.

### B. PCIA RPS Market Offer Solicitation Communication

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PG&E has established the Solicitation website at [\[website here\]](#) where Participants can register for the Solicitation. All Solicitation documents, information, announcements and questions and answers will be posted and available to Participants at this website.

To promote accuracy and consistency of the information provided to all Participants, Participant must submit any inquiries via e-mail to <mailto:PCIAVAMO@pge.com> for matters related to the Solicitation. 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 the questions and responses on its website. PG&E may, in its sole discretion, decline to respond to any email or other inquiry.

Any exchange of material information regarding this Solicitation between Participant and PG&E must be submitted to both PG&E and the Independent Evaluator (“IE”), [First Name, Last Name], at [email address]. The IE is an independent, third-party evaluator who is required by CPUC D.04-12-048 to ensure this Solicitation is conducted in a reasonable and neutral manner.

**2023 PCIA RPS Long-Term Market Offer Solicitation Protocol****C. Schedule**

The Solicitation schedule is subject to change to conform to any CPUC requirements and at the discretion of PG&E. PG&E will post any schedule changes on PG&E’s Solicitation website. PG&E is planning an expeditious Solicitation process in order to facilitate timely approval of resulting sales. To enable successful involvement in this Solicitation, **PG&E encourages all Participants to begin any internal approval processes at the earliest opportunity possible**, in anticipation of the expedited timelines described below. Also, as further described below, Participants may register at PG&E’s Request for Offer (“RFO”) website to receive notice of these and other Solicitation 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 schedule for this Solicitation is (all times are in Pacific Prevailing Time):

**Table 1: 2023 PCIA RPS Long-Term Market Offer Solicitation Schedule of Events<sup>1</sup>**

<b>Date/Time*</b>	<b>Event</b>
Ongoing	Participants may register online at PG&E’s RFO website to receive notices regarding the Solicitation.
No earlier than February 15, 2023 and 10 Business Days after the Commission’s final and non-appealable disposition of PG&E Tier 2 Advice Letter of the Solicitation processes	PG&E issues the Solicitation.
TBD	Participants’ Webinar.
35 calendar days after issuance of the Solicitation	Bids Due. Participants must submit Bid(s) to the online platform at Power Advocate by 1 PM (PPT).
TBD	PG&E notifies qualified Participants.
TBD	PG&E and each qualified Participant execute an Agreement, which shall be subject to “CPUC Approval,” as provided in the Agreement.
TBD	PG&E submits Agreements for CPUC Approval.

\*Dates are approximate and subject to change.

<sup>1</sup> PG&E will update rows/dates with “TBD” in the Schedule of Events table prior to RFO launch and after the Commission’s final and non-appealable disposition of PG&E Tier 2 Advice Letter of the Solicitation processes.

#### **D. Events in the Solicitation Schedule**

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- a. Registration. Participants may register online to receive announcements and updates about this Solicitation through [[website here](#)].
- b. Issuance. PG&E will issue the Solicitation and post the Solicitation Protocol, form of Agreement, and all other solicitation materials on the Solicitation website.
- c. Participants' Webinar. PG&E will hold a Participants' Webinar to review key Protocol items related to this Solicitation.
- d. Bids Due. Bids must be submitted via Power Advocate and must include all of the documents described in Section IV, Required Information. By submitting a Bid(s) and responding to this Solicitation, the Participant agrees to be bound by all of the terms, conditions and other provisions of this Solicitation and any changes or supplements to it that may be issued by PG&E.
- e. PG&E Selects Qualified Bid List. PG&E will notify Participants via email if their Bids have been selected ("Qualified Bids"). PG&E will select Qualified Bids according to the evaluation criteria described in Section III, Evaluation Criteria. Notification of a Qualified Bid does not constitute an offer to sell by PG&E and PG&E may select Qualified Bids in excess of the number of Bids ultimately executed as part of the Solicitation.
- f. Execution of Agreement. PG&E and each Participant with a Qualified Bid may execute an Agreement.
- g. Regulatory Approval. PG&E will submit all such Agreements to the CPUC for approval via an advice letter filing. Additional regulatory approval information is provided in Section VII, Regulatory Approval.

#### **E. Disclaimers for Rejecting Bids and/or Terminating this Solicitation**

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This Solicitation does not constitute an offer to sell and creates no obligation to execute any Agreement or to enter into a transaction under an Agreement as a consequence of the Solicitation. PG&E shall retain the right at any time, at its sole discretion, to offer Participants the opportunity to refresh their Bid price, or reject any Bid on the grounds that it does not conform to the terms and conditions of this Solicitation, and further 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 Bid or any portion(s) of a Bid for any reason, including but not limited to the basis that a Bid is the result of market manipulation or is not cost-competitive or any other applicable reason; (b) modify this Solicitation and the form Agreement as it deems appropriate to implement the Solicitation and to comply with applicable law or other decisions or direction provided by the CPUC; and (c) terminate the Solicitation should the CPUC not authorize PG&E to sell the Product in the manner proposed in this

**2023 PCIA RPS Long-Term Market Offer Solicitation Protocol**

Solicitation. In addition, PG&E reserves the right to either suspend or terminate this Solicitation 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 Solicitation Protocol to any Participant, whether submitting a Bid or not.

**II. Solicitation Product**

PG&E is seeking to sell eligible Product with the attributes listed below.

**A. Product Attributes**

<b>Product Attributes for 2023 PCIA RPS Market Offer Solicitation</b>	
<b>Product<sup>2</sup></b>	<ul style="list-style-type: none"> <li>• <b>C:</b> Following Voluntary Allocation, all remaining bundled RPS-eligible energy and associated RECs from facilities with power purchase agreements with remaining terms of more than 10 years from the start date of market offer deliveries in PG&amp;E’s PCIA-eligible RPS portfolio that meet the criteria of Public Utilities Code §399.16(b)(1), to be delivered to counterparties from the start date of the market offer deliveries until the Long-Term End Date.<sup>3</sup></li> <li>• <b>D:</b> Following Voluntary Allocation, all remaining RECs from facilities with power purchase agreements with remaining terms of more than 10 years from the start date of market offer deliveries in PG&amp;E’s PCIA-eligible RPS portfolio that do not meet the criteria of Public Utilities Code §399.16(b)(1), to be delivered to counterparties from the start date of the market offer deliveries until the Long-Term End Date.</li> <li>• <b>E:</b> Following Voluntary Allocation, all remaining bundled RPS-eligible energy and associated RECs from facilities with power purchase agreements with remaining terms more than 10 years from the start date of market offer deliveries in PG&amp;E’s PCIA-eligible RPS portfolio that meet the criteria of Public Utilities Code §399.16(b)(1), to be delivered to counterparties from the start date of the market offer deliveries until December 31, 2024.</li> </ul>

<sup>2</sup> All Products in PG&E’s Long-Term Market Offer Solicitation will be delivered from PG&E’s Long Term Resource Pool. The actual resources in the Long-Term Resource Pool may change. See D. 22-11-021, p. 19 (stating “[L]ong-term contracts should be limited to the sale of RECs deemed long-term at the time of delivery. Therefore, the RPS resources that have less than 10 years remaining on their contract terms as of their first delivery date will be placed in the short-term pool. The RPS resources that have 10 or more years remaining on their contract terms as of the first date of their delivery will be placed in the long-term pool.”)

<sup>3</sup> “Long-Term End Date” as defined in PG&E’s Long-Term Market Offer Confirms for Product C and Product D is the end date of the contract with the longest term in the Long-Term Resource Pool, excluding contracts with utility owned generation facilities and resources without fixed expiration dates.

**2023 PCIA RPS Long-Term Market Offer Solicitation Protocol**

	<ul style="list-style-type: none"> <li>• <b>F:</b> Following Voluntary Allocation, all remaining RECs from facilities with power purchase agreements with remaining terms of more than 10 years from the start date of market offer deliveries in PG&amp;E’s PCIA RPS-eligible portfolio that do not meet the criteria of Public Utilities Code §399.16(b)(1), to be delivered to counterparties from the start date of the market offer deliveries until December 31, 2024.</li> </ul>
<b>Pricing</b>	<ul style="list-style-type: none"> <li>• Energy, if applicable – settled at the day-ahead trading hub index price (e.g., NP15, ZP26 and/or SP15 )</li> <li>• REC – fixed price</li> </ul>
<b>Location</b>	<ul style="list-style-type: none"> <li>• If applicable, location is to be selected by Seller, or a qualified third-party designated by Seller, in its discretion: such as NP15, SP15, and/or ZP26 Trading Hub.</li> </ul>
<b>Delivery Term</b>	<ul style="list-style-type: none"> <li>• 2023 to 2043 (estimated) for Product C and Product D</li> <li>• 2023 to 2024 (estimated) for Product E and Product E</li> <li>• Delivery start date will commence upon final CPUC Approval of Tier 3 Advice Letter for Products C and D or Tier 1 Advice Letter for Products E and F</li> </ul>
<b>Agreement</b>	<ul style="list-style-type: none"> <li>• Confirm under an Edison Electric Institute (“EEI”) Master Agreement</li> </ul>

### III. Evaluation Criteria

PG&E will evaluate Bids using the evaluation criteria outlined below.

#### A. Quantitative Evaluation

For the Solicitation, PG&E will consider Price offered as the sole quantitative criterion.

PG&E has full discretion regarding offering a bid refresh to counterparties. There is no certainty that a counterparty will be offered an opportunity to refresh a bid.

#### B. Qualitative Evaluation

For the Solicitation, PG&E may apply qualitative criteria in evaluating bids by Participants.

##### 1. Financial Strength and Creditworthiness

PG&E may consider the Participant’s capability to perform all of its financial obligations under the Agreement and PG&E’s overall credit concentration with the Participant or Participant’s bank used to meet its credit requirements, if applicable, including any of

Participant's affiliates.

## 2. Agreement Modifications

PG&E will not accept substantive modifications to the Agreement.

## 3. Other Qualitative Considerations

In addition to the criteria specifically listed above, PG&E may consider other qualitative factors that could impact the value of Bids, including, but not limited to: previous adverse commercial experience between PG&E and Participant; counterparty diversity; completeness of Bid; and status of an acceptable EEI Master Agreement between PG&E and Participant.

# IV. Required Information

## A. Submission Overview

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All Bid submittal information pertaining to this Solicitation will be hosted on the Power Advocate site. Telephonic, hardcopy or facsimile transmission of a Bid is not acceptable. In order to participate in this Solicitation, Participants must register and be accepted through Power Advocate at the Public Registration Link:

[\[Public Registration Link To Be Added Here\]](#)

PG&E strongly encourages Participants to register with Power Advocate at least a week before Bids are due. PG&E will provide relevant Solicitation data to Participants registered through the Power Advocate site. Detailed instructions for submitting Bid(s) and using Power Advocate are on PG&E's Solicitation website.

**Electronic Documents:** The electronic documents for the attachments must be in a Microsoft Word, Excel file or Adobe Acrobat PDF file as applicable. For each document, please include the Participant's company name in each file name. For the bid form file name, please create a file name as follows: NAME\_Attachment A \_2022MO\_Date submitted [YYMMDD]. For example, a company named Blue Power submitting their bid using Attachment A would use the file name: BLUEPOWER\_A\_2022MO\_220930. The Participant should not provide documents in other electronic formats, unless specifically requested.

## B. Required Forms

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### 1. Bid Package

The following documents, which are on the PG&E's Solicitation website, must be completed and included with each PowerAdvocate Bid submission:

- a. Bid Form – (Attachment A1, Attachment A2, Attachment A3, Attachment A4)

**2023 PCIA RPS Long-Term Market Offer Solicitation Protocol**

- i. The Bid Form is a Word document of the EEI Agreement Confirmation. Attachment A1 is the Bid Form for Product C. Attachment A2 is the Bid Form for Product D. Attachment A3 is the Bid Form for Product E. Attachment A4 is the Bid Form for Product F. PG&E has highlighted in yellow the areas of the confirm that counterparties are required to input. Counterparties should input into the yellow highlighted fields using track changes. Any changes to language in the confirm not highlighted in yellow will not be considered. PG&E will consider edits to the Agreement in the following sections:
    1. Election [Whole Percentage]
    2. Green Attributes Price [\$/MWh]
  - ii. The EEI Agreement Confirmation is specific to transactions executed under an EEI Master Agreement with Collateral Annex and as such, Participants will need to have an EEI Master and Collateral Annex in place with PG&E prior to the execution of an Agreement in this Solicitation. Participants interested in establishing an EEI Master Agreement with PG&E should send an email to the Market Offer mailbox at [PCIAVAMO@pge.com](mailto:PCIAVAMO@pge.com) with such request as soon as possible.
  - iii. Participant must provide all applicable information requested in the form, and all inputs must match the respective information provided in other required documentation.
  - iv. PG&E will accept one Bid Form (Word doc) per Product per counterparty. Brokers submitting on behalf of one or multiple counterparties may do so, but must designate the name of the Buyer in the bid form (“Bid Form”).
- b. Participant Attestations (Attachment B)
  - c. Executed Confidentiality Agreement (Attachment C)
  - d. Documentation of Entity Legal Status from the California Secretary of State or Joint Powers Authority
    - i. Participant or end-user counterparty must demonstrate that it has an “Active” legal status authorized by the California Secretary of State in order to engage in business with PG&E. A webpage screenshot verifying Participant or end-user counterparty’s “Active” legal status via the California Secretary of State’s webpage is acceptable. The California Secretary of State website is located at <https://businesssearch.sos.ca.gov/>. Note, a Joint Powers Authority (“JPA”) is also acceptable.

## V. Confidentiality

No Participant shall collaborate on or discuss with any other Participant [or market participant involved in the purchase or sale of Product:] (a) potential Bidding strategies; (b) the substance of any Bid(s), including without limitation the price or any other terms or conditions of any Bid(s); or (c) whether PG&E has qualified Bids or not.

All information and documents in Participant's Package that have been 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 Package 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 Solicitation, including Participant's confidential information, may be provided to the CPUC, its staff, and the Procurement Review Group ("PRG"), and 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, in the advice letter filing or in order to comply with any applicable law, regulation, or any exchange, control area or California Independent System Operator 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 agreement or orders will be obtained from and/or honored by the PRG, the California Energy Commission, or the CPUC. By submitting a Bid, Participant agrees to adhere and be bound by the confidentiality provisions described in this section.

The treatment of confidential information described above shall continue to apply to information related to Qualified Bids.

## VI. Procurement Review Group Review

Prior to issuance of the RFO, PG&E will consult with the PRG in compliance with D.22-11-021. Following completion of the evaluation and ranking of Bids, PG&E will submit the results of the evaluation and its review to its PRG members. 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 Bids.

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 Bids and the obtaining of Regulatory Approval.

## VII. Regulatory Approval

After Agreement execution, PG&E is required to submit executed Agreements to the CPUC for approval via an advice letter filing.

PG&E shall seek approval of executed short-term contracts via a Tier 1 Advice Letter, and executed long-term contracts via a Tier 3 Advice Letter.

The effectiveness of any executed Agreement is expressly conditioned on PG&E's receipt of final and non-appealable CPUC approval of such Agreement ("Regulatory Approval").

## VIII. Dispute Resolution

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

By submitting a Bid, Participant agrees that the initial forum in which Participant may assert any challenge with respect to the conduct or results of the Solicitation is through processes at the CPUC, including 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. 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:

<https://www.cpuc.ca.gov/proceedings-and-rulemaking/alternative-dispute-resolution>.

In addition to the initial ADR process referenced above, Participant further agrees that the Participant must exhaust all CPUC administrative remedies before directly challenging Market Offer bid solicitation results in state or federal court. Specifically, should Participant wish to challenge the conduct or results of the Solicitation, Participant agrees to protest PG&E's Advice Letter Filing seeking approval of one or more Agreements entered into as a result of the Solicitation, that the sole basis for any such protest shall be that PG&E allegedly failed in a material respect to conduct the Solicitation in accordance with this Solicitation 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 Solicitation that the CPUC determines was not previously conducted in accordance with the Solicitation 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 Solicitation and any related regulatory proceedings related to the Solicitation, will continue as if the protest had not been filed, unless the CPUC has issued an order suspending the Solicitation or PG&E has elected to terminate the Solicitation.

**2023 PCIA RPS Long-Term Market Offer Solicitation Protocol**

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 Solicitation.

Except as expressly provided in this Solicitation 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 Solicitation Protocol is intended to prevent any Participant from informally communicating with the CPUC or its staff regarding this Solicitation.

## **IX. Termination of the Solicitation-Related Matters**

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

PG&E reserves the right to terminate further participation in this process by any Participant, to accept any Bid or to enter into any Agreement, and to reject any or all Bids, all without notice and without assigning any reasons and without liability to PG&E or anyone acting on PG&E's behalf. PG&E shall have no obligation to consider any Bids.

In the event of termination of the Solicitation for any reason, PG&E will not reimburse Participant for any expenses incurred in connection with the Solicitation. PG&E shall have no obligation to reimburse any Participant's expenses regardless of whether such Participant's Package is selected, not selected, rejected or disqualified. Unless earlier terminated, the Solicitation will terminate automatically upon the execution of one or more Agreements by Participants with Selected Bids. The solicitation will terminate automatically on [TBD]<sup>4</sup> if no Agreements have been executed by that date.

## **X. Participant's Representations and Warranties**

1. By submitting a Bid, Participant agrees to be bound by the conditions of the Solicitation, and makes the following representations, warranties, and covenants to PG&E, which representations, warranties, and covenants shall be deemed to be incorporated in their entirety into each of Participant's Package. Participant agrees that an electronic signature of a duly authorized representative of Participant shall be the same as delivery of an executed original document for purposes of the Bid Form.
  - Participant agrees to adhere and be bound by the confidentiality provisions described in the 2023 PCIA RPS Market Offer Solicitation Protocol and the

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<sup>4</sup> To be updated prior to launch after CPUC approval of Tier 2 AL for the Long-Term Market Offer Processes.

**2023 PCIA RPS Long-Term Market Offer Solicitation Protocol**

Confidentiality Agreement included as Attachment C to the Solicitation Protocol.

- Participant has read, understands and agrees to be bound by all terms, conditions and other provisions of this Solicitation Protocol;
- Participant has had the opportunity to seek independent legal and financial advice of its own choosing with respect to the Solicitation and this Solicitation Protocol, including the submittal forms and documents listed in this Solicitation Protocol which are posted on the Solicitation website;
- Participant has obtained all necessary authorizations, approvals and waivers, if any, required by Participant to submit its Bid pursuant to the terms of this Solicitation Protocol and to enter into an Agreement with PG&E;
- Participant's Package complies with all applicable laws;
- Participant has not engaged, and covenants that it will not engage, in any communications with any other actual or potential Participant in the Solicitation concerning this Solicitation, price terms in Participant's Package, or related matters and has not engaged in collusion or other unlawful or unfair business practices in connection with the Solicitation;
- Any Bid submitted by Participant is subject only to PG&E's acceptance, in PG&E's sole discretion; and
- The information submitted by Participant to PG&E in connection with the Solicitation and all information submitted as part of any Bid is true and accurate as of the date of Participant's submission. Participant also covenants that it will promptly update such information with PG&E upon any material change thereto.

2. By submitting a Bid, Participant acknowledges and agrees:

- That PG&E may rely on any or all of Participant's representations, warranties, and covenants in the Solicitation (including any Bid submitted by Participant); and
- That in PG&E's evaluation of Bids pursuant to the Solicitation, PG&E has the right to disqualify a Participant that is unwilling or unable to meet any other requirement of the Solicitation, as determined by PG&E in its sole discretion.

BY SUBMITTING A BID, PARTICIPANT HEREBY ACKNOWLEDGES AND AGREES THAT ANY BREACH BY PARTICIPANT OF ANY OF THE REPRESENTATIONS, WARRANTIES AND COVENANTS IN THESE SOLICITATION INSTRUCTIONS SHALL CONSTITUTE GROUNDS FOR IMMEDIATE DISQUALIFICATION OF SUCH PARTICIPANT, IN ADDITION TO ANY OTHER REMEDIES THAT MAY BE AVAILABLE TO

**2023 PCIA RPS Long-Term Market Offer Solicitation Protocol**

PG&E UNDER APPLICABLE LAW, AND DEPENDING ON THE NATURE OF THE BREACH, MAY ALSO BE GROUNDS FOR TERMINATING THE SOLICITATION IN ITS ENTIRETY.

**PACIFIC GAS AND ELECTRIC COMPANY**

**Attachment E.1**

**Market Offer Confirm Product C**

**MASTER POWER PURCHASE AND SALE AGREEMENT  
RENEWABLES PORTFOLIO STANDARD ENERGY MARKET OFFER  
CONFIRMATION LETTER  
BETWEEN  
[NAME] (“PARTY A”)  
AND  
PACIFIC GAS AND ELECTRIC COMPANY (“PARTY B”)**

This confirmation letter (“Confirmation”) confirms the Transaction between [Name, place of formation, and type of entity] (“Party A” or “Buyer”), and Pacific Gas and Electric Company, a California corporation, (“Party B” or “Seller”), each individually a “Party” and together the “Parties”, which becomes effective on the date fully executed by both Parties (the “Confirmation Effective Date”), in which Seller agrees to provide to Buyer Product, as such term is defined in this Confirmation. This Transaction is governed by the Master Power Purchase and Sale Agreement between the Parties, effective as of [Date of EEI Master between Parties], together with the Cover Sheet, [the Collateral Annex and Paragraph 10 to the Collateral Annex,] and any other annexes thereto (collectively, as amended, restated, supplemented, or otherwise modified from time to time, the “Master Agreement”). The Master Agreement and this Confirmation are collectively referred to herein as the “Agreement”. Capitalized terms used but not otherwise defined in this Confirmation, have the meanings specified for such terms in the Master Agreement, the RPS (defined herein) or the Tariff (defined herein), as applicable. If there is a conflict between the terms in this Confirmation and those in the Master Agreement, this Confirmation shall control. Section references herein are to this Confirmation unless otherwise noted.

**[Standard contract terms and conditions shown in shaded text are those that “may not be modified” per CPUC Decisions (“D.”) 07-11-025; D.10-03-021, as modified by D.11-01-025; and D.13-11-024.]**

**ARTICLE 1  
PRODUCT**

1.1 Product. “Product” means, following Voluntary Allocation, all remaining RPS Energy and Green Attributes generated and associated with Resources in the Long-Term Resource Pool. Seller shall provide Buyer Product equal to the Total Amount.

1.2 Buyer’s Exclusive Right. Buyer has exclusive right to Product for the Total Amount, including the right to account for or report Product equal to the Total Amount to a Governmental Entity.

**ARTICLE 2  
TOTAL AMOUNT AND GREEN ATTRIBUTES PRICE**

2.1 Total Amount. The “Total Amount” is the sum of all Monthly Amounts in the Delivery Period. For every month in the Delivery Period, the “Monthly Amount” is the product of (i) the Election for the applicable calendar year, multiplied by (ii) following Voluntary

Allocation, the total remaining RPS Energy for that month for every Resource in the Long-Term Resource Pool.

2.2 Election.

- (a) For Products to be delivered in every year over the Delivery Period, the “Election” is [\_\_\_%].

2.3 Green Attributes Price.

- (a) For Products to be delivered in every year over the Delivery Period, the “Green Attributes Price” is [\$\_\_\_\_/MWh].

2.4 Change in Long-Term Resource Pool. Seller may add or remove a Resource from the Long-Term Resource Pool as allowed under Voluntary Allocation, and as soon as practicable, Seller will provide Notice to Buyer of any changes to the Long-Term Resource Pool. Seller shall retain the sole discretion to modify Appendix B after CPUC Approval to ensure that the Long-Term Resource Pool only includes Resources with terms greater than 10 years as of the start of the Delivery Period. Seller shall retain the sole and absolute discretion to modify, enforce, or terminate its power purchase agreements for Resources during the Delivery Period. Buyer shall not have any right to or discretion to request changes to the Resources or the Long-Term Resource Pool during the Delivery Period.

**ARTICLE 3**  
**DELIVERY**

3.1 Delivery. Throughout the Delivery Period, Seller shall deliver, and Buyer shall receive, Product in accordance with the Confirmation. Seller, or a qualified third-party designated by Seller, will act as Scheduling Coordinator to deliver Product in each hour to the CAISO at the Delivery Point. Buyer shall take title and risk of loss of Product at the applicable Delivery Point selected by Seller.

3.2 Delivery Point. The “Delivery Point” is and shall mean where Seller, or a qualified third-party designated by Seller, shall deliver to, and Buyer shall take possession of, Product, which shall be NP 15, SP 15, and/or ZP 26, as selected by Seller.

3.3 Delivery Period. Subject to the satisfaction of the Conditions Precedent, the “Delivery Period” shall commence as of the date upon which CPUC approval occurs and last through and until the date upon which the amount of Green Attributes conveyed to the buyer meets the Total Amount following the Long-Term End Date.

**ARTICLE 4**  
**CONDITIONS PRECEDENT**

4.1 Conditions Precedent. Notwithstanding any other provision of this Confirmation to the contrary, all of the Parties' obligations are conditioned upon (a) CPUC Approval; and (b) Seller's receipt of the Performance Assurance described in Article 7 as applicable from Buyer no later than five (5) Business Days following Seller's Notice to Buyer of CPUC Approval (collectively, "Conditions Precedent").

**ARTICLE 5**  
**CONVEYANCE OF GREEN ATTRIBUTES**

5.1 Green Attributes. Seller represents and warrants that Seller holds the rights to such Green Attributes from the Resources in the Long-Term Resource Pool and Seller agrees to convey such Green Attributes to Buyer as included in the delivery of Product from the Resources in the Long-Term Resource Pool subject to the terms and conditions of this Agreement.

5.2 Conveyance of Green Attributes. Seller shall convey to Buyer the Green Attributes associated with Product no later than twenty-five (25) Business Days once the following have occurred: (a) Seller has obtained the WREGIS Certificates for the Green Attributes for the applicable Calculation Period or calendar year and (b) Seller has received Buyer's payment of the Monthly Cash Settlement Amount in accordance with Article 6 herein. Since WREGIS Certificates will only be created for whole MWh amounts of RPS 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. During the Delivery Period, Seller shall transfer all right, title, and interest in and to the WREGIS Certificates to Buyer's WREGIS account in an aggregate amount equivalent to the Total Amount.

5.3 WREGIS Certificate True-Up. A "WREGIS Certificate True-Up" means any deficit or surplus in WREGIS Certificates delivered to Buyer for a calendar month as compared to the Monthly Amount for the same calendar month ("True-Up Month"). Any adjustments to resolve a WREGIS Certificate True-Up will be made as an adjustment on Seller's monthly invoice to Buyer in accordance with Article 6, provided that no adjustments will be made for any WREGIS Certificate True-Up after twenty-four (24) months from the True-Up Month.

**ARTICLE 6**  
**COMPENSATION**

6.1 Calculation Period. The "Calculation Period" shall be each calendar month or portion thereof that Delivery was conveyed to Buyer.

6.2 Monthly Cash Settlement Amount. Buyer shall pay Seller the Monthly Cash Settlement Amount, in arrears, for each Calculation Period.

The "Monthly Cash Settlement Amount" for a particular Calculation Period shall be equal to (a) plus (b) minus (c), where:

(a) equals the product of (i) the Index Price multiplied by (ii) the Monthly Amount; and

(b) equals the product of (i) the Green Attributes Price, multiplied by (ii) the Monthly Amount; and

(c) equals the product of (i) the Index Price multiplied by (ii) the Monthly Amount.

6.3 **Payment.** Notwithstanding anything to the contrary in Article Six of the Master Agreement, Buyer shall pay Seller the Monthly Cash Settlement Amount four (4) calendar months following the applicable Calculation Period and on or before the later of: (a) the twenty-fifth (25th) day of the month in which Buyer receives from Seller an invoice for the Calculation Period to which the Monthly Cash Settlement Amount pertains, or (b) within fifteen (15) days following receipt of an invoice issued by Seller for such applicable Calculation Period, provided that if such payment due date is not a Business Day, then on the next Business Day. This provision shall survive termination or expiration of the Agreement for all amounts due prior to such termination or expiration.

## **ARTICLE 7**

### **CREDIT TERMS**

7.1 This Confirmation's credit requirements for the RPS Energy portion of the Product shall be governed by the Master Agreement

7.2 This Confirmation's credit requirements for the Green Attributes portion of the Product shall apply as specified below:

(a) If the Master Agreement has a Collateral Annex, then the Exposure Amount for the Green Attributes portion of Product shall be equal to the lesser of (1) the product of the following: (i) five percent (5%), multiplied by (ii) the volume of the undelivered Green Attributes for Product, multiplied by (iii) the Green Attributes Price or (2) the highest consecutive six (6) months of expected payments.

(b) In the event the Master Agreement does not have a Collateral Annex and Section 8.2(c), entitled "Collateral Threshold" with respect to "Party B Credit Protection", of the Master Agreement applies, then for the Green Attributes portion of the Product to be delivered to Party B, the definition of Termination Payment in Section 8.2(c) of the Master Agreement will be the lesser of (1) product of the following: (i) five percent (5%), multiplied by (ii) the volume of the undelivered Green Attributes for applicable Product(s) multiplied by (iii) the Green Attributes Price or (2) the highest consecutive six (6) months of expected payments.

7.3 Section 8.1 of the Master Agreement, entitled "Party A Credit Protection", and all corresponding provisions of (i) the Cover Sheet to Section 8.1 of the Master Agreement and (ii) the Collateral Annex with respect to such Section 8.1 and the applicable provisions thereto of Paragraph 10 to the Collateral Annex do not apply to this Confirmation.

**ARTICLE 8**  
**SELLER'S REPRESENTATIONS, WARRANTIES, AND COVENANTS**

8.1 **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.

(a) For the avoidance of doubt, the term "Project" as used in the immediately preceding paragraph means Resources in the Long-Term Resource Pool, and the phrase "Delivery Term" means the Delivery Period.

8.2 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.

(a) For the avoidance of doubt, the phrase "Delivery Term" as used in the immediately preceding paragraph means the Delivery Period.

8.3 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.

(a) For the avoidance of doubt, the term "contract" as used in the immediately preceding paragraph means this Confirmation, and the phrase "first delivery" means the first date of the Delivery Period.

8.4 In addition to the foregoing, Seller warrants, represents and covenants, as of the Confirmation Effective Date and throughout the Delivery Period, that:

(a) Seller has the contractual rights to sell all right, title, and interest in Product required to be delivered hereunder;

(b) at the time of delivery, all rights, title, and interest in Product required to be delivered hereunder are free and clear of all liens, taxes, claims, security interests, or other encumbrances of any kind whatsoever;

(c) Seller shall not substitute or purchase any Product from any generating resource other than the Resource(s) in the Long-Term Resource Pool hereunder;

(d) the facility(s) designated by Seller as the Resource(s) in the Long-Term Resource Pool and all electrical output from the facility(s) designated as the Resource(s) in the Long-Term Resource Pool are, or will be, by the first date of the Delivery Period, registered with WREGIS as RPS-eligible.

(e) As of the Confirmation Effective Date and throughout the Delivery Period, Seller represents, warrants and covenants that the Resource(s) in the Long-Term Resource Pool meet the criteria in either (i) or (ii)

(i) The facility(s) designated by Seller as the Resource(s) in the Long-Term Resource Pool either has a first point of interconnection with a California Balancing Authority, or a first point of interconnection with distribution facilities used to serve end users within a California Balancing Authority Area; or;

(ii) The facility(s) designated by Seller as the Resource(s) in the Long-Term Resource Pool has an agreement to dynamically transfer electricity to a California Balancing Authority.

(f) If and to the extent that the Product sold by Seller is a resale of part or all of a power purchase agreement between Seller and one or more third parties, Seller represents, warrants and covenants that the resale complies with the following conditions in (i) through (iv) below as of the Confirmation Effective Date and throughout the Delivery Period:

(i) The original upstream third party contract(s) meets the criteria of California Public Utilities Code Section 399.16(b)(1)(A);

(ii) This Agreement transfers only RPS Energy and Green Attributes that have not yet been generated prior to the commencement of the Delivery Period;

(iii) The RPS Energy transferred hereunder is transferred to Buyer in real time; and

(iv) If a Resource has an agreement to dynamically transfer electricity to a California Balancing Authority, the transactions implemented under this Agreement are not contrary to any condition imposed by a Balancing Authority participating in the dynamic transfer arrangement.

## **ARTICLE 9**

### **TERMINATION AND CALCULATION OF SETTLEMENT AMOUNT**

In the event this Transaction becomes a Terminated Transaction pursuant to Section 5.2 of the Master Agreement, then the Settlement Amount with respect to this Transaction shall not be calculated in accordance with the Master Agreement, but instead will be calculated as follows:

The Non-Defaulting Party shall determine its Gains and Losses by determining the Market Quotation Average Price for the Terminated Transaction. In the event the Non-Defaulting Party is not able, after commercially reasonable efforts, to obtain the Market Quotation Average Price with respect to the Terminated Transaction, then the Non-Defaulting Party shall calculate its Gains and Losses for the Terminated Transaction in a commercially reasonable manner by calculating the arithmetic mean of the quotes of at least three (3) Broker or Index Quotes based on the offers to sell or bids to buy, as applicable, obtained for transactions substantially similar to the Terminated Transaction. Such Broker or Index Quotes must be obtained assuming that the Party obtaining the quote will provide sufficient credit support for the proposed transaction. In the event the Non-Defaulting Party is not able, after commercially reasonable efforts to obtain at least three (3) such Broker or Index Quotes with respect to the Terminated Transaction, then the Non-Defaulting Party shall calculate its Gains and Losses for such Terminated Transaction in a commercially reasonable manner by reference to information supplied to it by one or more third parties including, without limitation, quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets. Third parties supplying such information may include, without limitation, dealers in the relevant markets, end-users of the relevant product, information vendors and other sources of market information; provided, however, that such third parties shall not be Affiliates of either Party. Only in the event the Non-Defaulting Party is not able, after using commercially reasonable efforts, to obtain such third-party information, then the Non-Defaulting Party shall calculate its Gains and Losses for such Terminated Transaction in a commercially reasonable manner using relevant market data it has available to it internally. If the Non-Defaulting Party's aggregate Gains exceed its aggregate Losses and Costs, if any, resulting from the termination of this Transaction, the Settlement Amount for this Transaction will be zero.

## **ARTICLE 10**

### **GENERAL PROVISIONS**

10.1 Buyer Audit Rights. In addition to any audit rights provided under the Master Agreement, Seller shall, upon the Confirmation Effective Date and continuing until the end of the Delivery Period, provide documentation (which may include, for example, WREGIS reports) sufficient to demonstrate that Product has been conveyed and delivered to Buyer.

10.2 Governing Law.

(a) Notwithstanding any provision to the contrary in the Master Agreement, the Governing Law applicable to this Agreement shall be as set forth herein. This Section 9.2 does not change the Governing Law applicable to any other confirmation or transaction entered into between the Parties under the Master Agreement.

(b) 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.

**ACKNOWLEDGED AND AGREED TO:**

**Buyer, or Party A:**  
[NAME, place of formation, and type of  
entity]

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

Sign: \_\_\_\_\_

Sign: \_\_\_\_\_

Print: \_\_\_\_\_

Print: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## APPENDIX A

### DEFINED TERMS

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

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

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

“Business Day” means all calendar days other than those days on which the Federal Reserve member banks in New York City are authorized or required by law to be closed, and shall be between the hours of 8:00 a.m. and 5:00 p.m. Pacific Prevailing 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 written communications or payment or delivery is being sent and by whom written communications or payment or delivery is to be received.

“Buyer” means Party A.

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

“Confirmation Effective Date” means the date in which the Confirmation is fully executed by both Parties.

“CPUC” means the California Public Utilities Commission.

“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 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. CPUC Approval will be deemed to have occurred on the date that a CPUC decision containing such findings becomes final and non-appealable. For the purpose of this definition of “CPUC Approval”, 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 set forth above. Also, for the purpose of this definition of “CPUC Approval” only, the references therein to “Buyer” shall mean “Seller”.

“California Renewables Portfolio Standard” or “RPS” means the California renewables portfolio standard, as set forth in Cal. Pub. Util. Code §§ 399.11 et seq. and Cal. Pub. Res. Code §§ 25740-25751, and as administered by the CEC as set forth in the CEC RPS Eligibility Guidebook (9<sup>th</sup> Ed.), as may be subsequently modified by the CEC, and the California Public

Utilities Commission (“CPUC”) as set forth in CPUC Decision (“D”) 08-08-028, D.08-04-009, D.11-01-025, D.11-12-020, D.11-12-052, D.12-06-038 and D.14-12-023, and as may be modified by subsequent decision of the CPUC or by subsequent legislation, and regulations promulgated with respect thereto.

“CEC” means the California Energy Commission.

“CPUC” means the California Public Utilities Commission.

“Delivery Period” has the meaning set forth in Section 3.3.

“Delivery Point” has the meaning set forth in Section 3.2.

“Election” has the meaning set forth in Section 2.2.

“Energy” means electrical energy, measured in MWh.

“FERC” means the Federal Energy Regulatory Commission.

“Green Attributes” means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Resource, and its avoided emission of pollutants. Green Attributes include but are not limited to Renewable Energy Credits, as well as: (a) 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; (b) 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 ; (c) 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 Resource, (ii) production tax credits associated with the construction or operation of the Resource and other financial incentives in the form of credits, reductions, or allowances associated with the Resource 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 Resource for compliance with local, state, or federal operating and/or air quality permits. If the Resource 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 Resource.

"Green Attributes Price" has the meaning set forth in Section 2.3.

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

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

"Long-Term End Date" is the end date of the contract with the longest term in the Long-Term Resource Pool, excluding PG&E owned resources and resources without fixed expiration dates.

"Long-Term Resource Pool" means Seller's Resources in Appendix B reflecting all PCIA-eligible RPS resources remaining after Voluntary Allocation with power purchase agreements with terms that have greater than 10 years remaining from the start of the Delivery Period that meet the criteria of Public Utilities Code §399.16(b)(1). The actual resources included in this pool (and listed in Appendix B) may change for reasons set forth in Section 2.4.

"MWh" means megawatt-hour.

"Monthly Cash Settlement Amount" has the meaning set forth in Section 6.2.

"Monthly Amount" has the meaning set forth in Section 2.1.

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

"PCIA" or "Power Charge Indifference Adjustment" is a charge to ensure that both PG&E customers and those who have left PG&E service to purchase electricity from other providers pay for the above-market costs for electric generation resources that were procured by PG&E on their behalf. "Above market" refers to expenditures for generation resources that cannot be fully recovered through sales of these resources at current market prices.

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

"Renewable Energy Credits" or "REC" 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.

"Resource(s)" means generation units owned by Seller or contracted by Seller, which corresponding costs are recovered through the PCIA.

"RPS Energy" means the Energy generated from Resources from the Long-Term Resource Pool.

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

“Seller” means Party B.

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

“Total Amount” has the meaning set forth in Section 2.1.

“Voluntary Allocation” means the 2022 process by which PG&E allocates its PCIA-eligible RPS Energy among all PCIA-eligible load-serving entities in its service territory up to their forecasted, vintaged, annual load shares and the actual, vintaged, annual RPS Energy production of PCIA-eligible RPS Energy resources, as defined in CPUC Decision D.21-05-030, or as modified by subsequent decision of the CPUC.

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

“WREGIS Certificate” 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.

**APPENDIX B**  
**LIST OF RESOURCES IN LONG-TERM RESOURCE POOL**

<b>Resource Name</b>	<b>Technology</b>	<b>CES RPS ID</b>	<b>PCIA Vintage</b>	<b>End Date</b>
Montezuma Wind Energy Center	Wind	60543A	2010	1/27/2036
High Plains Ranch II	Solar PV	60603A	2008	10/30/2038
Topaz Solar Farm	Solar PV	61698A	2008	10/26/2039
Ivanpah Unit 1	Solar Thermal	62273A	2009	1/20/2039
Ivanpah Unit 3	Solar Thermal	62275A	2009	1/26/2039
AV Solar Ranch One	Solar PV	60790A	2009	11/20/2039
Alpine Solar Project	Solar PV	60755A	2010	1/17/2033
Agua Caliente Solar Project	Solar PV	60894A	2009	6/22/2039
High Plains Ranch III	Solar PV	60603A	2010	9/30/2038
Mojave Solar Project	Solar Thermal	60848A	2009	11/20/2039
Genesis Solar Energy Project	Solar Thermal	60605A	2009	3/6/2039
DTE Stockton	Biomass	60964A	2009	2/20/2039
Alpaugh 50	Solar PV	60945A	2010	3/7/2038
Alpaugh North	Solar PV	60946A	2010	3/7/2038
Atwell Island	Solar PV	60947A	2010	3/11/2038
Corcoran	Solar PV	60948A	2010	8/14/2038
White River	Solar PV	60949A	2010	6/26/2038
Sunshine Landfill	Landfill Gas	60815A	2010	8/31/2034
Potrero Hills Landfill	Landfill Gas	63116A	2010	4/12/2041
Desert Center Solar Farm	Solar PV	61068A	2010	12/16/2039
Mesquite Solar 1	Solar PV	60875A	2010	3/7/2033
North Star Solar	Solar PV	61198A	2010	6/19/2035
Vasco Wind Energy Center	Wind	61344A	2010	3/12/2037
Montezuma II Wind Energy Center	Wind	61345A	2010	3/13/2037
Kansas South	Solar PV	61264A	2011	6/24/2033
Westlands Solar Farms	Solar PV	61755A	2011	4/30/2034
Orion Solar	Solar PV	61570A	2011	6/25/2034
North Sky River Energy Center	Wind	61385A	2011	12/20/2037
Copper Mountain Solar 2	Solar PV	60990A	2011	5/12/2040
Shiloh IV Wind Project	Wind	61617A	2011	1/27/2038
Mammoth G3	Geothermal	60315A	2012	3/31/2033
West Antelope	Solar PV	61850A	2012	2/8/2035
Western Antelope Blue Sky Ranch A	Solar PV	61517A	2012	2/16/2035
Nevada Irrigation District (NID)	Small Hydro	60171A	2012	6/30/2033
Nevada Irrigation District (NID)	Small Hydro	60264A	2012	6/30/2033
Nevada Irrigation District (NID)	Small Hydro	60265A	2012	6/30/2033
SPI Biomass Portfolio	Biomass	60088A	2012	9/22/2035
SPI Biomass Portfolio	Biomass	61146A	2012	9/22/2035
SPI Biomass Portfolio	Biomass	60087A	2012	9/22/2035
SPI Biomass Portfolio	Biomass	60089A	2012	9/22/2035

<b>Resource Name</b>	<b>Technology</b>	<b>CES RPS ID</b>	<b>PCIA Vintage</b>	<b>End Date</b>
SPI Biomass Portfolio	Biomass	60576A	2012	9/22/2035
Kansas	Solar PV	61263A	2012	12/31/2037
Lost Hills Solar	Solar PV	61893A	2012	12/31/2043
Cuyama Solar Array	Solar PV	61891A	2012	12/31/2043
Blackwell Solar	Solar PV	61892A	2012	12/31/2043
Henrietta Solar	Solar PV	61841A	2012	9/30/2036
Kent South	Solar PV	61262A	2012	2/18/2035
Algonquin SKIC 20 Solar	Solar PV	61558A	2012	3/30/2035
White River Solar 2	Solar PV	62045A	2012	10/1/2034
Mammoth G1	Geothermal	60306A	2012	12/25/2033
Alamo Solar, LLC	Solar PV	61453A	2012	6/29/2035
CID Solar PV Project	Solar PV	62285A	2012	3/19/2035
Old River One	Solar PV	60853A	2013	2/8/2035
Shafter Solar	Solar PV	62325A	2013	7/15/2035
Rising Tree Wind Farm II	Wind	62426A	2013	8/6/2035
Kekawaka Creek Hydroelectric Facility	Small Hydro	60186A	2013	5/31/2035
RE Astoria	Solar PV	62284A	2013	1/2/2034
Midway Solar Farm I	Solar PV	61295A	2013	5/31/2040
California Flats Solar Project	Solar PV	62552A	2013	4/9/2034
Portal Ridge Solar C Project	Solar PV	61684A	2014	4/20/2037
Sunray 2	Solar PV	62694A	2014	8/24/2037
Bayshore Solar A	Solar PV	63133A	2015	4/17/2038
Bayshore Solar B	Solar PV	63134A	2015	4/17/2038
Bayshore Solar C	Solar PV	63135A	2015	4/17/2038
Java Solar	Solar PV	63137C	2016	1/30/2040
RE Gaskell West 3	Solar PV	63619C	2017	3/22/2038
RE Gaskell West 4	Solar PV	63617C	2017	3/22/2038
RE Gaskell West 5	Solar PV	63618C	2017	3/22/2038
PGE Alta	Small Hydro	60033	Pre-2002	N/A
PGE Centerville	Small Hydro	60034	Pre-2002	N/A
PGE Coleman	Small Hydro	60037	Pre-2002	N/A
PGE Cow Creek	Small Hydro	60038	Pre-2002	N/A
PGE Crane Valley	Small Hydro	60039	Pre-2002	N/A
PGE Deer Creek	Small Hydro	60040	Pre-2002	N/A
PGE De Sabla	Small Hydro	60041	Pre-2002	N/A
PGE Dutch Flat 1	Small Hydro	60042	Pre-2002	N/A
PGE Halsey	Small Hydro	60043	Pre-2002	N/A
PGE Hamilton Branch	Small Hydro	60044	Pre-2002	N/A
PGE Hat 1	Small Hydro	60045	Pre-2002	N/A
PGE Hat 2	Small Hydro	60046	Pre-2002	N/A
PGE Inskip	Small Hydro	60047	Pre-2002	N/A
PGE Kerckhoff 1	Small Hydro	62360	Pre-2002	N/A
PGE Kilarc	Small Hydro	60049	Pre-2002	N/A
PGE Lime Saddle	Small Hydro	60050	Pre-2002	N/A
PGE Newcastle	Small Hydro	60053	Pre-2002	N/A
PGE Oak Flat	Small Hydro	60276	Pre-2002	N/A
PGE Phoenix	Small Hydro	60054	Pre-2002	N/A

<b>Resource Name</b>	<b>Technology</b>	<b>CES RPS ID</b>	<b>PCIA Vintage</b>	<b>End Date</b>
PGE Potter Valley	Small Hydro	60055	Pre-2002	N/A
PGE Five Points	Solar PV	61432	2010	N/A
PGE Stroud	Solar PV	61434	2010	N/A
PGE Westside	Solar PV	61433	2010	N/A
PGE Cantua	Solar PV	61823	2011	N/A
PGE Giffen	Solar PV	61822	2011	N/A
PGE Huron	Solar PV	61821	2011	N/A
PGE Gates	Solar PV	62353	2012	N/A
PGE Guernsey	Solar PV	62354	2012	N/A
PGE West Gates	Solar PV	62352	2012	N/A
PGE Rock Creek RPS	Small Hydro	62269	Pre-2002	N/A
PGE San Joaquin 1A	Small Hydro	60056	Pre-2002	N/A
PGE San Joaquin 2	Small Hydro	60057	Pre-2002	N/A
PGE San Joaquin 3	Small Hydro	60058	Pre-2002	N/A
PGE South	Small Hydro	60059	Pre-2002	N/A
PGE Spaulding 1	Small Hydro	60060	Pre-2002	N/A
PGE Spaulding 2	Small Hydro	60061	Pre-2002	N/A
PGE Spaulding 3	Small Hydro	60062	Pre-2002	N/A
PGE Spring Gap	Small Hydro	60063	Pre-2002	N/A
PGE Toadtown	Small Hydro	60064	Pre-2002	N/A
PGE Tule River	Small Hydro	60065	Pre-2002	N/A
Vaca-Dixon Solar (PG&E)	Solar PV	60966	2010	N/A
PGE Volta 1	Small Hydro	60066	Pre-2002	N/A
PGE Volta 2	Small Hydro	60067	Pre-2002	N/A
PGE West Point	Small Hydro	60068	Pre-2002	N/A
PGE Wise 1	Small Hydro	60069	Pre-2002	N/A
PGE Wise 2	Small Hydro	60070	Pre-2002	N/A
PGE A.G.Wishon	Small Hydro	60032	Pre-2002	N/A

**PACIFIC GAS AND ELECTRIC COMPANY**

**Attachment E.2**

**Market Offer Confirm Product D**

**MASTER POWER PURCHASE AND SALE AGREEMENT  
RENEWABLES PORTFOLIO STANDARD MARKET OFFER CONFIRMATION  
LETTER  
BETWEEN  
[NAME] (“PARTY A”)  
AND  
PACIFIC GAS AND ELECTRIC COMPANY (“PARTY B”)**

This confirmation letter (“Confirmation”) confirms the Transaction between [Name, place of formation, and type of entity] (“Party A” or “Buyer”), and Pacific Gas and Electric Company, a California corporation, (“Party B” or “Seller”), each individually a “Party” and together the “Parties”, which becomes effective on the date fully executed by both Parties (the “Confirmation Effective Date”), in which Seller agrees to provide to Buyer Product, as such term is defined in this Confirmation. This Transaction is governed by the Master Power Purchase and Sale Agreement between the Parties, effective as of [Date of EEI Master between Parties], together with the Cover Sheet, [the Collateral Annex and Paragraph 10 to the Collateral Annex,] and any other annexes thereto (collectively, as amended, restated, supplemented, or otherwise modified from time to time, the “Master Agreement”). The Master Agreement and this Confirmation are collectively referred to herein as the “Agreement.” Capitalized terms used but not otherwise defined in this Confirmation, have the meanings specified for such terms in the Master Agreement, the RPS (defined herein) or the Tariff (defined herein), as applicable. If there is a conflict between the terms in this Confirmation and those in the Master Agreement, this Confirmation shall control. Section references herein are to this Confirmation unless otherwise noted.

**[Standard contract terms and conditions shown in shaded text are those that “may not be modified” per CPUC Decisions (“D.”) 07-11-025; D.10-03-021, as modified by D.11-01-025; and D.13-11-024.]**

**ARTICLE 1  
PRODUCT**

1.1 Product. “Product” means, following Voluntary Allocation, all remaining Green Attributes associated with the Greengate Resources in the Long-Term Resource Pool. Seller shall provide Buyer Product equal to the Total Amount.

1.2 Buyer’s Exclusive Right. Buyer has exclusive right to Product for the Total Amount, including the right to account for or report Product equal to the Total Amount to a Governmental Entity.

**ARTICLE 2  
TOTAL AMOUNT AND GREEN ATTRIBUTES PRICE**

2.1 Total Amount. The “Total Amount” is the sum of all Monthly Amounts in the Delivery Period. For every month in the Delivery Period, the “Monthly Amount” is the product of (i) the Election for the applicable calendar year, multiplied by (ii) following Voluntary

Allocation, the total remaining Green Attributes for that month for every Resource in the Long-Term Resource Pool.

2.2 Election.

- (a) For Products to be delivered in every year over the Delivery Period, the “Election” is [\_\_\_%].

2.3 Green Attributes Price.

- (a) For Products to be delivered in every year over the Delivery Period, the “Green Attributes Price” is [\$\_\_\_\_/MWh].

2.4 Change in Long-Term Resource Pool. Seller may add or remove a Resource from the Resource Pools as allowed under Voluntary Allocation, and as soon as practicable, Seller will provide Notice to Buyer of any changes to the Long-Term Resource Pool. Seller shall retain the sole and absolute discretion to modify, enforce, or terminate its power purchase agreements for Resources during the Delivery Period. Buyer shall not have any right to or discretion to request changes to the Resources or the Long-Term Resource Pool during the Delivery Period.

**ARTICLE 3**  
**DELIVERY**

3.1 Delivery. Throughout the Delivery Period, Seller shall deliver, and Buyer shall receive, Product in accordance with the Confirmation. Buyer shall take title and risk of loss of Product upon conveyance by Seller in accordance with Article 5.

3.2 Reserved.

3.3 Delivery Period. Subject to the satisfaction of the Conditions Precedent, the “Delivery Period” will commence as of that date upon which CPUC Approval occurs and last through and until that date upon which the amount of Green Attributes conveyed to Buyer meets the Total Amount following the Long-Term End Date.

**ARTICLE 4**  
**CONDITIONS PRECEDENT**

4.1 Conditions Precedent. Notwithstanding any other provision of this Confirmation to the contrary, all of the Parties’ obligations are conditioned upon (a) CPUC Approval; and (b) Seller’s receipt of the Performance Assurance described in Article 7 as applicable from Buyer no later than five (5) Business Days following Seller’s Notice to Buyer of CPUC Approval (collectively, “Conditions Precedent”).

**ARTICLE 5**  
**CONVEYANCE OF GREEN ATTRIBUTES**

5.1 Green Attributes. Seller represents and warrants that Seller holds the rights to such Green Attributes from the Resources in the Long-Term Resource Pools and Seller agrees to convey such Green Attributes to Buyer as included in the delivery of Product from the Resources in the Long-Term Resource Pool subject to the terms and conditions of this Agreement.

5.2 Conveyance of Green Attributes. Seller shall convey to Buyer the Green Attributes associated with Product no later than twenty-five (25) Business Days once the following have occurred: (a) Seller has obtained the WREGIS Certificates for the Green Attributes for the applicable Calculation Period or calendar year and (b) Seller has received Buyer's payment of the Monthly Cash Settlement Amount in accordance with Article 6 herein. Since WREGIS Certificates will only be created for whole MWh amounts of RPS 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. During the Delivery Period, Seller shall transfer all right, title, and interest in and to the WREGIS Certificates to Buyer's WREGIS account in an aggregate amount equivalent to the Total Amount.

5.3 WREGIS Certificate True-Up. A "WREGIS Certificate True-Up" means any deficit or surplus in WREGIS Certificates delivered to Buyer for a calendar month as compared to the Monthly Amount for the same calendar month ("True-Up Month"). Any adjustments to resolve a WREGIS Certificate True-Up will be made as an adjustment on Seller's monthly invoice to Buyer in accordance with Article 6, provided that no adjustments will be made for any WREGIS Certificate True-Up after twenty-four (24) months from the True-Up Month.

**ARTICLE 6**  
**COMPENSATION**

6.1 Calculation Period. The "Calculation Period" shall be each calendar month or portion thereof that Delivery was conveyed to Buyer.

6.2 Monthly Cash Settlement Amount. Buyer shall pay Seller the Monthly Cash Settlement Amount, in arrears, for each Calculation Period.

The "Monthly Cash Settlement Amount" for a particular Calculation Period shall be equal to the product of (i) the Green Attributes Price, multiplied by (ii) the Monthly Amount.

6.3 Payment. Notwithstanding anything to the contrary in Article Six of the Master Agreement, Buyer shall pay Seller the Monthly Cash Settlement Amount four (4) calendar months following the applicable Calculation Period and on or before the later of: (a) the twenty-fifth (25th) day of the month in which Buyer receives from Seller an invoice for the Calculation Period to which the Monthly Cash Settlement Amount pertains, or (b) within fifteen (15) days following receipt of an invoice issued by Seller for such applicable Calculation Period, provided that if such payment due date is not a Business Day, then on the next Business Day. This provision shall survive termination or expiration of the Agreement for all amounts due prior to such termination or expiration.

**ARTICLE 7**  
**CREDIT TERMS**

7.1 This Confirmation's credit requirements for the Green Attributes portion of the Product shall be governed by the Master Agreement.

7.2 This Confirmation's credit requirements for the Green Attributes portion of the Product shall apply as specified below:

(a) If the Master Agreement has a Collateral Annex, then the Exposure Amount for the Green Attributes associated with the Product shall be equal to the lesser of (1) the product of the following: (i) five percent (5%), multiplied by (ii) the volume of the undelivered Green Attributes for Product, multiplied by (iii) the Green Attributes Price or (2) the highest consecutive six (6) months of expected revenues.

(b) In the event the Master Agreement does not have a Collateral Annex and Section 8.2(c), entitled "Collateral Threshold" with respect to "Party B Credit Protection", of the Master Agreement applies, then the definition of Termination Payment in Section 8.2(c) of the Master Agreement will be the lesser of (1) product of the following: (i) five percent (5%), multiplied by (ii) the volume of the undelivered Green Attributes for applicable Product(s) multiplied by (iii) the Green Attributes Price or (2) the highest consecutive six (6) months of expected payments.

7.3 Section 8.1 of the Master Agreement, entitled "Party A Credit Protection", and all corresponding provisions of (i) the Cover Sheet to Section 8.1 of the Master Agreement and (ii) the Collateral Annex with respect to such Section 8.1 and the applicable provisions thereto of Paragraph 10 to the Collateral Annex do not apply to this Confirmation.

**ARTICLE 8**  
**SELLER'S REPRESENTATIONS, WARRANTIES, AND COVENANTS**

8.1 **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.

(a) For the avoidance of doubt, the term "Project" as used in the immediately preceding paragraph means Resources in the Long-Term Resource Pool, and the phrase "Delivery Term" means the Delivery Period.

8.2 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.

(a) For the avoidance of doubt, the phrase “Delivery Term” as used in the immediately preceding paragraph means the Delivery Period.

8.3 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.

(a) For the avoidance of doubt, the term “contract” as used in the immediately preceding paragraph means this Confirmation, and the phrase “first delivery” means the first date of the Delivery Period.

8.4 In addition to the foregoing, Seller warrants, represents and covenants, as of the Confirmation Effective Date and throughout the Delivery Period, that:

(a) Seller has the contractual rights to sell all right, title, and interest in Product required to be delivered hereunder;

(b) at the time of delivery, all rights, title, and interest in Product required to be delivered hereunder are free and clear of all liens, taxes, claims, security interests, or other encumbrances of any kind whatsoever;

(c) Seller shall not substitute or purchase any Product from any generating resource other than the Resource(s) in the Long-Term Resource Pool hereunder;

(d) the facility(s) designated by Seller as the Resource(s) in the Long-Term Resource Pool and all electrical output from the facility(s) designated as the Resource(s) in the Long-Term Resource Pool are, or will be, by the first date of the Delivery Period, registered with WREGIS as RPS-eligible.

## **ARTICLE 9**

### **TERMINATION AND CALCULATION OF SETTLEMENT AMOUNT**

In the event this Transaction becomes a Terminated Transaction pursuant to Section 5.2 of the Master Agreement, then the Settlement Amount with respect to this Transaction shall not be calculated in accordance with the Master Agreement, but instead will be calculated as follows:

The Non-Defaulting Party shall determine its Gains and Losses by determining the Market Quotation Average Price for the Terminated Transaction. In the event the Non-Defaulting Party is not able, after commercially reasonable efforts, to obtain the Market Quotation Average Price with respect to the Terminated Transaction, then the Non-Defaulting Party shall calculate its Gains and Losses for the Terminated Transaction in a commercially reasonable manner by calculating the arithmetic mean of the quotes of at least three (3) Broker or Index Quotes based on the offers

to sell or bids to buy, as applicable, obtained for transactions substantially similar to the Terminated Transaction. Such Broker or Index Quotes must be obtained assuming that the Party obtaining the quote will provide sufficient credit support for the proposed transaction. In the event the Non-Defaulting Party is not able, after commercially reasonable efforts to obtain at least three (3) such Broker or Index Quotes with respect to the Terminated Transaction, then the Non-Defaulting Party shall calculate its Gains and Losses for such Terminated Transaction in a commercially reasonable manner by reference to information supplied to it by one or more third parties including, without limitation, quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets. Third parties supplying such information may include, without limitation, dealers in the relevant markets, end-users of the relevant product, information vendors and other sources of market information; provided, however, that such third parties shall not be Affiliates of either Party. Only in the event the Non-Defaulting Party is not able, after using commercially reasonable efforts, to obtain such third-party information, then the Non-Defaulting Party shall calculate its Gains and Losses for such Terminated Transaction in a commercially reasonable manner using relevant market data it has available to it internally. If the Non-Defaulting Party's aggregate Gains exceed its aggregate Losses and Costs, if any, resulting from the termination of this Transaction, the Settlement Amount for this Transaction will be zero.

## **ARTICLE 10**

### **GENERAL PROVISIONS**

10.1 Buyer Audit Rights. In addition to any audit rights provided under the Master Agreement, Seller shall, upon the Confirmation Effective Date and continuing until the end of the Delivery Period, provide documentation (which may include, for example, WREGIS reports) sufficient to demonstrate that Product has been conveyed and delivered to Buyer.

10.2 Governing Law.

(a) Notwithstanding any provision to the contrary in the Master Agreement, the Governing Law applicable to this Agreement shall be as set forth herein. This Section 9.2 does not change the Governing Law applicable to any other confirmation or transaction entered into between the Parties under the Master Agreement.

(b) 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.

**ACKNOWLEDGED AND AGREED TO:**

**Buyer, or Party A:**  
[NAME, place of formation, and type of  
entity]

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

Sign: \_\_\_\_\_

Sign: \_\_\_\_\_

Print: \_\_\_\_\_

Print: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## APPENDIX A

### DEFINED TERMS

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

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

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

“Business Day” means all calendar days other than those days on which the Federal Reserve member banks in New York City are authorized or required by law to be closed, and shall be between the hours of 8:00 a.m. and 5:00 p.m. Pacific Prevailing 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 written communications or payment or delivery is being sent and by whom written communications or payment or delivery is to be received.

“Buyer” means Party A.

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

“Confirmation Effective Date” means the date in which the Confirmation is fully executed by both Parties.

“CPUC” means the California Public Utilities Commission.

“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 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. CPUC Approval will be deemed to have occurred on the date that a CPUC decision containing such findings becomes final and non-appealable. For the purpose of this definition of “CPUC Approval”, 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 set forth above. Also, for the purpose of this definition of “CPUC Approval” only, the references herein to “Buyer” shall mean “Seller”.

“California Renewables Portfolio Standard” or “RPS” means the California renewables portfolio standard, as set forth in Cal. Pub. Util. Code §§ 399.11 et seq. and Cal. Pub. Res. Code §§ 25740-25751, and as administered by the CEC as set forth in the CEC RPS Eligibility Guidebook (9<sup>th</sup> Ed.), as may be subsequently modified by the CEC, and the California Public Utilities Commission (“CPUC”) as set forth in CPUC Decision (“D”) 08-08-028, D.08-04-009,

D.11-01-025, D.11-12-020, D.11-12-052, D.12-06-038 and D.14-12-023, and as may be modified by subsequent decision of the CPUC or by subsequent legislation, and regulations promulgated with respect thereto.

“CEC” means the California Energy Commission.

“CPUC” means the California Public Utilities Commission.

“Delivery Period” has the meaning set forth in Section 3.3.

“Election” has the meaning set forth in Section 2.2.

“Energy” means electrical energy, measured in MWh.

“FERC” means the Federal Energy Regulatory Commission.

“Green Attributes” means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Resource, and its avoided emission of pollutants. Green Attributes include but are not limited to Renewable Energy Credits, as well as: (a) any avoided emission of pollutants to the air, soil or water such as sulfur oxides (SO<sub>x</sub>), nitrogen oxides (NO<sub>x</sub>), carbon monoxide (CO) and other pollutants; (b) any avoided emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), 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 ; (c) 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 Electric Energy. Green Attributes do not include (i) any Electric Energy, capacity, reliability or other power attributes from the Resource, (ii) production tax credits associated with the construction or operation of the Resource and other financial incentives in the form of credits, reductions, or allowances associated with the Resource 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 Resource for compliance with local, state, or federal operating and/or air quality permits. If the Resource 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 Resource.

“Green Attributes Price” has the meaning set forth in Section 2.3.

“Greengate Resources” means the, Blackspring Ridge IA Wind Project and Blackspring Ridge IB Wind Project (all affiliates of Greengate Power Corporation).

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

“Long-Term End Date” is the end date of the contract with the longest term in the Long-Term Resource Pool, excluding PG&E owned resources and resources without fixed expiration dates.

“Long-Term Resource Pool” means Seller’s Resources in Appendix B reflecting all PCIA-eligible RPS resources remaining after Voluntary Allocation with power purchase agreements with terms that have greater than 10 years remaining from the start of the Delivery Period that do not meet the criteria of Public Utilities Code §399.16(b)(1). The actual resources included in this pool (and listed in Appendix B) may change for the reasons set forth in Section 2.4.

“MWh” means megawatt-hour.

“Monthly Cash Settlement Amount” has the meaning set forth in Section 6.2.

“Monthly Amount” has the meaning set forth in Section 2.1.

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

“PCIA” or “Power Charge Indifference Adjustment” is a charge to ensure that both PG&E customers and those who have left PG&E service to purchase electricity from other providers pay for the above-market costs for electric generation resources that were procured by PG&E on their behalf. “Above market” refers to expenditures for generation resources that cannot be fully recovered through sales of these resources at current market prices.

“Product” has the meaning set forth in Section 1.1.

“Renewable Energy Credits” or “REC” 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.

“Resource(s)” means generation units owned by Seller or contracted by Seller, which corresponding costs are recovered through the PCIA.

“RPS Energy” means the Energy generated from Resources from the Long- Term Resource Pool.

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

“Seller” means Party B.

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

“Total Amount” has the meaning set forth in Section 2.1.

“Voluntary Allocation” means the 2022 process by which PG&E allocates its PCIA-eligible RPS Energy among all PCIA-eligible load-serving entities in its service territory up to their forecasted, vintaged, annual load shares and the actual, vintaged, annual RPS Energy production of PCIA-eligible RPS Energy resources, as defined in CPUC Decision D.21-05-030, or as modified by subsequent decision of the CPUC.

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

“WREGIS Certificate” 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.

**APPENDIX B**  
**LIST OF RESOURCES IN LONG-TERM RESOURCE POOL**

<b>Resource Name</b>	<b>Technology</b>	<b>CES RPS ID</b>	<b>PCIA Vintage</b>	<b>End Date</b>
Blackspring Ridge IA	Wind	60987A	2010	5/11/2034
Blackspring Ridge IB	Wind	60988A	2010	5/11/2034

**PACIFIC GAS AND ELECTRIC COMPANY**

**Attachment E.3**

**Market Offer Confirm Product E**

**MASTER POWER PURCHASE AND SALE AGREEMENT  
RENEWABLES PORTFOLIO STANDARD ENERGY MARKET OFFER  
CONFIRMATION LETTER  
BETWEEN  
[NAME] (“PARTY A”)  
AND  
PACIFIC GAS AND ELECTRIC COMPANY (“PARTY B”)**

This confirmation letter (“Confirmation”) confirms the Transaction between [Name, place of formation, and type of entity] (“Party A” or “Buyer”), and Pacific Gas and Electric Company, a California corporation, (“Party B” or “Seller”), each individually a “Party” and together the “Parties”, which becomes effective on the date fully executed by both Parties (the “Confirmation Effective Date”), in which Seller agrees to provide to Buyer Product, as such term is defined in this Confirmation. This Transaction is governed by the Master Power Purchase and Sale Agreement between the Parties, effective as of [Date of EEI Master between Parties], together with the Cover Sheet, [the Collateral Annex and Paragraph 10 to the Collateral Annex,] and any other annexes thereto (collectively, as amended, restated, supplemented, or otherwise modified from time to time, the “Master Agreement”). The Master Agreement and this Confirmation are collectively referred to herein as the “Agreement”. Capitalized terms used but not otherwise defined in this Confirmation, have the meanings specified for such terms in the Master Agreement, the RPS (defined herein) or the Tariff (defined herein), as applicable. If there is a conflict between the terms in this Confirmation and those in the Master Agreement, this Confirmation shall control. Section references herein are to this Confirmation unless otherwise noted.

**[Standard contract terms and conditions shown in shaded text are those that “may not be modified” per CPUC Decisions (“D.”) 07-11-025; D.10-03-021, as modified by D.11-01-025; and D.13-11-024.]**

**ARTICLE 1  
PRODUCT**

1.1 Product. “Product” means, following Voluntary Allocation, all remaining RPS Energy and Green Attributes generated and associated with Resources in the Long-Term Resource Pool. Seller shall provide Buyer Product equal to the Total Amount.

1.2 Buyer’s Exclusive Right. Buyer has exclusive right to Product for the Total Amount, including the right to account for or report Product equal to the Total Amount to a Governmental Entity.

**ARTICLE 2  
TOTAL AMOUNT AND GREEN ATTRIBUTES PRICE**

2.1 Total Amount. The “Total Amount” is the sum of all Monthly Amounts in the Delivery Period. For every month in the Delivery Period, the “Monthly Amount” is the product of (i) the Election for the applicable calendar year, multiplied by (ii) following Voluntary Allocation,

the total remaining RPS Energy for that month for every Resource in the Long-Term Resource Pool.

2.2 Election.

- (a) For Products to be delivered in years 2023 and 2024, the “Election” is [\_\_\_%].

2.3 Green Attributes Price.

- (a) For Products to be delivered in years 2023 and 2024, the “Green Attributes Price” is [\$\_\_\_\_/MWh].

2.4 Change in Long-Term Resource Pool. Seller may add or remove a Resource from the Long-Term Resource Pool as allowed under Voluntary Allocation, and as soon as practicable, Seller will provide Notice to Buyer of any changes to the Long-Term Resource Pool. Seller shall retain the sole discretion to modify Appendix B after CPUC approval to ensure that the Long-Term Resource Pool only includes Resources with terms greater than 10 years as of the start of the Delivery Period. Seller shall retain the sole and absolute discretion to modify, enforce, or terminate its power purchase agreements for Resources during the Delivery Period. Buyer shall not have any right to or discretion to request changes to the Resources or the Long-Term Resource Pool during the Delivery Period.

**ARTICLE 3**  
**DELIVERY**

3.1 Delivery. Throughout the Delivery Period, Seller shall deliver, and Buyer shall receive, Product in accordance with the Confirmation. Seller, or a qualified third-party designated by Seller, will act as Scheduling Coordinator to deliver Product in each hour to the CAISO at the Delivery Point. Buyer shall take title and risk of loss of Product at the applicable Delivery Point selected by Seller.

3.2 Delivery Point. The “Delivery Point” is and shall mean where Seller, or a qualified third-party designated by Seller, shall deliver to, and Buyer shall take possession of, Product, which shall be NP 15, SP 15, and/or ZP 26, as selected by Seller.

3.3 Delivery Period. Subject to the satisfaction of the Conditions Precedent, the “Delivery Period” shall commence as of the date upon which CPUC approval occurs and last through and until the date upon which the amount of Green Attributes conveyed to the buyer meets the Total Amount following December 31, 2024.

**ARTICLE 4**  
**CONDITIONS PRECEDENT**

4.1 Conditions Precedent. Notwithstanding any other provision of this Confirmation to the contrary, all of the Parties’ obligations are conditioned upon (a) CPUC Approval; and (b) Seller’s receipt of the Performance Assurance described in Article 7 as applicable from Buyer no

later than five (5) Business Days following Seller's Notice to Buyer of CPUC Approval (collectively, "Conditions Precedent").

**ARTICLE 5**  
**CONVEYANCE OF GREEN ATTRIBUTES**

5.1 Green Attributes. Seller represents and warrants that Seller holds the rights to such Green Attributes from the Resources in the Long-Term Resource Pool and Seller agrees to convey such Green Attributes to Buyer as included in the delivery of Product from the Resources in the Long-Term Resource Pool subject to the terms and conditions of this Agreement.

5.2 Conveyance of Green Attributes. Seller shall convey to Buyer the Green Attributes associated with Product no later than twenty-five (25) Business Days once the following have occurred: (a) Seller has obtained the WREGIS Certificates for the Green Attributes for the applicable Calculation Period or calendar year and (b) Seller has received Buyer's payment of the Monthly Cash Settlement Amount in accordance with Article 6 herein. Since WREGIS Certificates will only be created for whole MWh amounts of RPS 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. During the Delivery Period, Seller shall transfer all right, title, and interest in and to the WREGIS Certificates to Buyer's WREGIS account in an aggregate amount equivalent to the Total Amount.

5.3 WREGIS Certificate True-Up. A "WREGIS Certificate True-Up" means any deficit or surplus in WREGIS Certificates delivered to Buyer for a calendar month as compared to the Monthly Amount for the same calendar month ("True-Up Month"). Any adjustments to resolve a WREGIS Certificate True-Up will be made as an adjustment on Seller's monthly invoice to Buyer in accordance with Article 6, provided that no adjustments will be made for any WREGIS Certificate True-Up after twenty-four (24) months from the True-Up Month.

**ARTICLE 6**  
**COMPENSATION**

6.1 Calculation Period. The "Calculation Period" shall be each calendar month or portion thereof that Delivery was conveyed to Buyer.

6.2 Monthly Cash Settlement Amount. Buyer shall pay Seller the Monthly Cash Settlement Amount, in arrears, for each Calculation Period.

The "Monthly Cash Settlement Amount" for a particular Calculation Period shall be equal to (a) plus (b) minus (c), where:

(a) equals the product of (i) the Index Price multiplied by (ii) the Monthly Amount; and

(b) equals the product of (i) the Green Attributes Price, multiplied by (ii) the Monthly Amount; and

(c) equals the product of (i) the Index Price multiplied by (ii) the Monthly Amount.

6.3 Payment. Notwithstanding anything to the contrary in Article Six of the Master Agreement, Buyer shall pay Seller the Monthly Cash Settlement Amount four (4) calendar months following the applicable Calculation Period and on or before the later of: (a) the twenty-fifth (25th) day of the month in which Buyer receives from Seller an invoice for the Calculation Period to which the Monthly Cash Settlement Amount pertains, or (b) within fifteen (15) days following receipt of an invoice issued by Seller for such applicable Calculation Period, provided that if such payment due date is not a Business Day, then on the next Business Day. This provision shall survive termination or expiration of the Agreement for all amounts due prior to such termination or expiration.

## **ARTICLE 7** **CREDIT TERMS**

7.1 This Confirmation's credit requirements for the RPS Energy portion of the Product shall be governed by the Master Agreement

7.2 This Confirmation's credit requirements for the Green Attributes portion of the Product shall apply as specified below:

(a) If the Master Agreement has a Collateral Annex, then the Exposure Amount for the Green Attributes portion of Product shall be equal to zero.

(b) In the event the Master Agreement does not have a Collateral Annex and Section 8.2(c), entitled "Collateral Threshold" with respect to "Party B Credit Protection", of the Master Agreement applies, then for the Green Attributes portion of the Product to be delivered to Party B, the definition of Termination Payment in Section 8.2(c) of the Master Agreement will be zero.

7.3 Section 8.1 of the Master Agreement, entitled "Party A Credit Protection", and all corresponding provisions of (i) the Cover Sheet to Section 8.1 of the Master Agreement and (ii) the Collateral Annex with respect to such Section 8.1 and the applicable provisions thereto of Paragraph 10 to the Collateral Annex do not apply to this Confirmation.

## **ARTICLE 8** **SELLER'S REPRESENTATIONS, WARRANTIES, AND COVENANTS**

8.1 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.

(a) For the avoidance of doubt, the term “Project” as used in the immediately preceding paragraph means Resources in the Long-Term Resource Pool, and the phrase “Delivery Term” means the Delivery Period.

8.2 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.

(a) For the avoidance of doubt, the phrase “Delivery Term” as used in the immediately preceding paragraph means the Delivery Period.

8.3 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.

(a) For the avoidance of doubt, the term “contract” as used in the immediately preceding paragraph means this Confirmation, and the phrase “first delivery” means the first date of the Delivery Period.

8.4 In addition to the foregoing, Seller warrants, represents and covenants, as of the Confirmation Effective Date and throughout the Delivery Period, that:

(a) Seller has the contractual rights to sell all right, title, and interest in Product required to be delivered hereunder;

(b) at the time of delivery, all rights, title, and interest in Product required to be delivered hereunder are free and clear of all liens, taxes, claims, security interests, or other encumbrances of any kind whatsoever;

(c) Seller shall not substitute or purchase any Product from any generating resource other than the Resource(s) in the Long-Term Resource Pool hereunder;

(d) the facility(s) designated by Seller as the Resource(s) in the Long-Term Resource Pool and all electrical output from the facility(s) designated as the Resource(s) in the Long-Term Resource Pool are, or will be, by the first date of the Delivery Period, registered with WREGIS as RPS-eligible.

(e) As of the Confirmation Effective Date and throughout the Delivery Period, Seller represents, warrants and covenants that the Resource(s) in the Long-Term Resource Pool meet the criteria in either (i) or (ii)

(i) The facility(s) designated by Seller as the Resource(s) in the Long-Term Resource Pool either has a first point of interconnection with a California Balancing Authority, or a first point of interconnection with distribution facilities used to serve end users within a California Balancing Authority Area; or;

(ii) The facility(s) designated by Seller as the Resource(s) in the Long-Term Resource Pool has an agreement to dynamically transfer electricity to a California Balancing Authority.

(f) If and to the extent that the Product sold by Seller is a resale of part or all of a power purchase agreement between Seller and one or more third parties, Seller represents, warrants and covenants that the resale complies with the following conditions in (i) through (iv) below as of the Confirmation Effective Date and throughout the Delivery Period:

(i) The original upstream third party contract(s) meets the criteria of California Public Utilities Code Section 399.16(b)(1)(A);

(ii) This Agreement transfers only RPS Energy and Green Attributes that have not yet been generated prior to the commencement of the Delivery Period;

(iii) The RPS Energy transferred hereunder is transferred to Buyer in real time; and

(iv) If a Resource has an agreement to dynamically transfer electricity to a California Balancing Authority, the transactions implemented under this Agreement are not contrary to any condition imposed by a Balancing Authority participating in the dynamic transfer arrangement.

## **ARTICLE 9**

### **TERMINATION AND CALCULATION OF SETTLEMENT AMOUNT**

In the event this Transaction becomes a Terminated Transaction pursuant to Section 5.2 of the Master Agreement, then the Settlement Amount with respect to this Transaction shall not be calculated in accordance with the Master Agreement, but instead will be calculated as follows:

The Non-Defaulting Party shall determine its Gains and Losses by determining the Market Quotation Average Price for the Terminated Transaction. In the event the Non-Defaulting Party is not able, after commercially reasonable efforts, to obtain the Market Quotation Average Price with respect to the Terminated Transaction, then the Non-Defaulting Party shall calculate its Gains and Losses for the Terminated Transaction in a commercially reasonable manner by calculating the arithmetic mean of the quotes of at least three (3) Broker or Index Quotes based on the offers to sell or bids to buy, as applicable, obtained for transactions substantially similar to the Terminated Transaction. Such Broker or Index Quotes must be obtained assuming that the Party obtaining the quote will provide sufficient credit support for the proposed transaction. In the event the Non-Defaulting Party is not able, after commercially reasonable efforts to obtain at least three (3) such Broker or Index Quotes with respect to the Terminated Transaction, then the Non-Defaulting Party shall calculate its Gains and Losses for such Terminated Transaction in a

commercially reasonable manner by reference to information supplied to it by one or more third parties including, without limitation, quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets. Third parties supplying such information may include, without limitation, dealers in the relevant markets, end-users of the relevant product, information vendors and other sources of market information; provided, however, that such third parties shall not be Affiliates of either Party. Only in the event the Non-Defaulting Party is not able, after using commercially reasonable efforts, to obtain such third-party information, then the Non-Defaulting Party shall calculate its Gains and Losses for such Terminated Transaction in a commercially reasonable manner using relevant market data it has available to it internally. If the Non-Defaulting Party's aggregate Gains exceed its aggregate Losses and Costs, if any, resulting from the termination of this Transaction, the Settlement Amount for this Transaction will be zero.

## **ARTICLE 10**

### **GENERAL PROVISIONS**

10.1 Buyer Audit Rights. In addition to any audit rights provided under the Master Agreement, Seller shall, upon the Confirmation Effective Date and continuing until the end of the Delivery Period, provide documentation (which may include, for example, WREGIS reports) sufficient to demonstrate that Product has been conveyed and delivered to Buyer.

10.2 Governing Law.

(a) Notwithstanding any provision to the contrary in the Master Agreement, the Governing Law applicable to this Agreement shall be as set forth herein. This Section 9.2 does not change the Governing Law applicable to any other confirmation or transaction entered into between the Parties under the Master Agreement.

(b) 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.

**ACKNOWLEDGED AND AGREED TO:**

**Buyer, or Party A:**  
[NAME, place of formation, and type of  
entity]

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

Sign: \_\_\_\_\_

Sign: \_\_\_\_\_

Print: \_\_\_\_\_

Print: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## APPENDIX A

### DEFINED TERMS

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

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

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

“Business Day” means all calendar days other than those days on which the Federal Reserve member banks in New York City are authorized or required by law to be closed, and shall be between the hours of 8:00 a.m. and 5:00 p.m. Pacific Prevailing 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 written communications or payment or delivery is being sent and by whom written communications or payment or delivery is to be received.

“Buyer” means Party A.

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

“Confirmation Effective Date” means the date in which the Confirmation is fully executed by both Parties.

“CPUC” means the California Public Utilities Commission.

“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 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. CPUC Approval will be deemed to have occurred on the date that a CPUC decision containing such findings becomes final and non-appealable. For the purpose of this definition of “CPUC Approval”, 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 set forth above. Also, for the purpose of this definition of “CPUC Approval” only, the references therein to “Buyer” shall mean “Seller”.

“California Renewables Portfolio Standard” or “RPS” means the California renewables portfolio standard, as set forth in Cal. Pub. Util. Code §§ 399.11 et seq. and Cal. Pub. Res. Code §§ 25740-25751, and as administered by the CEC as set forth in the CEC RPS Eligibility Guidebook (9<sup>th</sup> Ed.), as may be subsequently modified by the CEC, and the California Public

Utilities Commission (“CPUC”) as set forth in CPUC Decision (“D”) 08-08-028, D.08-04-009, D.11-01-025, D.11-12-020, D.11-12-052, D.12-06-038 and D.14-12-023, and as may be modified by subsequent decision of the CPUC or by subsequent legislation, and regulations promulgated with respect thereto.

“CEC” means the California Energy Commission.

“CPUC” means the California Public Utilities Commission.

“Delivery Period” has the meaning set forth in Section 3.3.

“Delivery Point” has the meaning set forth in Section 3.2.

“Election” has the meaning set forth in Section 2.2.

“Energy” means electrical energy, measured in MWh.

“FERC” means the Federal Energy Regulatory Commission.

“Green Attributes” means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Resource, and its avoided emission of pollutants. Green Attributes include but are not limited to Renewable Energy Credits, as well as: (a) 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; (b) any avoided emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), 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 ; (c) 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 Resource, (ii) production tax credits associated with the construction or operation of the Resource and other financial incentives in the form of credits, reductions, or allowances associated with the Resource 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 Resource for compliance with local, state, or federal operating and/or air quality permits. If the Resource 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 Resource.

"Green Attributes Price" has the meaning set forth in Section 2.3.

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

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

"Long-Term Resource Pool" means Seller's Resources in Appendix B reflecting all PCIA-eligible RPS resources remaining after Voluntary Allocation with power purchase agreements with terms that have greater than 10 years remaining from the start of the Delivery Period that meet the criteria of Public Utilities Code §399.16(b)(1). The actual resources included in this pool (and listed in Appendix B) may change for the reasons set forth in Section 2.4.

"MWh" means megawatt-hour.

"Monthly Cash Settlement Amount" has the meaning set forth in Section 6.2.

"Monthly Amount" has the meaning set forth in Section 2.1.

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

"PCIA" or "Power Charge Indifference Adjustment" is a charge to ensure that both PG&E customers and those who have left PG&E service to purchase electricity from other providers pay for the above-market costs for electric generation resources that were procured by PG&E on their behalf. "Above market" refers to expenditures for generation resources that cannot be fully recovered through sales of these resources at current market prices.

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

"Renewable Energy Credits" or "REC" 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.

"Resource(s)" means generation units owned by Seller or contracted by Seller, which corresponding costs are recovered through the PCIA.

"RPS Energy" means the Energy generated from Resources from the Long- Term Resource Pool.

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

“Seller” means Party B.

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

“Total Amount” has the meaning set forth in Section 2.1.

“Voluntary Allocation” means the 2022 process by which PG&E allocates its PCIA-eligible RPS Energy among all PCIA-eligible load-serving entities in its service territory up to their forecasted, vintaged, annual load shares and the actual, vintaged, annual RPS Energy production of PCIA-eligible RPS Energy resources, as defined in CPUC Decision D.21-05-030, or as modified by subsequent decision of the CPUC.

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

“WREGIS Certificate” 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.

**APPENDIX B**  
**LIST OF RESOURCES IN LONG-TERM RESOURCE POOL**

<b>Resource Name</b>	<b>Technology</b>	<b>CES RPS ID</b>	<b>PCIA Vintage</b>	<b>End Date</b>
Montezuma Wind Energy Center	Wind	60543A	2010	1/27/2036
High Plains Ranch II	Solar PV	60603A	2008	10/30/2038
Topaz Solar Farm	Solar PV	61698A	2008	10/26/2039
Ivanpah Unit 1	Solar Thermal	62273A	2009	1/20/2039
Ivanpah Unit 3	Solar Thermal	62275A	2009	1/26/2039
AV Solar Ranch One	Solar PV	60790A	2009	11/20/2039
Alpine Solar Project	Solar PV	60755A	2010	1/17/2033
Agua Caliente Solar Project	Solar PV	60894A	2009	6/22/2039
High Plains Ranch III	Solar PV	60603A	2010	9/30/2038
Mojave Solar Project	Solar Thermal	60848A	2009	11/20/2039
Genesis Solar Energy Project	Solar Thermal	60605A	2009	3/6/2039
DTE Stockton	Biomass	60964A	2009	2/20/2039
Alpaugh 50	Solar PV	60945A	2010	3/7/2038
Alpaugh North	Solar PV	60946A	2010	3/7/2038
Atwell Island	Solar PV	60947A	2010	3/11/2038
Corcoran	Solar PV	60948A	2010	8/14/2038
White River	Solar PV	60949A	2010	6/26/2038
Sunshine Landfill	Landfill Gas	60815A	2010	8/31/2034
Potrero Hills Landfill	Landfill Gas	63116A	2010	4/12/2041
Desert Center Solar Farm	Solar PV	61068A	2010	12/16/2039
Mesquite Solar 1	Solar PV	60875A	2010	3/7/2033
North Star Solar	Solar PV	61198A	2010	6/19/2035
Vasco Wind Energy Center	Wind	61344A	2010	3/12/2037
Montezuma II Wind Energy Center	Wind	61345A	2010	3/13/2037
Kansas South	Solar PV	61264A	2011	6/24/2033
Westlands Solar Farms	Solar PV	61755A	2011	4/30/2034
Orion Solar	Solar PV	61570A	2011	6/25/2034
North Sky River Energy Center	Wind	61385A	2011	12/20/2037
Copper Mountain Solar 2	Solar PV	60990A	2011	5/12/2040
Shiloh IV Wind Project	Wind	61617A	2011	1/27/2038
Mammoth G3	Geothermal	60315A	2012	3/31/2033
West Antelope	Solar PV	61850A	2012	2/8/2035
Western Antelope Blue Sky Ranch A	Solar PV	61517A	2012	2/16/2035
Nevada Irrigation District (NID)	Small Hydro	60171A	2012	6/30/2033
Nevada Irrigation District (NID)	Small Hydro	60264A	2012	6/30/2033
Nevada Irrigation District (NID)	Small Hydro	60265A	2012	6/30/2033
SPI Biomass Portfolio	Biomass	60088A	2012	9/22/2035
SPI Biomass Portfolio	Biomass	61146A	2012	9/22/2035
SPI Biomass Portfolio	Biomass	60087A	2012	9/22/2035
SPI Biomass Portfolio	Biomass	60089A	2012	9/22/2035

<b>Resource Name</b>	<b>Technology</b>	<b>CES RPS ID</b>	<b>PCIA Vintage</b>	<b>End Date</b>
SPI Biomass Portfolio	Biomass	60576A	2012	9/22/2035
Kansas	Solar PV	61263A	2012	12/31/2037
Lost Hills Solar	Solar PV	61893A	2012	12/31/2043
Cuyama Solar Array	Solar PV	61891A	2012	12/31/2043
Blackwell Solar	Solar PV	61892A	2012	12/31/2043
Henrietta Solar	Solar PV	61841A	2012	9/30/2036
Kent South	Solar PV	61262A	2012	2/18/2035
Algonquin SKIC 20 Solar	Solar PV	61558A	2012	3/30/2035
White River Solar 2	Solar PV	62045A	2012	10/1/2034
Mammoth G1	Geothermal	60306A	2012	12/25/2033
Alamo Solar, LLC	Solar PV	61453A	2012	6/29/2035
CID Solar PV Project	Solar PV	62285A	2012	3/19/2035
Old River One	Solar PV	60853A	2013	2/8/2035
Shafter Solar	Solar PV	62325A	2013	7/15/2035
Rising Tree Wind Farm II	Wind	62426A	2013	8/6/2035
Kekawaka Creek Hydroelectric Facility	Small Hydro	60186A	2013	5/31/2035
RE Astoria	Solar PV	62284A	2013	1/2/2034
Midway Solar Farm I	Solar PV	61295A	2013	5/31/2040
California Flats Solar Project	Solar PV	62552A	2013	4/9/2034
Portal Ridge Solar C Project	Solar PV	61684A	2014	4/20/2037
Sunray 2	Solar PV	62694A	2014	8/24/2037
Bayshore Solar A	Solar PV	63133A	2015	4/17/2038
Bayshore Solar B	Solar PV	63134A	2015	4/17/2038
Bayshore Solar C	Solar PV	63135A	2015	4/17/2038
Java Solar	Solar PV	63137C	2016	1/30/2040
RE Gaskell West 3	Solar PV	63619C	2017	3/22/2038
RE Gaskell West 4	Solar PV	63617C	2017	3/22/2038
RE Gaskell West 5	Solar PV	63618C	2017	3/22/2038
PGE Alta	Small Hydro	60033	Pre-2002	N/A
PGE Centerville	Small Hydro	60034	Pre-2002	N/A
PGE Coleman	Small Hydro	60037	Pre-2002	N/A
PGE Cow Creek	Small Hydro	60038	Pre-2002	N/A
PGE Crane Valley	Small Hydro	60039	Pre-2002	N/A
PGE Deer Creek	Small Hydro	60040	Pre-2002	N/A
PGE De Sabla	Small Hydro	60041	Pre-2002	N/A
PGE Dutch Flat 1	Small Hydro	60042	Pre-2002	N/A
PGE Halsey	Small Hydro	60043	Pre-2002	N/A
PGE Hamilton Branch	Small Hydro	60044	Pre-2002	N/A
PGE Hat 1	Small Hydro	60045	Pre-2002	N/A
PGE Hat 2	Small Hydro	60046	Pre-2002	N/A
PGE Inskip	Small Hydro	60047	Pre-2002	N/A
PGE Kerckhoff 1	Small Hydro	62360	Pre-2002	N/A
PGE Kilarc	Small Hydro	60049	Pre-2002	N/A
PGE Lime Saddle	Small Hydro	60050	Pre-2002	N/A
PGE Newcastle	Small Hydro	60053	Pre-2002	N/A
PGE Oak Flat	Small Hydro	60276	Pre-2002	N/A
PGE Phoenix	Small Hydro	60054	Pre-2002	N/A

<b>Resource Name</b>	<b>Technology</b>	<b>CES RPS ID</b>	<b>PCIA Vintage</b>	<b>End Date</b>
PGE Potter Valley	Small Hydro	60055	Pre-2002	N/A
PGE Five Points	Solar PV	61432	2010	N/A
PGE Stroud	Solar PV	61434	2010	N/A
PGE Westside	Solar PV	61433	2010	N/A
PGE Cantua	Solar PV	61823	2011	N/A
PGE Giffen	Solar PV	61822	2011	N/A
PGE Huron	Solar PV	61821	2011	N/A
PGE Gates	Solar PV	62353	2012	N/A
PGE Guernsey	Solar PV	62354	2012	N/A
PGE West Gates	Solar PV	62352	2012	N/A
PGE Rock Creek RPS	Small Hydro	62269	Pre-2002	N/A
PGE San Joaquin 1A	Small Hydro	60056	Pre-2002	N/A
PGE San Joaquin 2	Small Hydro	60057	Pre-2002	N/A
PGE San Joaquin 3	Small Hydro	60058	Pre-2002	N/A
PGE South	Small Hydro	60059	Pre-2002	N/A
PGE Spaulding 1	Small Hydro	60060	Pre-2002	N/A
PGE Spaulding 2	Small Hydro	60061	Pre-2002	N/A
PGE Spaulding 3	Small Hydro	60062	Pre-2002	N/A
PGE Spring Gap	Small Hydro	60063	Pre-2002	N/A
PGE Toadtown	Small Hydro	60064	Pre-2002	N/A
PGE Tule River	Small Hydro	60065	Pre-2002	N/A
Vaca-Dixon Solar (PG&E)	Solar PV	60966	2010	N/A
PGE Volta 1	Small Hydro	60066	Pre-2002	N/A
PGE Volta 2	Small Hydro	60067	Pre-2002	N/A
PGE West Point	Small Hydro	60068	Pre-2002	N/A
PGE Wise 1	Small Hydro	60069	Pre-2002	N/A
PGE Wise 2	Small Hydro	60070	Pre-2002	N/A
PGE A.G.Wishon	Small Hydro	60032	Pre-2002	N/A

**PACIFIC GAS AND ELECTRIC COMPANY**

**Attachment E.4**

**Market Offer Confirm Product F**

**MASTER POWER PURCHASE AND SALE AGREEMENT  
RENEWABLES PORTFOLIO STANDARD MARKET OFFER CONFIRMATION  
LETTER  
BETWEEN  
[NAME] (“PARTY A”)  
AND  
PACIFIC GAS AND ELECTRIC COMPANY (“PARTY B”)**

This confirmation letter (“Confirmation”) confirms the Transaction between [Name, place of formation, and type of entity] (“Party A” or “Buyer”), and Pacific Gas and Electric Company, a California corporation, (“Party B” or “Seller”), each individually a “Party” and together the “Parties”, which becomes effective on the date fully executed by both Parties (the “Confirmation Effective Date”), in which Seller agrees to provide to Buyer Product, as such term is defined in this Confirmation. This Transaction is governed by the Master Power Purchase and Sale Agreement between the Parties, effective as of [Date of EEI Master between Parties], together with the Cover Sheet, [the Collateral Annex and Paragraph 10 to the Collateral Annex,] and any other annexes thereto (collectively, as amended, restated, supplemented, or otherwise modified from time to time, the “Master Agreement”). The Master Agreement and this Confirmation are collectively referred to herein as the “Agreement”. Capitalized terms used but not otherwise defined in this Confirmation, have the meanings specified for such terms in the Master Agreement, the RPS (defined herein) or the Tariff (defined herein), as applicable. If there is a conflict between the terms in this Confirmation and those in the Master Agreement, this Confirmation shall control. Section references herein are to this Confirmation unless otherwise noted.

**[Standard contract terms and conditions shown in shaded text are those that “may not be modified” per CPUC Decisions (“D.”) 07-11-025; D.10-03-021, as modified by D.11-01-025; and D.13-11-024.]**

**ARTICLE 1  
PRODUCT**

1.1 Product. “Product” means, following Voluntary Allocation, all remaining Green Attributes associated with the Greengate Resources in the Long-Term Resource Pool. Seller shall provide Buyer Product equal to the Total Amount.

1.2 Buyer’s Exclusive Right. Buyer has exclusive right to Product for the Total Amount, including the right to account for or report Product equal to the Total Amount to a Governmental Entity.

**ARTICLE 2  
TOTAL AMOUNT AND GREEN ATTRIBUTES PRICE**

2.1 Total Amount. The “Total Amount” is the sum of all Monthly Amounts in the Delivery Period. For every month in the Delivery Period, the “Monthly Amount” is the product of (i) the Election for the applicable calendar year, multiplied by (ii) following Voluntary Allocation,

the total remaining Green Attributes for that month for every Resource in the Long-Term Resource Pool.

2.2 Election.

- (a) For Products to be delivered in years 2023 and 2024, the “Election” is [\_\_\_%].

2.3 Green Attributes Price.

- (a) For Products to be delivered in years 2023 and 2024, the “Green Attributes Price” is [\$\_\_\_\_/MWh].

2.4 Change in Long-Term Resource Pool. Seller may add or remove a Resource from the Resource Pools as allowed under Voluntary Allocation, and as soon as practicable, Seller will provide Notice to Buyer of any changes to the Long-Term Resource Pool. Seller shall retain the sole and absolute discretion to modify, enforce, or terminate its power purchase agreements for Resources during the Delivery Period. Buyer shall not have any right to or discretion to request changes to the Resources or the Long-Term Resource Pool during the Delivery Period.

**ARTICLE 3**  
**DELIVERY**

3.1 Delivery. Throughout the Delivery Period, Seller shall deliver, and Buyer shall receive, Product in accordance with the Confirmation. Buyer shall take title and risk of loss of Product upon conveyance by Seller in accordance with Article 5.

3.2 Reserved.

3.3 Delivery Period. Subject to the satisfaction of the Conditions Precedent, the “Delivery Period” will commence as of that date upon which CPUC Approval occurs and last through and until that date upon which the amount of Green Attributes conveyed to Buyer meets the Total Amount following December 31, 2024.

**ARTICLE 4**  
**CONDITIONS PRECEDENT**

4.1 Conditions Precedent. Notwithstanding any other provision of this Confirmation to the contrary, all of the Parties’ obligations are conditioned upon (a) CPUC Approval; and (b) Seller’s receipt of the Performance Assurance described in Article 7 as applicable from Buyer no later than five (5) Business Days following Seller’s Notice to Buyer of CPUC Approval (collectively, “Conditions Precedent”).

**ARTICLE 5**  
**CONVEYANCE OF GREEN ATTRIBUTES**

5.1 Green Attributes. Seller represents and warrants that Seller holds the rights to such Green Attributes from the Resources in the Long-Term Resource Pools and Seller agrees to convey such Green Attributes to Buyer as included in the delivery of Product from the Resources in the Long-Term Resource Pool subject to the terms and conditions of this Agreement.

5.2 Conveyance of Green Attributes. Seller shall convey to Buyer the Green Attributes associated with Product no later than twenty-five (25) Business Days once the following have occurred: (a) Seller has obtained the WREGIS Certificates for the Green Attributes for the applicable Calculation Period or calendar year and (b) Seller has received Buyer's payment of the Monthly Cash Settlement Amount in accordance with Article 6 herein. Since WREGIS Certificates will only be created for whole MWh amounts of RPS 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. During the Delivery Period, Seller shall transfer all right, title, and interest in and to the WREGIS Certificates to Buyer's WREGIS account in an aggregate amount equivalent to the Total Amount.

5.3 WREGIS Certificate True-Up. A "WREGIS Certificate True-Up" means any deficit or surplus in WREGIS Certificates delivered to Buyer for a calendar month as compared to the Monthly Amount for the same calendar month ("True-Up Month"). Any adjustments to resolve a WREGIS Certificate True-Up will be made as an adjustment on Seller's monthly invoice to Buyer in accordance with Article 6, provided that no adjustments will be made for any WREGIS Certificate True-Up after twenty-four (24) months from the True-Up Month.

**ARTICLE 6**  
**COMPENSATION**

6.1 Calculation Period. The "Calculation Period" shall be each calendar month or portion thereof that Delivery was conveyed to Buyer.

6.2 Monthly Cash Settlement Amount. Buyer shall pay Seller the Monthly Cash Settlement Amount, in arrears, for each Calculation Period.

The "Monthly Cash Settlement Amount" for a particular Calculation Period shall be equal to the product of (i) the Green Attributes Price, multiplied by (ii) the Monthly Amount.

6.3 Payment. Notwithstanding anything to the contrary in Article Six of the Master Agreement, Buyer shall pay Seller the Monthly Cash Settlement Amount four (4) calendar months following the applicable Calculation Period and on or before the later of: (a) the twenty-fifth (25th) day of the month in which Buyer receives from Seller an invoice for the Calculation Period to which the Monthly Cash Settlement Amount pertains, or (b) within fifteen (15) days following receipt of an invoice issued by Seller for such applicable Calculation Period, provided that if such payment due date is not a Business Day, then on the next Business Day. This provision shall survive termination or expiration of the Agreement for all amounts due prior to such termination or expiration.

**ARTICLE 7**  
**CREDIT TERMS**

7.1 This Confirmation's credit requirements for the Green Attributes portion of the Product shall be governed by the Master Agreement

7.2 This Confirmation's credit requirements for the Green Attributes shall apply as specified below:

(a) If the Master Agreement has a Collateral Annex, then the Exposure Amount for the Green Attributes associated with the Product shall be equal zero.

(b) In the event the Master Agreement does not have a Collateral Annex and Section 8.2(c), entitled "Collateral Threshold" with respect to "Party B Credit Protection", of the Master Agreement applies, then for the Green Attributes associated with the Product to be delivered to Party B, the definition of Termination Payment in Section 8.2(c) of the Master Agreement will be zero.

7.3 Section 8.1 of the Master Agreement, entitled "Party A Credit Protection", and all corresponding provisions of (i) the Cover Sheet to Section 8.1 of the Master Agreement and (ii) the Collateral Annex with respect to such Section 8.1 and the applicable provisions thereto of Paragraph 10 to the Collateral Annex do not apply to this Confirmation.

**ARTICLE 8**  
**SELLER'S REPRESENTATIONS, WARRANTIES, AND COVENANTS**

8.1 **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.

(a) For the avoidance of doubt, the term "Project" as used in the immediately preceding paragraph means Resources in the Long-Term Resource Pool, and the phrase "Delivery Term" means the Delivery Period.

8.2 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.

(a) For the avoidance of doubt, the phrase “Delivery Term” as used in the immediately preceding paragraph means the Delivery Period.

**8.3 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.**

(a) For the avoidance of doubt, the term “contract” as used in the immediately preceding paragraph means this Confirmation, and the phrase “first delivery” means the first date of the Delivery Period.

8.4 In addition to the foregoing, Seller warrants, represents and covenants, as of the Confirmation Effective Date and throughout the Delivery Period, that:

(a) Seller has the contractual rights to sell all right, title, and interest in Product required to be delivered hereunder;

(b) at the time of delivery, all rights, title, and interest in Product required to be delivered hereunder are free and clear of all liens, taxes, claims, security interests, or other encumbrances of any kind whatsoever;

(c) Seller shall not substitute or purchase any Product from any generating resource other than the Resource(s) in the Long-Term Resource Pool hereunder;

(d) the facility(s) designated by Seller as the Resource(s) in the Long-Term Resource Pool and all electrical output from the facility(s) designated as the Resource(s) in the Long-Term Resource Pool are, or will be, by the first date of the Delivery Period, registered with WREGIS as RPS-eligible.

## **ARTICLE 9**

### **TERMINATION AND CALCULATION OF SETTLEMENT AMOUNT**

In the event this Transaction becomes a Terminated Transaction pursuant to Section 5.2 of the Master Agreement, then the Settlement Amount with respect to this Transaction shall not be calculated in accordance with the Master Agreement, but instead will be calculated as follows:

The Non-Defaulting Party shall determine its Gains and Losses by determining the Market Quotation Average Price for the Terminated Transaction. In the event the Non-Defaulting Party is not able, after commercially reasonable efforts, to obtain the Market Quotation Average Price with respect to the Terminated Transaction, then the Non-Defaulting Party shall calculate its Gains and Losses for the Terminated Transaction in a commercially reasonable manner by calculating the arithmetic mean of the quotes of at least three (3) Broker or Index Quotes based on the offers to sell or bids to buy, as applicable, obtained for transactions substantially similar to the Terminated Transaction. Such Broker or Index Quotes must be obtained assuming that the Party obtaining the quote will provide sufficient credit support for the proposed transaction. In the event the Non-Defaulting Party is not able, after commercially reasonable efforts to obtain at least three (3) such Broker or Index Quotes with respect to the Terminated Transaction, then the Non-Defaulting Party shall calculate its Gains and Losses for such Terminated Transaction in a

commercially reasonable manner by reference to information supplied to it by one or more third parties including, without limitation, quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets. Third parties supplying such information may include, without limitation, dealers in the relevant markets, end-users of the relevant product, information vendors and other sources of market information; provided, however, that such third parties shall not be Affiliates of either Party. Only in the event the Non-Defaulting Party is not able, after using commercially reasonable efforts, to obtain such third-party information, then the Non-Defaulting Party shall calculate its Gains and Losses for such Terminated Transaction in a commercially reasonable manner using relevant market data it has available to it internally. If the Non-Defaulting Party's aggregate Gains exceed its aggregate Losses and Costs, if any, resulting from the termination of this Transaction, the Settlement Amount for this Transaction will be zero.

## **ARTICLE 10**

### **GENERAL PROVISIONS**

10.1 Buyer Audit Rights. In addition to any audit rights provided under the Master Agreement, Seller shall, upon the Confirmation Effective Date and continuing until the end of the Delivery Period, provide documentation (which may include, for example, WREGIS reports) sufficient to demonstrate that Product has been conveyed and delivered to Buyer.

10.2 Governing Law.

(a) Notwithstanding any provision to the contrary in the Master Agreement, the Governing Law applicable to this Agreement shall be as set forth herein. This Section 9.2 does not change the Governing Law applicable to any other confirmation or transaction entered into between the Parties under the Master Agreement.

(b) 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.

**ACKNOWLEDGED AND AGREED TO:**

**Buyer, or Party A:**  
[NAME, place of formation, and type of  
entity]

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

Sign: \_\_\_\_\_

Sign: \_\_\_\_\_

Print: \_\_\_\_\_

Print: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## APPENDIX A

### DEFINED TERMS

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

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

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

“Business Day” means all calendar days other than those days on which the Federal Reserve member banks in New York City are authorized or required by law to be closed, and shall be between the hours of 8:00 a.m. and 5:00 p.m. Pacific Prevailing 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 written communications or payment or delivery is being sent and by whom written communications or payment or delivery is to be received.

“Buyer” means Party A.

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

“Confirmation Effective Date” means the date in which the Confirmation is fully executed by both Parties.

“CPUC” means the California Public Utilities Commission.

“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 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. CPUC Approval will be deemed to have occurred on the date that a CPUC decision containing such findings becomes final and non-appealable. For the purpose of this definition of “CPUC Approval”, 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 set forth above. Also, for the purpose of this definition of “CPUC Approval” only, the references herein to “Buyer” shall mean “Seller”.

“California Renewables Portfolio Standard” or “RPS” means the California renewables portfolio standard, as set forth in Cal. Pub. Util. Code §§ 399.11 et seq. and Cal. Pub. Res. Code §§ 25740-25751, and as administered by the CEC as set forth in the CEC RPS Eligibility Guidebook (9<sup>th</sup> Ed.), as may be subsequently modified by the CEC, and the California Public Utilities Commission (“CPUC”) as set forth in CPUC Decision (“D”) 08-08-028, D.08-04-009,

D.11-01-025, D.11-12-020, D.11-12-052, D.12-06-038 and D.14-12-023, and as may be modified by subsequent decision of the CPUC or by subsequent legislation, and regulations promulgated with respect thereto.

“CEC” means the California Energy Commission.

“CPUC” means the California Public Utilities Commission.

“Delivery Period” has the meaning set forth in Section 3.3.

“Delivery Point” has the meaning set forth in Section 3.2.

“Election” has the meaning set forth in Section 2.2.

“Energy” means electrical energy, measured in MWh.

“FERC” means the Federal Energy Regulatory Commission.

“Green Attributes” means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Resource, and its avoided emission of pollutants. Green Attributes include but are not limited to Renewable Energy Credits, as well as: (a) 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; (b) any avoided emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), 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 ; (c) 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 Electric Energy. Green Attributes do not include (i) any Electric Energy, capacity, reliability or other power attributes from the Resource, (ii) production tax credits associated with the construction or operation of the Resource and other financial incentives in the form of credits, reductions, or allowances associated with the Resource 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 Resource for compliance with local, state, or federal operating and/or air quality permits. If the Resource 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 Resource.

"Green Attributes Price" has the meaning set forth in Section 2.3.

"Greengate Resources" means the, Blackspring Ridge IA Wind Project and Blackspring Ridge IB Wind Project (all affiliates of Greengate Power Corporation).

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

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

"Long-Term Resource Pool" means Seller's Resources in Appendix B reflecting all PCIA-eligible RPS resources remaining after Voluntary Allocation with power purchase agreements with terms that have greater than 10 years remaining from the start of the Delivery Period that do not meet the criteria of Public Utilities Code §399.16(b)(1). The actual resources included in this pool (and listed in Appendix B) may change based on routine contract administration and the remaining contract term at the actual start of the contract Delivery Period.

"MWh" means megawatt-hour.

"Monthly Cash Settlement Amount" has the meaning set forth in Section 6.2.

"Monthly Amount" has the meaning set forth in Section 2.1.

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

"PCIA" or "Power Charge Indifference Adjustment" is a charge to ensure that both PG&E customers and those who have left PG&E service to purchase electricity from other providers pay for the above-market costs for electric generation resources that were procured by PG&E on their behalf. "Above market" refers to expenditures for generation resources that cannot be fully recovered through sales of these resources at current market prices.

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

"Renewable Energy Credits" or "REC" 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.

"Resource(s)" means generation units owned by Seller or contracted by Seller, which corresponding costs are recovered through the PCIA.

"RPS Energy" means the Energy generated from Resources from the Long- Term Resource Pool.

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

“Seller” means Party B.

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

“Total Amount” has the meaning set forth in Section 2.1.

“Voluntary Allocation” means the 2022 process by which PG&E allocates its PCIA-eligible RPS Energy among all PCIA-eligible load-serving entities in its service territory up to their forecasted, vintaged, annual load shares and the actual, vintaged, annual RPS Energy production of PCIA-eligible RPS Energy resources, as defined in CPUC Decision D.21-05-030, or as modified by subsequent decision of the CPUC.

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

“WREGIS Certificate” 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.

**APPENDIX B**  
**LIST OF RESOURCES IN LONG-TERM RESOURCE POOL**

<b>Resource Name</b>	<b>Technology</b>	<b>CES RPS ID</b>	<b>PCIA Vintage</b>	<b>End Date</b>
Blackspring Ridge IA	Wind	60987A	2010	5/11/2034
Blackspring Ridge IB	Wind	60988A	2010	5/11/2034

**PG&E Gas and Electric  
Advice Submittal List  
General Order 96-B, Section IV**

AT&T  
Albion Power Company

Alta Power Group, LLC  
Anderson & Poole

Atlas ReFuel  
BART

Barkovich & Yap, Inc.  
Braun Blaising Smith Wynne, P.C.  
California Cotton Ginners & Growers Assn  
California Energy Commission

California Hub for Energy Efficiency  
Financing

California Alternative Energy and  
Advanced Transportation Financing  
Authority  
California Public Utilities Commission  
Calpine

Cameron-Daniel, P.C.  
Casner, Steve  
Center for Biological Diversity

Chevron Pipeline and Power  
City of Palo Alto

City of San Jose  
Clean Power Research  
Coast Economic Consulting  
Commercial Energy  
Crossborder Energy  
Crown Road Energy, LLC  
Davis Wright Tremaine LLP  
Day Carter Murphy

Dept of General Services  
Don Pickett & Associates, Inc.  
Douglass & Liddell  
Dish Wireless L.L.C.

East Bay Community Energy Ellison  
Schneider & Harris LLP  
Engineers and Scientists of California

GenOn Energy, Inc.  
Goodin, MacBride, Squeri, Schlotz &  
Ritchie

Green Power Institute  
Hanna & Morton  
ICF

iCommLaw  
International Power Technology  
Intertie

Intestate Gas Services, Inc.

Johnston, Kevin  
Kelly Group  
Ken Bohn Consulting  
Keyes & Fox LLP  
Leviton Manufacturing Co., Inc.

Los Angeles County Integrated  
Waste Management Task Force  
MRW & Associates  
Manatt Phelps Phillips  
Marin Energy Authority  
McClintock IP  
McKenzie & Associates

Modesto Irrigation District  
NLine Energy, Inc.  
NRG Solar

OnGrid Solar  
Pacific Gas and Electric Company  
Peninsula Clean Energy

Pioneer Community Energy

Public Advocates Office

Redwood Coast Energy Authority  
Regulatory & Cogeneration Service, Inc.

Resource Innovations

SCD Energy Solutions  
San Diego Gas & Electric Company

SPURR  
San Francisco Water Power and Sewer  
Sempra Utilities

Sierra Telephone Company, Inc.  
Southern California Edison Company  
Southern California Gas Company  
Spark Energy  
Sun Light & Power  
Sunshine Design  
Stoel Rives LLP

Tecogen, Inc.  
TerraVerde Renewable Partners  
Tiger Natural Gas, Inc.

TransCanada  
Utility Cost Management  
Utility Power Solutions  
Water and Energy Consulting Wellhead  
Electric Company  
Western Manufactured Housing  
Communities Association (WMA)  
Yep Energy