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**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

SOUTHERN CALIFORNIA EDISON COMPANY'S (U 338-E)
2020 DRAFT RENEWABLES PORTFOLIO STANDARD PROCUREMENT PLAN

VOLUME 2

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Dated: **July 6, 2020**

PUBLIC APPENDIX G.1

2020 *Pro Forma* Renewable Power Purchase Agreement



SOUTHERN CALIFORNIA
EDISON

An *EDISON INTERNATIONAL* Company

[RFO NAME]

PRO FORMA

ENERGY RESOURCE PURCHASE AND SALE AGREEMENT

between

SOUTHERN CALIFORNIA EDISON COMPANY

and

[SELLER]

(ID# *[Number]*)

[STANDARD CONTRACT TERMS AND CONDITIONS THAT MAY NOT BE MODIFIED FOR RESOURCES ELIGIBLE FOR RPS PER THE CPUC D. 08-04-009, D.08-08-028, D.10-03-021 AND D.11-01-025 ARE SHOWN IN GREEN SHADED TEXT.]

TERMS THAT ARE BOXED AND SHADED IN LIGHT YELLOW ARE EITHER *SCE NOTES* OR GENERATING FACILITY-TYPE SPECIFIC COMMENTS THAT SHOULD BE REMOVED OR ACCEPTED, AS APPLICABLE.

[SCE Note: provisions exclusive to Distribution Deferral projects are in green type, italics and brackets.]

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EXHIBIT

**{NOTE: SOME EXHIBITS MAY BE INAPPLICABLE AND MAY BE DELETED
FROM THE EXECUTED CONTRACT.}**

EXHIBIT A DEFINITIONS

EXHIBIT B PROJECT DESCRIPTION

EXHIBIT C PROJECT PROGRESS REPORT

EXHIBIT D MILESTONE SCHEDULE

EXHIBIT E NOTICE

EXHIBIT F FORM OF CONSENT TO COLLATERAL ASSIGNMENT

EXHIBIT G FORM OF LETTER OF CREDIT

EXHIBIT H OPERATIONAL NOTICE FORMS

EXHIBIT I TESTING PROTOCOLS

EXHIBIT J VARIABLE CHARGES

EXHIBIT K SELLER'S ESTIMATE OF LOST OUTPUT

EXHIBIT L METEOROLOGICAL STATION SPECIFICATIONS

EXHIBIT M DATA VALIDATION RULES

ENERGY RESOURCE PURCHASE AND SALE AGREEMENT**between****SOUTHERN CALIFORNIA EDISON COMPANY****and****[SELLER'S NAME]****(ID# [Number])**

This Energy Resource Purchase and Sale Agreement, together with its attachments and exhibits (as amended, restated, extended, renewed, modified or supplemented from time to time, collectively, the “Agreement”) is made and entered into as of this [] day of [Month], [Year] (“Effective Date”) by **SOUTHERN CALIFORNIA EDISON COMPANY**, a California corporation (“SCE”), and **[SELLER]**, a [Seller's business registration] (“Seller”). SCE and Seller are sometimes referred to herein individually as a “Party” and jointly as the “Parties”.

RECITALS

- A. SCE is an investor-owned electric utility serving customers in central and southern California.
- B. Seller is willing to sell and deliver exclusively to SCE, and SCE is willing to purchase, the Product under the terms and conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of these recitals and the agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows.

ARTICLE 1. PURCHASE AND SALE OF PRODUCT**1.01 Product.**

- (a) During the Delivery Period, Seller shall deliver and sell, and SCE shall purchase and receive, the Product. Seller shall not substitute or purchase any portion of the Product from any resource other than the Project, or from the market, for delivery hereunder.

- (b) The applicable Product is that set forth in Option [____] {SCE Note: Insert Option A-E}:

OPTION A: IN FRONT OF THE METER ENERGY STORAGE**OPTION A-1: NON-TOLLING**

Seller [shall] [shall not] {SCE Note: Select the correct option based on whether Seller bid an RA-Only or RA with Put offer}, for any Calendar Year, have the option of including the Capacity, Energy, Ancillary Services, and Ancillary Services Capacity from the Project (the “Energy Put Option”).

Any portion of the Delivery Period for which Seller has exercised an Energy Put Option (if applicable) is a “Put Period.” Any portion of the Delivery Period for which Seller has not exercised an Energy Put Option is an “RA Period.”

The “Product” consists of:

- (i) during Put Periods, and not RA Periods, any and all Energy as measured from the CAISO Approved Meter, Capacity, Ancillary Services, Ancillary Services Capacity, or any other benefits generated by, associated with, or attributable to the Project (except as a result of a Non-SCE Dispatch);
- (ii) during RA Periods, and not Put Periods, Local Resource Constrained Day dispatch rights as set forth in Section 1.09 of Attachment 1;
- (iii) during both Put Periods and RA Periods, any and all Capacity Attributes generated by, associated with or attributable to the Project throughout the Delivery Period.

Seller may exercise its Energy Put Option, if applicable, by delivering Notice of such exercise to SCE:

- (iv) for the first Calendar Year, following the last to occur of the following:
 - (A) A decision of the CPUC meeting the requirements of “CPUC Approval” has been issued (even if such decision has not yet become final and non-appealable);
 - (B) Seller and T&D Provider have executed an interconnection agreement that can meet the Contract Capacity for the Project;

- (C) Seller has delivered Notice to Buyer (1) that Seller has secured construction financing required for the Project or (2) that Seller is able to complete construction of the Project without obtaining financing; and
- (D) Construction of the Project has begun;

and, in any case, at least one year (and no more than two years) before the Expected Initial Delivery Date as of the Effective Date; provided that if the last to occur of such conditions occurs less than one year before the Expected Initial Delivery Date, then Seller may provide such Notice within sixty (60) days after the date the last condition was satisfied; and *{SCE Note: If Expected Initial Delivery Date is within one year of the Effective Date, Agreement will specify election for first Calendar Year; provided SCE may require that the Energy Put Option not be exercised if the Expected Initial Delivery Date is within six (6) months of the Effective Date}*,

- (v) for all other Calendar Years, at least one year (and no more than two years) before the start of such Calendar Year.

OPTION A-2: TOLLING

The “Product” consists of (i) any and all Energy as measured from the CAISO Approved Meter, Capacity, Ancillary Services, Ancillary Services Capacity, or any other benefits generated by, associated with, or attributable to the Project (except as a result of a Non-SCE Dispatch) and (ii) any and all Capacity Attributes generated by, associated with or attributable to the Project throughout the Delivery Period.

OPTION B: IN FRONT OF THE METER DISTRIBUTED GENERATION

The “Product” consists of any and all Energy, net of Station Use *[and Site Host Load]* *{SCE Note: for Excess-Sales only}*, Green Attributes *[associated with Qualified Amounts]* *{SCE Note: for Excess-Sales only}*, and Capacity Attributes, generated by, associated with or attributable to the Project throughout the Delivery Period.

OPTION C: BEHIND THE METER DISTRIBUTED GENERATION

The “Product” consists of (i) any and all Expected Energy Savings *[and Expected Deferral Savings]* associated with the electric energy produced by the Project and delivered to Customers served by the Project, and (ii) any and all Capacity Attributes generated by, associated with or attributable to the

ID# [Number], [Seller's Name]

[RFO Name]

Project. The Product does not include Green Attributes. *{SCE Note: Add in Deferral Savings for Deferral RFOs}*

OPTION D: DEMAND RESPONSE

The “Product” consists of (i) the ability to reduce all or a portion of the electrical consumption of the Participating Accounts through the use of all or a portion of the Project, within the parameters set forth in the table below (the “Event Parameters”), during the Delivery Days, Delivery Hours and Operating Months and (ii) any and all Capacity Attributes generated by, associated with, or attributable to the Project.

Minimum Duration Per Dispatch	Maximum Duration Per Dispatch	Maximum Dispatches Per Resource ID Per Day	Maximum Dispatch Hours Per Resource ID Per Day	Maximum Dispatch Hours Per Resource ID Per Month	Maximum Dispatch Hours Per Resource ID Per Term Year
[Bid]	[Bid]	[Bid]	[Bid]	[Bid]	[Bid]

The Delivery Days, Delivery Hours, and Operating Months during the Delivery Period are:

- (x) “Delivery Days” means *[Seller bid, Monday through Friday or Monday through Sunday]*, excluding “Additional Off-peak Days” as defined by NERC on such entity’s website at <http://www.nerc.com>.
- (y) “Delivery Hours” means *[Seller bid, Beginning Time HE ## to Ending Time HE ##]*.
- (z) “Operating Months” means *[Seller bid of calendar months during the Delivery Period that contain Contract Capacity as provided in Section 1.03 of Attachment 1]*.

OPTION E: ENERGY EFFICIENCY

The “Product” consists of (i) the improved energy efficiency and energy and capacity savings resulting from the Project in accordance with the terms and

conditions of this Agreement and (ii) any and all Capacity Attributes generated by, associated with, or attributable to the Project.

The Product shall be measured and compensated using: *{SCE Note: Select the measurement/compensation approach to be used}*

- ☐ Meter-Based Approach
- ☐ Customized Calculated Approach

1.02 Project.

The Project is as set forth in Section 1.02 of Attachment 1.

If the Project is Behind the Meter, its Customers shall be the following: *{SCE Note: Select the Customer Type to be served by the Project}*

- ☐ Residential Customers and Small Commercial Customers

A “Residential Customer” is a Customer which is a Single-Family Accommodation or Multifamily Accommodation Customer using Domestic Service, including Recreational Vehicle Parks, Residential Hotels, and Mobile Home Parks, and includes Electric Vehicle charging for Customers using Domestic Service if separately metered, as such capitalized terms are defined in Rule 1 of the SCE Tariff.

A “Small Commercial Customer” is a Customer who is not a Residential Customer and has a monthly maximum demand of 20 kW or less.

- ☐ Commercial and Industrial Customers

A “Commercial and Industrial Customer” is a Customer who is not a Residential Customer and has a monthly maximum demand of greater than 20 kW.

1.03 Contracted Amount.

The Contracted Amount is set forth in Section 1.03 of Attachment 1.

1.04 Price.

The Product Price is set forth in Section 1.04 of Attachment 1.

1.05 Exclusive Rights.

- (a) During the Delivery Period, SCE shall have exclusive rights to the Product and all benefits derived therefrom, including the exclusive right to use, market, allocate, designate, award, report or sell the Product, and the right to all revenues generated therefrom. SCE's rights hereunder shall also include any other rights, and be subject to any other conditions, listed in Section 1.05 of Attachment 1.
- (b) Seller will not sell, assign, attribute, claim, or otherwise transfer the Product to any party other than SCE pursuant to this Agreement (except for, in the case of Behind the Meter Projects only, any energy or capacity savings or reductions received by the Customer as a result of the installation of the Project at the Customer's Site).
- (c) If SCE re-sells all or a portion of the Product or any associated rights acquired under this Agreement ("Resold Product"), Seller agrees to (and, if applicable, agrees to cause the Project's SC to):
 - (i) Follow SCE's instructions and the CAISO Tariff with respect to providing such Resold Product to subsequent purchasers of such Resold Product.
 - (ii) Take all commercially reasonable actions and execute any and all documents or instruments reasonably necessary to allow such subsequent purchasers to use such Resold Product.

Seller acknowledges and agrees that if SCE incurs any liability to any purchaser of such Resold Product due to the failure of Seller or the Project's SC to comply with the terms of this Agreement, and Seller would have had liability to SCE under this Agreement for such failure had SCE not sold the Resold Product, then Seller shall be liable to SCE under this Agreement, including pursuant to this Section 1.05, for the amounts for which it would have been liable to SCE had such Resold Product not been sold.

1.06 Resource Adequacy Provisions.

If the Product includes Capacity Attributes:

- (a) Seller shall, on a timely basis, submit, or cause the Project's SC to submit (if SCE is not acting as the Project's SC), Annual Supply Plans and Monthly Supply Plans in accordance with the CAISO Tariff, and any other decisions or orders of the CPUC associated with providing the Capacity Attributes under

this Agreement, to identify and confirm the Expected Capacity Attributes provided to SCE for each Showing Month.

- (b) Seller shall or shall cause the Project's SC to submit (if SCE is not acting as the Project's SC) written notification to SCE, no later than fifteen (15) Business Days before the applicable RA Compliance Showing deadlines for each Showing Month, that SCE will be credited with the Expected Capacity Attributes for each such Showing Month in the Project's Supply Plan.
- (c) Seller shall (i) execute all other documents or instruments necessary, and provide all information otherwise needed, for the Product to be shown on Supply Plans and RA Compliance Showings and to be used to satisfy RA Compliance Obligations, including providing information with respect to the amount of Flexible Capacity and Inflexible Capacity available to be included in any applicable Supply Plan and RA Compliance Showing and (ii) execute all documents or instruments necessary and provide any information requested by SCE related to the Project that is required to be provided to the CAISO or CPUC in order for SCE to comply with Applicable Laws.
- (d) At SCE's request, the Parties shall execute such documents and instruments, and Seller shall cooperate and cause the Project's SC to cooperate (and, in the case of Behind the Meter Projects, shall cause Customers associated with the Project to cooperate) with SCE with respect to any testing or measurements that may be reasonably required to effect recognition and transfer of Capacity Attributes, if any, to SCE.
- (e) The Parties shall use commercially reasonable efforts to cause the Resource ID and the benefitting load serving entity SC identification number to be included in all applicable Supply Plans and to communicate changes in such information to each other promptly throughout the Delivery Period.
- (f) If any change by the CAISO, CPUC or other Governmental Authority occurs that defines new or re-defines existing:
 - (i) Local Capacity Areas, resulting in a decrease or increase in the amount of Capacity Attributes related to a Local Capacity Area provided hereunder there will be no change in payments made pursuant to this Agreement;
 - (ii) Flexible RAR, Capacity Attributes related to Flexible RAR, or attributes of the Project related to Flexible RAR, resulting in a decrease or increase in the amount of Capacity Attributes related to Flexible RAR provided hereunder there will be no change in payments made pursuant to this Agreement;

- (iii) Local Capacity Areas, resulting in the Project subsequently qualifying for a Local Capacity Area, the Capacity Attributes will change to include all Resource Adequacy Benefits related to such Local Capacity Area; and
 - (iv) Flexible RAR, Capacity Attributes related to Flexible RAR, or attributes related to Flexible RAR, resulting in the Project, or a portion of the Project which did not previously qualify to satisfy Flexible RAR, subsequently qualifying to satisfy Flexible RAR, the Capacity Attributes will change to include all Capacity Attributes related to Flexible RAR, including any Capacity Attributes related to Flexible RAR with respect to any portion of the Project which previously was not able to satisfy Flexible RAR.
- (g) Seller shall perform any other obligations set forth in Section 1.06 of Attachment 1.

1.07 Additional Product Delivery Obligations.

Additional provisions, if any, related to the delivery of the Product are forth in Sections 1.07, and following, of Article 1 of Attachment 1.

ARTICLE 2. TERM AND DELIVERY PERIOD

2.01 Term.

The “Term” of this Agreement shall commence upon the Effective Date, and shall continue until the expiration of the Delivery Period.

2.02 Delivery Period.

The “Delivery Period” or “Delivery Term” shall commence at 12:01 a.m. on the Initial Delivery Date, and shall continue until the earlier of: midnight on the date that is [number of years] years after the Initial Delivery Date or the date that this Agreement is otherwise terminated in accordance with its terms.

2.03 Expected Initial Delivery Date.

The Expected Initial Delivery Date is [Date] {SCE Note: must be the first day of a calendar month}.

2.04 Initial Delivery Date.

- (a) The “Initial Delivery Date” shall be no earlier than the Expected Initial Delivery Date and shall be the first day of the first month after all of the

conditions listed in this Section 2.04(a) and in Section 2.04 of Attachment 1 have been satisfied for the Project:

- (i) Seller has completed, to SCE's satisfaction, Seller's obligations set forth in Section 4.01;
- (ii) Seller has installed and placed in operation all equipment and systems required under Section 5.02;
- (iii) Seller has provided at least three (3) Business Days' Notice to SCE that it will achieve the Initial Delivery Date;
- (iv) Seller has paid to SCE the full amount of the Excess Network Upgrade Costs, if applicable;
- (v) Seller has deposited with SCE the applicable Performance Assurance amounts as set forth in Section 7.02(a);
- (vi) Seller has executed and delivered to SCE all documents or instruments required under or requested pursuant to Article 7;
- (vii) Seller has delivered to SCE all insurance documents required under Section 14.07; and
- (viii) SCE shall have obtained or waived CPUC Approval.

The Parties agree that, in order for Seller to achieve the Initial Delivery Date, the Parties may have to perform certain of their Delivery Period obligations in advance of the Initial Delivery Date, including providing Outage Schedules and Supply Plans and establishing an NQC for the Project prior to the applicable Monthly Supply Plan and RA Compliance Showing deadline for the month beginning on the Initial Delivery Date. The Parties shall cooperate with each other in order for SCE to be able to utilize the Product beginning on the Initial Delivery Date.

- (b) If (x) Seller and SCE mutually agree that Initial Delivery Date will not occur on or before the Expected Initial Delivery Date or Initial Delivery Deadline, as applicable; or (y) the Initial Delivery Date will not occur due to any termination of this Agreement as a result of an Event of Default by Seller occurring on or before the Expected Initial Delivery Date or Initial Delivery Deadline, as applicable, SCE shall be entitled to:
 - (i) The entire Development Security, including the right to draw on and retain for its sole benefit any Letter of Credit and the proceeds

thereof, as well as any cash posted as Development Security and interest accrued thereon; and

- (ii) Terminate this Agreement.

If SCE terminates this Agreement pursuant to this Section 2.04(b), any amount of Development Security that Seller has not yet posted with SCE will be immediately due and payable by Seller to SCE.

Neither Party shall have liability for damages for failure to deliver or purchase the Product after the effective date of termination under this Section 2.04(b) and the Forward Settlement Amount will be zero dollars (\$0).

2.05 Initial Delivery Deadline.

Seller must achieve the Initial Delivery Date by the Expected Initial Delivery Date (as the same may be extended pursuant to Sections 2.06 and 8.03(a)). Notwithstanding anything in this Agreement to the contrary, Seller must achieve the Initial Delivery Date by *[Insert date that is ninety (90) days after the Expected Initial Delivery Date]* (the “Initial Delivery Deadline”).

2.06 Daily Delay Liquidated Damages to Extend Expected Initial Delivery Date.

Seller may extend the Expected Initial Delivery Date by paying to SCE liquidated damages in an amount equal to two percent (2%) of the Development Security per day for each day (or portion thereof) from and including the original Expected Initial Delivery Date to and excluding the actual date that the Project achieves the Initial Delivery Date (“Daily Delay Liquidated Damages”).

To extend the Expected Initial Delivery Date, Seller must, no later than 6:00 a.m. on the third Business Day immediately prior to the first day of the proposed Expected Initial Delivery Date extension, provide SCE with Notice of its election to extend the Expected Initial Delivery Date along with Seller’s estimate of the duration of the extension and its payment of Daily Delay Liquidated Damages for the full estimated Expected Initial Delivery Date extension period. This process shall apply to the original Expected Initial Delivery Date extension period and any subsequent extensions.

The Daily Delay Liquidated Damages payments applicable to days included in any Expected Initial Delivery Date extension are nonrefundable (subject to the next paragraph of this Section 2.06) and are in addition to, and not a part of, the Development Security.

Seller will be entitled to a refund (without interest) of any estimated Daily Delay Liquidated Damages payments paid by Seller which exceed the amount required to

cover the number of days by which the Expected Initial Delivery Date was actually extended.

Seller may not extend the Expected Initial Delivery Date beyond the Initial Delivery Deadline by the payment of Daily Delay Liquidated Damages.

2.07 CPUC Approval.

Within ninety (90) days after the Effective Date, SCE shall file with the CPUC the appropriate request for CPUC Approval. SCE shall expeditiously seek CPUC Approval, including promptly responding to any requests for information related to the request for CPUC Approval. As requested by SCE, Seller shall use commercially reasonable efforts to support SCE in obtaining CPUC Approval. SCE has no obligation to seek rehearing or to appeal a CPUC decision which fails to approve this Agreement or which contains findings required for CPUC Approval with conditions or modifications unacceptable to SCE.

Either Party has the right to terminate this Agreement on Notice, which will be effective five (5) Business Days after such Notice is given, if (i) CPUC Approval has not been obtained or waived by SCE in its sole discretion within three hundred sixty-five (365) days after SCE files its request for CPUC Approval and (ii) a Notice of termination is given on or before the date CPUC Approval is obtained.

Failure to obtain CPUC Approval in accordance with this Section 2.07 will not be deemed to be a failure of Seller to install the Project or a failure of SCE to purchase or receive the Product, and will not be or cause an Event of Default by either Party.

ARTICLE 3. BILLING AND PAYMENTS

3.01 Invoicing Process.

By the Invoice Date, the Invoicing Party shall issue an invoice for the payment obligations, if any, incurred hereunder during the previous Invoice Calculation Period together with all supporting documentation and calculations reasonably necessary to evidence all amounts charged thereunder.

An invoice can only be adjusted or amended after it was originally rendered within the time frames set forth in Section 3.03.

If an invoice required to be rendered by Seller is not rendered, or if SCE is incapable of rendering an invoice due to the actions or inactions of Seller, within twelve (12) months after the close of an Invoice Calculation Period, Seller's right to any payment for that Invoice Calculation Period under this Agreement is waived.

3.02 Timeliness of Payment.

Payments under this Agreement will be made no later than the applicable Payment Date for each invoice by ACH or similar method, or by other mutually agreeable methods, to the account designated by the Party to which payment is owed. Any payment made after such Payment Date shall include an Interest Payment.

The Parties acknowledge that data necessary to calculate certain payment obligations of SCE and Seller under this Agreement may not be available at the time the Invoicing Party issues the invoice with respect to a particular month. Any such payment obligations, including related documentation supporting such obligations, shall be included in a subsequent invoice on or before the last Business Day of the month following the month that is the later of (x) one hundred and twenty (120) days following the last day of the calendar month to which the data relates or (y) thirty (30) days after the relevant CAISO final settlement data is available.

3.03 Disputes and Adjustments of Invoices.

If Seller or SCE determines that a calculation is incorrect, Seller or SCE, as the case may be, shall promptly recompute the amounts for the period of the inaccuracy based upon a correction of data and any payment affected by the adjustment or correction.

Any amount due will be made as an adjustment to the next invoice that is calculated after Seller's or SCE's recomputation using corrected measurements.

If the recomputation results in a net amount owed to SCE after applying any amounts owing to Seller as shown on the next invoice, any such amount owing to SCE will at SCE's discretion be netted against amounts owed to Seller in any subsequent invoice or separately invoiced to Seller, in which case Seller must pay the amount owing to SCE within five (5) days after receipt of that invoice.

A Party will be deemed to have waived any such payment adjustments, if such Party does not provide Notice of such payment adjustment within twelve (12) months after the Invoice Date for the invoice containing the error. Adjustment payments for meter inaccuracy will not bear interest.

3.04 Netting Rights.

SCE reserves the right to net amounts that would otherwise be due to Seller under this Agreement in payment of any amounts:

- (a) Owing to SCE by Seller arising out of, or related to, this Agreement; or
- (b) Owed to SCE by Seller arising out of, or related to, any other SCE agreement, tariff, obligation or liability.

Nothing in this Section 3.04 shall limit SCE's rights under applicable tariffs, other

agreements or Applicable Laws.

3.05 Compensation.

Seller shall be compensated according to the provisions set forth in Article 3 of Attachment 1.

3.06 Federal Tax Incentives Price Reduction.

- (a) If at any time prior to the end of the Term, any person or entity, including Seller, Seller's Lender, Seller's upstream parent, or any Seller's Affiliate, realizes any economic or monetary benefit from Federal Tax Credit Legislation with respect to the Project ("Economic Benefit"), the Product Price shall be reduced according to the applicable Tax Credit Percentage available to Seller, as set forth in the table below (the "Reduced Price Percent"), pursuant to the process in Section 3.06(b). *{SCE Note: any such price amendment may need to take into account the nature of the project and any applicable escalated prices, price shaping or other variable pricing structures.}*
- (b) Seller shall provide Notice to SCE within seven (7) days after realizing any Economic Benefit. The Product Price shall be deemed to be automatically amended to reflect the product of the Product Price multiplied by the applicable Reduced Price Percent
 - (i) with immediate effect, if the Economic Benefit is realized on or before the Initial Delivery Date; or
 - (ii) effective as of the first day of the first full month after realization, if the Economic Benefit is realized after the Initial Delivery Date.
- (c) For purposes of determining when an Economic Benefit is realized under Section 3.06(b), realization will have been deemed to have occurred upon the earliest occurrence of any of the following: (i) the closing of any Tax Equity Financing by Seller, Seller's upstream parent or any Seller's Affiliate, (ii) the transfer of any income tax credits generated as a result of Federal Tax Credit Legislation, (iii) the use of any income tax credits on the federal income tax return (on the date such return is filed) of any entity, or (iv) the date upon which Seller realizes an Economic Benefit not otherwise listed in this Section 3.06(c).

Tax Credit Percentage	Reduced Price Percent
30% or greater	90%

25% - 29.99%	92%
20% - 24.99%	93%
15% - 19.99%	95%
10% - 14.99%	97%
5% - 9.99%	98%

ARTICLE 4. DESIGN AND CONSTRUCTION OF PROJECT

4.01 Seller's Obligations.

At no cost to SCE, Seller shall perform the following obligations, and any additional obligations listed in Section 4.01 of Attachment 1:

- (a) Design, construct, install, or refurbish the Project;
- (b) Obtain (or, in the case of Behind the Meter Projects, cause the applicable Customer(s) to obtain) all Permits for the Project on or before the Expected Initial Delivery Date;
- (c) Complete all environmental impact assessments, statements, or studies required pursuant to Applicable Laws, including obtaining public review and certification of any final documents relating to any environmental impact assessment or studies; and
- (d) Provide to SCE, prior to commencement of any construction activities on the Site, a report from an independent engineer (acceptable to both SCE and Seller) certifying that Seller has a written plan for the safe construction and operation of the Project in accordance with Prudent Electrical Practices.

4.02 Inspection Rights.

SCE shall have the right at any time during the Term to enter onto the Site(s) to inspect the Project and otherwise inspect or audit Seller's EPC Contracts and its books and records in order to verify Seller's compliance with the Milestone Schedule, the Critical Path Milestone Schedule, and other obligations under this Agreement. Such inspection or audit shall be conducted during normal business hours on any Business Day for In Front of the Meter Projects, and during agreed upon hours (to be coordinated by Seller with SCE and the affected Customer(s)), with five (5) Business Days' prior notice to Seller for Behind the Meter Projects.

Seller shall, or shall cause its EPC Contractors or Customers to, provide SCE with access to the Site(s) and all applicable documents and records:

- (a) in order to permit SCE to determine whether:
 - (i) Seller has obtained, maintained, and complied with all Permits, and that such Permits do not contain Permit Requirements that might restrict SCE's ability to utilize the Product as provided for in this Agreement (including, as applicable, SCE's ability to charge, discharge, or store energy in the Project or Dispatch the Project as provided for in this Agreement);
 - (ii) All contracts described in Section 4.05(a), and all other contracts or arrangements necessary to interconnect the Project (including transmission arrangements as contemplated in Section 5.01, contracts or arrangements to deliver electric energy for purposes of charging any Storage Unit associated with the Project, and contracts or arrangements for electrical service, water supply and waste disposal) have been entered into and become effective on a timely basis and Seller is not in default thereunder; and
- (b) for any other purpose reasonably connected with this Agreement or the exercise of any and all rights of SCE under Applicable Laws or the SCE Tariff schedules and rules on file with the CPUC.

When at the Site(s), SCE, its authorized agents, employees and inspectors shall adhere to safety and security procedures as may reasonably be required by Seller, provided Seller has provided such procedures to SCE in writing in advance.

4.03 Changes in Operational Characteristics.

- (a) Seller shall provide to SCE Notice of any changes in the operational characteristics of the Project for SCE's review as far in advance as practicable, but in no event less than thirty (30) days before the changes are to be made. Seller acknowledges that provision of Notice under this Section 4.03(a) is for SCE's information only and that by receiving such Notice, SCE makes no representation as to the economic or technical feasibility, operational capacity or reliability of any changes in the operational characteristics of the Project.
- (b) Seller shall provide Notice to SCE within five (5) Business Days after a change in the status of any of the following:

- (i) Seller's exact and complete name, form of organization, direct or indirect ownership and state of incorporation or organization, or address of Seller's principal place of business; and
- (ii) Seller's financing, including the sources of equity investments and debt financings.

No Notice provided pursuant to this Section 4.03(b) constitutes or substitutes for any consent required pursuant to Sections 14.04(a)-(d).

4.04 EPC Contractor.

Seller shall provide SCE with Notice of the name and address of Seller's EPC Contractor on the later of the Effective Date or the fifth (5th) Business Day after Seller enters into a contract with an EPC Contractor.

4.05 Provision of Information.

During the Term, Seller shall provide SCE copies of the following, and any additional items listed in Section 4.05 of Attachment 1:

- (a) Within ten (10) Business Days after receipt thereof:
 - (i) any Interconnection Study or the interconnection agreement tendered to Seller by the T&D Provider;
 - (ii) any agreements with providers of engineering, procurement, or construction services for the Project and any amendments thereto, including any EPC Contract (which may be redacted by Seller to eliminate any portions reasonably believed by Seller to contain confidential information);
 - (iii) Any documents, information, or records related to the Project or the Generating Facility(ies) (including documents, information or records of an Affiliate or Customer) that relate to Seller's obligations under this Agreement, including any documents, information, or records needed to measure the Product;
 - (iv) Any documents, information, or records relating to Seller's Evaluator and Seller's Evaluator's work; and
 - (v) any final reports, studies, or assessments done for Seller by an independent engineer in the normal course of business and not in anticipation of litigation; provided that Seller may redact any such

reports, studies, or assessments to exclude confidential pricing information;

- (b) within ten (10) Business Days of Seller's receipt of Notice from SCE requesting the same, Internal Revenue Service tax Form W-9 and California tax Form 590 (or their equivalents), completed with Seller's information, and any other documentation necessary for SCE to comply with its tax reporting or withholding obligations with respect to Seller; and
- (c) No later than twenty (20) days after each semi-annual period ending on June 30th and December 31st, a report listing all women, minority, disabled veteran, lesbian, gay, bisexual and/or transgender business enterprises, as more particularly set forth in CPUC General Order 156 ("Diverse Business Enterprises") that supplied goods or services to Seller during such period, including any certifications or other documentation of such Diverse Business Enterprises' status as such and the aggregate amount paid to Diverse Business Enterprises during such period. SCE has the right to disclose to the CPUC all such information provided by Seller pursuant to this Section 4.05(c).

4.06 Monthly Project Progress Report.

No later than the tenth (10th) day of each month while the Project has not yet met its Initial Delivery Date, or within five (5) days after SCE's request, Seller shall deliver to SCE a progress report, substantially in the form set forth in Exhibit C ("Project Progress Report"), describing its progress, including projected time to completion of any milestones. Seller shall include in any Project Progress Report a list of all letters, notices, applications, approvals, authorizations and filings referring or relating to Permits, and shall provide any such documents as may be reasonably requested by SCE. In addition, Seller shall advise SCE, as soon as reasonably practicable, of any problems or issues of which Seller is aware which could materially impact its ability to meet the Milestone Schedule set forth in Exhibit D ("Milestone Schedule") or achieve each Critical Path Development Milestone by the applicable deadline.

A report delivered pursuant to this Section 4.06 shall not constitute Notice for any purpose under this Agreement, including with respect to any fact, circumstance, request, issue, dispute or matter included in such report.

4.07 Critical Path Development Milestones.

Seller shall achieve each Critical Path Development Milestone on or before the applicable deadline for achieving such Critical Path Development Milestone specified below. Seller shall provide to SCE, on or before the applicable deadline to achieve each Critical Path Development Milestone, evidence that the Critical Path Development Milestone has been achieved. Seller shall also provide any additional evidence

reasonably requested by SCE that the Critical Path Development Milestone has been achieved.

Critical Path Development Milestone	Deadline to achieve Critical Path Development Milestone
<p align="center">IN FRONT OF THE METER PROJECTS</p> <p align="center"><i>{SCE Note: Delete all other Product-specific Milestones}</i></p>	
Receive a completed Phase I Interconnection Study, as defined in the CAISO Tariff (or equivalent) that can meet the Contract Capacity of the Project	<i>[SCE Note: insert date that is 18 months prior to Expected Initial Delivery Date]</i>
Obtain all material Permits required to initiate construction of the Project	<i>[SCE Note: insert date 12 months prior to Expected Initial Delivery Date]</i>
Receive a completed Phase II Interconnection Study, as defined in the CAISO Tariff (or equivalent) that can meet the Contract Capacity of the Project	<i>[SCE Note: insert date 12 months prior to Expected Initial Delivery Date]</i>
Execute an interconnection agreement with T&D Provider that can meet the Contract Capacity for the Project	<i>[SCE Note: insert date that is 9 months prior to Expected Initial Delivery Date]</i>
Execute purchase order for <i>[the battery system, inverter(s) and transformer(s)/TBD major equipment]</i> <i>{SCE Note: Select battery systems, etc. for Energy Storage Projects & fill in appropriate equipment for Distributed Generation Projects}</i> needed to construct the Project at a size equal to the Contract Capacity	<i>[SCE Note: insert date that is 6 months prior to Expected Initial Delivery Date]</i>
<p align="center">BEHIND THE METER DISTRIBUTED GENERATION/DISTRIBUTED GENERATION & STORAGE/DEMAND RESPONSE</p> <p align="center"><i>{SCE Note: Delete all other Product-specific Milestones}</i></p>	
Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) to install Generating Facility(ies) and the completed applications for interconnection with the Distribution Provider that would be eligible under this Agreement to be included in the Project with capacity that is equal to 25% of Expected Capacity Savings	<i>[SCE Note: insert date that is 15 months prior to Expected Initial Delivery Date]</i>

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Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) to install Generating Facility(ies) and the completed applications for interconnection with the Distribution Provider that would be eligible under this Agreement to be included in the Project with capacity that is equal to 50% of Expected Capacity Savings	<i>[SCE Note: insert date that is 13 months prior to Expected Initial Delivery Date]</i>
Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) to install Generating Facility(ies) and the completed applications for interconnection with the Distribution Provider that would be eligible under this Agreement to be included in the Project with capacity that is equal to 75% of Expected Capacity Savings	<i>[SCE Note: insert date that is 11 months prior to Expected Initial Delivery Date]</i>
Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) to install Generating Facility(ies) and the completed applications for interconnection with the Distribution Provider that would be eligible under this Agreement to be included in the Project with capacity that is equal to 100% of Expected Capacity Savings	<i>[SCE Note: insert date that is 9 months prior to Expected Initial Delivery Date]</i>
File for all material Permits and execute the purchase order(s) for the <i>[SCE Note: TBD major equipment]</i> needed to construct the Project at a size equal to 25% or more of the Expected Capacity Savings	<i>[SCE Note: insert date 14 months prior to Expected Initial Delivery Date]</i>
File for all material Permits and execute the purchase order(s) for the <i>[SCE Note: TBD major equipment]</i> needed to construct the Project at a size equal to 50% or more of the Expected Capacity Savings	<i>[SCE Note: insert date 12 months prior to Expected Initial Delivery Date]</i>
File for all material Permits and execute the purchase order(s) for the <i>[SCE Note: TBD major equipment]</i> needed to construct the Project at a size equal to 75% or more of the Expected Capacity Savings	<i>[SCE Note: insert date that is 10 months prior to Expected Initial Delivery Date]</i>
File for all material Permits and execute the purchase order(s) for the <i>[SCE Note: TBD major equipment]</i> needed to construct the Project at a size equal to 100% or more of the Expected Capacity Savings	<i>[SCE Note: insert date that is 8 months prior to Expected Initial Delivery Date]</i>
25% or more of Expected Capacity Savings has been installed, provided a copy of the un-conditional Permission to Operate (PTO) letter from SCE, and SCE has accepted the Post-Installation Report which verified the project was installed in accordance with <u>Exhibit B</u> and is operational	<i>[SCE Note: insert date that is 9 months prior to Expected Initial Delivery Date]</i>
50% or more of Expected Capacity Savings has been installed, provided a copy of the un-conditional Permission to Operate (PTO) letter from SCE, and SCE has accepted the Post-Installation Report	<i>[SCE Note: insert date that is 7 months prior to Expected Initial Delivery Date]</i>

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which verified the project was installed in accordance with <u>Exhibit B</u> and is operational	
75% or more of Expected Capacity Savings has been installed, provided a copy of the un-conditional Permission to Operate (PTO) letter from SCE, and SCE has accepted the Post-Installation Report which verified the project was installed in accordance with <u>Exhibit B</u> and is operational	<i>[SCE Note: insert date that is 5 months prior to Expected Initial Delivery Date]</i>
DEMAND RESPONSE	
<i>{SCE Note: Delete all other Product-specific Milestones}</i>	
Provide redacted copies of existing and enforceable contracts between Seller and Customers that would be eligible under this Agreement to be included in the Product representing capacity that is equal to 25% of Contract Capacity	<i>[SCE Note: insert date that is 15 months prior to Expected Initial Delivery Date]</i>
Provide redacted copies of existing and enforceable contracts between Seller and Customers that would be eligible under this Agreement to be included in the Product representing capacity that is equal to 50% of Contract Capacity	<i>[SCE Note: insert date that is 13 months prior to Expected Initial Delivery Date]</i>
Provide redacted copies of existing and enforceable contracts between Seller and Customers that would be eligible under this Agreement to be included in the Product representing capacity that is equal to 75% of Contract Capacity	<i>[SCE Note: insert date that is 11 months prior to Expected Initial Delivery Date]</i>
Provide redacted copies of existing and enforceable contracts between Seller and Customers that would be eligible under this Agreement to be included in the Product representing capacity that is equal to 100% of Contract Capacity	<i>[SCE Note: insert date that is 9 months prior to Expected Initial Delivery Date]</i>
Submit completed applications for interconnection with the Distribution Provider for each Storage Unit needed to meet the Minimum Energy Storage Capacity	<i>[SCE Note: insert date that is 9 months prior to Expected Initial Delivery Date]</i>
File for all material Permits for each Storage Unit needed to meet the Minimum Energy Storage Capacity	<i>[SCE Note: insert date that is 8 months prior to Expected Initial Delivery Date]</i>
Sign purchase order for <i>[SCE Note: TBD Major Equipment]</i> needed to construct the Project at a size equal to the Minimum Energy Storage Capacity	<i>[SCE Note: insert date that is 7 months prior to Expected Initial Delivery Date]</i>
Execute an interconnection agreement with Distribution Provider for each Storage Unit in the Project needed to meet the Minimum Energy Storage Capacity	<i>[SCE Note: insert date that is 7 months prior to Expected Initial Delivery Date]</i>

Obtain all material Permits for each Storage Unit needed to meet the Minimum Energy Storage Capacity	<i>[SCE Note: insert date that is 1 month prior to Expected Initial Delivery Date]</i>
ENERGY EFFICIENCY (METER BASED APPROACH)	
<i>{SCE Note: Delete all other Product-specific Milestones}</i>	
Engagement of, and performance of preliminary audits (including technical feasibility) at locations of Customer(s) who qualify for inclusion under this Agreement that have a combined load for the prior year that is reasonably capable of meeting or exceeding the Expected Measured Energy Savings and Expected Measured Deferral Savings	<i>[SCE Note: insert date that is 24 months prior to the Expected Initial Delivery Date]</i>
Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) that would be eligible under this Agreement to be included in the Project representing a combined load for the prior year that is reasonably capable of meeting or exceeding 25% of the Expected Measured Energy Savings and Expected Measured Deferral Savings	<i>[SCE Note: insert date that is 18 months prior to the Expected Initial Delivery Date]</i>
Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) that would be eligible under this Agreement to be included in the Project representing a combined load for the prior year that is reasonably capable of meeting or exceeding 50% of the Expected Measured Energy Savings and Expected Measured Deferral Savings	<i>[SCE Note: insert date that is 16 months prior to the Expected Initial Delivery Date]</i>
File for all Permits for Measures needed to meet the Expected Measured Energy Savings and Expected Measured Deferral Savings	<i>[SCE Note: insert date that is 14 months prior to the Expected Initial Delivery Date]</i>
Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) that would be eligible under this Agreement to be included in the Project representing a combined load for the prior year that is reasonably capable of meeting or exceeding 75% of the Expected Measured Energy Savings and Expected Measured Deferral Savings	<i>[SCE Note: insert date that is 14 months prior to the Expected Initial Delivery Date]</i>
Commenced construction at locations of Customer(s) that would be eligible under this Agreement to be included in the Project who qualify for inclusion under this Agreement that have a combined load for the prior year that is reasonably capable of meeting or exceeding the Expected Measured Energy Savings and Expected Measured Deferral Savings	<i>[SCE Note: insert date that is 12 months prior to the Expected Initial Delivery Date]</i>

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[RFO Name]

Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) that would be eligible under this Agreement to be included in the Project representing a combined load for the prior year that is reasonably capable of meeting or exceeding 100% of the Expected Measured Energy Savings and Expected Measured Deferral Savings	<i>[SCE Note: insert date that is 12 months prior to the Expected Initial Delivery Date]</i>
Obtain all Permits for Measures needed to meet the Expected Measured Energy Savings and Expected Measured Deferral Savings	<i>[SCE Note: insert date that is 1 month prior to the Expected Initial Delivery Date]</i>
ENERGY EFFICIENCY (CUSTOMIZED CALCULATED APPROACH)	
<i>{SCE Note: Delete all other Product-specific Milestones}</i>	
Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) that would be eligible under this Agreement to be included in the Project representing a combined load for the prior year that is projected to be capable of meeting or exceeding 25% of each of the Expected Capacity Savings, Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, and Expected Winter On-Peak Energy Savings	<i>[SCE Note: insert date that is 18 months prior to the Expected Initial Delivery Date]</i>
Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) that would be eligible under this Agreement to be included in the Project representing a combined load for the prior year that is projected to be capable of meeting or exceeding 50% of each of the Expected Capacity Savings, Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, and Expected Winter On-Peak Energy Savings	<i>[SCE Note: insert date that is 15 months prior to the Expected Initial Delivery Date]</i>
Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) that would be eligible under this Agreement to be included in the Project representing a combined load for the prior year that is projected to be capable of meeting or exceeding 75% of each of the Expected Capacity Savings, Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, and Expected Winter On-Peak Energy Savings	<i>[SCE Note: insert date that is 12 months prior to the Expected Initial Delivery Date]</i>
Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) that would be eligible under this Agreement to be included in the Project representing a combined load for the prior year that is projected to be capable of meeting or exceeding 100% of each of the Expected Capacity Savings, Expected Summer Off-Peak Energy Savings, Expected Summer	<i>[SCE Note: insert date that is 10 months prior to the Expected Initial Delivery Date]</i>

On-Peak Energy Savings, and Expected Winter On-Peak Energy Savings	
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If Seller fails to achieve a Critical Path Development Milestone on or before the applicable deadline Seller may cure such failure; provided, that

- (a) Within ten (10) Business Days after any such failure, Seller either (i) completes the Critical Path Development Milestone or (ii) submits to SCE (A) a written description of the reason for the failure, (B) the date Seller expects it will achieve completion of the missed Critical Path Development Milestone ("CPD Milestone Extension Date"), and (C) a written recovery plan for completing all necessary work to achieve completion of the missed Critical Path Development Milestone, the remaining Critical Path Development Milestones, and the Initial Delivery Date by the Expected Initial Delivery Date (the "Recovery Plan"). The Recovery Plan shall also include an updated milestone schedule with revised dates for each remaining Critical Path Development Milestone, which updated milestone schedule shall be subject to acceptance by SCE, in its reasonable discretion.
- (b) Seller shall commence the work contemplated by the Recovery Plan within five (5) days after submitting such Recovery Plan to SCE.
- (c) Seller shall be solely responsible for any costs or expenses incurred by Seller as a result of the formulation and implementation of the Recovery Plan.
- (d) If Seller fails in any material respect, as reasonably determined by SCE, to: (i) meet the requirements of the Recovery Plan; (ii) make sufficient progress in effecting the Recovery Plan; or (iii) achieve completion of the missed Critical Path Development Milestone by the CPD Milestone Extension Date, such failure shall not be subject to a further attempt to cure.
- (e) Seller may cure a failure under this Section 4.07 only once during the Term.

Nothing in this Section 4.07 shall be construed to: (x) relieve Seller of its obligations under this Agreement; (y) modify the deadlines for achieving the remaining Critical Path Development Milestones (except for the one-time update to the milestone schedule pursuant to Section 4.07(a) above and the missed Critical Path Development Milestone which Seller is attempting to cure under this Section 4.07); or (z) relieve Seller of its obligation to timely achieve the Initial Delivery Date by the Expected Initial Delivery Date.

ARTICLE 5. INTERCONNECTION; METERING; TESTING

5.01 Transmission and Interconnection.

(a) Interconnection Studies.

Seller shall be responsible for all fees and costs associated with interconnecting the Project to the T&D Provider's electric system, including (if applicable) the following:

- (i) Funding for any apparatus, modifications, and upgrades to the T&D Provider's electric system, the CAISO Controlled Grid or, if applicable, Affected System (as defined in the CAISO Tariff) that are required at or beyond the Interconnection Point to accommodate the Project's output ("Network Upgrades") (any refund of such fees and costs will be consistent with the CAISO Tariff);
- (ii) All costs (including interconnection costs and transmission losses) arising from, relating to or associated with transmission of electric energy from the Project to the T&D Provider's system or the CAISO Controlled Grid.

Seller shall also perform any additional obligations listed in Section 5.01 of Attachment 1.

(b) Interconnection Queue Position.

Seller shall not withdraw any Interconnection Queue Position related to the Project or assign or transfer that Interconnection Queue Position to any entity or for the benefit of any other agreement other than this Agreement without SCE's prior written consent.

5.02 Metering, Communications, Dispatch, and Telemetry.

Metering, communications, dispatch, and telemetry requirements for the Project are as set forth in Section 5.02 of Attachment 1.

5.03 Testing.

Testing requirements for Project are as set forth in Section 5.03 of Attachment 1.

5.04 Certification.

CEC and CAISO certification requirements for In Front of the Meter projects are set forth in Section 5.04 of Attachment 1.

5.05 Cyber Security Precautions.

Seller shall implement reasonable administrative, technical, and physical safeguards, including any specific safeguards specified from time to time by SCE, to protect the security and integrity of SCE's systems.

A "Security Incident" is:

- (a) Unless expressly authorized under this Agreement, any use, reproduction, distribution, transfer, disposition, disclosure, possession, memory input, alteration, erasure, damage, breach in the security, or other activity by a person or party other than SCE of
 - (i) Seller's computing systems or equipment, including those that contain information about SCE's systems or provide information to SCE's systems, or
 - (ii) SCE's computing systems or equipment, if caused by the action or inaction of Seller; or
- (b) Any unauthorized access to, interception of, disclosure or acquisition of such information.

Any reasonably suspected or confirmed Security Incident must be reported to SCE via email to the Cybersecurity email listed in Exhibit E, immediately upon Seller's awareness of the event. Notification shall include the nature of the event, date and time of the event, suspected amount and type of information exposed and steps being taken to investigate the circumstances of the exposure. Seller shall cooperate and assist SCE in the investigation, analysis and resolution of Security Incidents affecting SCE's systems. Seller shall provide SCE with details of the investigation and final disposition of the Security Incident relevant to the services provided to SCE or which may impact the confidentiality, integrity or availability of those services or of SCE information.

In addition to the above, Seller shall: (x) regularly scan systems for vulnerabilities, (y) rank all vulnerabilities and promptly remediate detected vulnerabilities ranked as critical, high or moderate, and (z) use commercially reasonable efforts to identify any critical, high or moderate vulnerabilities, risks or threats that could potentially impact SCE, and shall notify SCE in writing within one (1) Business Day after such identification. If Seller determines that it cannot remediate any such potential or detected vulnerabilities, risk or threats within 30 days after identifying any such potential or detected vulnerabilities, risks, or threats, it shall promptly notify SCE in writing. Seller's notification shall provide detailed information describing the controls used to mitigate these vulnerabilities, risks or threats.

ARTICLE 6. OPERATION, MAINTENANCE AND REPAIR OBLIGATIONS**6.01 Seller's Operation and Record Keeping Obligations.**

- (a) Seller shall maintain all Permits, licenses, certifications and approvals necessary for the operation and maintenance of the Project, and shall operate the Project in accordance with Prudent Electrical Practices, Applicable Laws, Permit Requirements, and Industry Standards.
- (b) Seller shall maintain all records applicable to the Project, including those set forth in Section 6.01 of Attachment 1. Information maintained pursuant to this Section 6.01(b) shall be retained throughout the Delivery Period and for four (4) years thereafter, and made available or provided to SCE within fifteen (15) days after SCE's request.
- (c) SCE or the CAISO may require Seller, at Seller's expense, to demonstrate to SCE's reasonable satisfaction the correct calibration and operation of any Protective Apparatus required as part of the Project any time SCE or the CAISO has reason to believe that the Protective Apparatus may impair the integrity of the T&D Provider's electric system or the CAISO Controlled Grid.
- (d) DERs Monitoring.
 - (i) The Parties acknowledge that, during the Term, DERMS may progress in a manner that allows SCE to exercise greater access to real-time monitoring of grid assets, including Distributed Energy Resources, consistent with interconnection facilities requirements ("DERs Monitoring"). If such DERMS become available during the Term, Seller agrees to implement DERs to DERMS interfacing equipment to the Project to allow for such DERs Monitoring.
 - (ii) Once the DERMS become available within SCE's service territory, as determined by SCE, Seller agrees to change the Project to allow SCE to implement DERs Monitoring, including the installation of any necessary telemetry or equipment required for such DERs Monitoring ("DER Upgrade"). Prior to the purchase and installation of any equipment for the implementation of DERs Monitoring, Seller shall (A) consult with SCE regarding all proposed installation plans and equipment modifications and (B) obtain SCE approval of any such proposed installation plans and equipment modifications.
 - (iii) Subject to this Section 6.01(d), Seller shall not be responsible for any out-of-pocket expenses in order to make any DER Upgrade. If Seller reasonably anticipates that it will incur out-of-pocket expenses to

effectuate any DER Upgrade required by SCE, Seller shall provide Notice to SCE of such anticipated out-of-pocket expenses. SCE will have sixty (60) days to evaluate such Notice (during which time period Seller shall not be obligated to take any actions to implement the DER Upgrade) and shall, within such time, either:

- (A) Agree to reimburse Seller for all or some portion of such costs (such SCE-agreed upon costs, the “Accepted DER Costs”). If SCE agrees to reimburse Seller for the Accepted DER Costs, then Seller shall install and implement such DER Upgrade covered by the Accepted DER Costs and SCE shall reimburse Seller for Seller’s actual costs to effect the DER Upgrade, not to exceed the Accepted DER Costs; or
- (B) Waive Seller’s obligation to implement such DER Upgrade, or any part thereof for which SCE has not agreed to reimburse Seller.

Notwithstanding the foregoing, to the extent that this Agreement (other than pursuant to this Section 6.01(d)), the CAISO Tariff, Applicable Laws, Seller’s interconnection agreement, or SCE, in its capacity as participating transmission or distribution owner, requires Seller to make a DER Upgrade, Seller shall implement such DER Upgrade and shall bear the entire cost of any such DER Upgrades.

- (iv) Notwithstanding the foregoing, this Section 6.01(d) shall not be applicable to Projects consisting solely of Energy Efficiency measures.
- (e) Seller shall perform any additional obligations set forth in Section 6.01 of Attachment 1.

6.02 Seller’s Maintenance and Repair Obligations.

- (a) Seller shall inspect, maintain, repair and, if necessary, replace, the Project, and any component or portion thereof, in accordance with applicable Industry Standards and take all actions necessary in order to provide the Product to SCE in accordance with the terms of this Agreement. Seller shall maintain, and deliver to SCE upon request, maintenance and repair records of the Project. Notwithstanding the foregoing, this Section 6.02(a) shall not be applicable to Projects consisting solely of Energy Efficiency measures.
- (b) Seller shall inspect, maintain and repair any SCADA, DERMS and telemetry equipment associated with the Project. Seller will promptly notify SCE of any

malfunction, outage or other condition affecting such equipment that could impair the ability of the Project to respond to Dispatch instructions or SCE's ability to monitor the Project by telephoning Real-Time Scheduling at the telephone number(s) listed in Exhibit E, and by entering outage information as required by the CAISO Tariff, both within ten (10) minutes after the commencement of the event. Seller shall promptly prepare and provide to SCE, using the Web Client or email to Real-Time Scheduling as instructed by SCE, all reports related to such event that SCE may reasonably require for purposes of compliance with Applicable Laws.

- (c) If a Party observes non-responsive system communication from the other Party, such Party will promptly contact the other Party by telephoning Real-Time Scheduling at the telephone number(s) listed in Exhibit E. If SCE issues a Dispatch Instruction while system communication is known to be non-responsive, SCE will exercise good faith reasonable efforts to notify Seller of the Dispatch Instruction by telephoning Real-Time Scheduling at Seller's telephone number(s) listed in Exhibit E.
- (d) Seller shall perform any additional obligations set forth in Section 6.02 of Attachment 1.

6.03 Additional Operation, Maintenance and Repair Requirements.

Additional operation, maintenance and repair requirements are set forth in Section 6.03, and following, of Article 6 of Attachment 1.

ARTICLE 7. CREDIT AND COLLATERAL

7.01 Development Security.

- (a) Amount.

Seller shall post and thereafter maintain Development Security equal to {*SCE Note: Development Security will be calculated based on RFO Instructions.*}

- (b) Posting Requirements.

Seller shall post the Development Security in accordance with the following terms and conditions:

- (i) Seller shall post one-half of the Development Security within five (5) Business Days following the Effective Date, with the remainder to be posted no later than five (5) Business Days after CPUC Approval is obtained or waived by SCE in its sole discretion;

- (ii) The Development Security must be in the form of cash or a Letter of Credit; and
- (iii) The Development Security and any interest accrued thereon in accordance with Section 7.03(a) shall be held by SCE as security for Seller achieving the Initial Delivery Date on or before the Expected Initial Delivery Date and demonstrating that the Project is capable of providing the Contracted Amount in accordance with the terms of this Agreement] *{SCE Note: include bracketed language for non-distribution deferral projects where Seller is permitted to achieve the Initial Delivery Date, with a corresponding payment of Development Security, even though it has not demonstrated that the Project is capable of providing 100% of the Contracted Amount}.*

(c) Return of Development Security.

If no Event of Default with respect to Seller has occurred and is continuing, and no Early Termination Date has occurred or been designated as the result of an Event of Default with respect to Seller, then:

- (i) As soon as reasonably practicable after the Initial Delivery Date, SCE shall return to Seller the Development Security including any interest accrued thereon pursuant to Section 7.03(a), less, if applicable, any amount of Development Security retained pursuant to this Agreement.
- (ii) As soon as reasonably practicable after the termination of this Agreement by either Party pursuant to Sections 2.07, 8.03(a), or 10.05, SCE shall return to Seller the full Development Security; provided, a termination under Article 8 only entitles Seller to a return of the Development Security if the termination is based on a Force Majeure that prevents the Initial Delivery Date from occurring on or before the Initial Delivery Deadline.

Seller may, with SCE's consent, authorize SCE to retain cash or Letter(s) of Credit initially posted as Development Security as Performance Assurance posted under Section 7.02.

7.02 Performance Assurance.

(a) Amount.

At all times during the Delivery Period, Seller shall post and thereafter maintain Performance Assurance in an amount equal to *{SCE Note: Performance Assurance will be calculated based on RF Instructions.}*

(b) Posting Requirements.

Seller shall post the Performance Assurance in accordance with the following terms and conditions:

- (i) Seller shall post all of the Performance Assurance on or before the Initial Delivery Date;
- (ii) Performance Assurance must be in the form of cash or a Letter of Credit; and
- (iii) The Performance Assurance and any interest accrued thereon in accordance with Section 7.03(a) shall be held by SCE as security for Seller's performance of its obligations under this Agreement.

(c) Return of Performance Assurance.

SCE shall return to Seller the unused portion of the Performance Assurance, including any interest accrued thereon pursuant to Section 7.03(a), as soon as reasonably practicable after (i) the Delivery Period has ended; and (ii) Seller has satisfied all monetary obligations which survive termination of this Agreement.

7.03 Administration of Project Security.

(a) Cash.

- (i) SCE shall calculate and pay to Seller an Interest Payment on any Project Security posted in cash, concurrently with the return of such Project Security to Seller in accordance with the terms of this Agreement.
- (ii) On or after the occurrence of an Event of Default with respect to the Seller or an Early Termination Date as a result of an Event of Default with respect to the Seller, SCE shall retain any Interest Payment as additional Project Security until the obligations of the Seller under this Agreement have been satisfied in the case of an Early Termination Date or for so long as such Event of Default is continuing in the case of an Event of Default; provided that, any Interest Payment amount that is held by SCE as an additional Project Security amount shall not accrue interest in accordance with Section 7.03(a)(i).
- (iii) SCE shall have the right to sell, pledge, rehypothecate, assign, invest, use, commingle or otherwise use in its business any cash that it holds

as Project Security hereunder, free from any claim or right of any nature whatsoever of Seller, including any equity or right of redemption by Seller.

(b) Letters of Credit.

- (i) Each Letter of Credit shall be maintained for the benefit of SCE.
- (ii) Seller shall:
 - (A) renew or cause the renewal of each outstanding Letter of Credit no less than thirty (30) days before its expiration;
 - (B) if the issuer of an outstanding Letter of Credit has indicated its intent not to renew such Letter of Credit, provide alternative Project Security no less than twenty (20) Business Days prior to its expiration; and
 - (C) if the issuer of a Letter of Credit fails to honor SCE's properly documented request to draw on an outstanding Letter of Credit, provide substitute Project Security within three (3) Business Days after such refusal.
- (iii) Upon the occurrence of a Letter of Credit Default, Seller shall provide to SCE alternative Project Security on or before the third (3rd) Business Day after the occurrence thereof (or the fifth (5th) Business Day after the occurrence thereof if only clause (a) under the definition of Letter of Credit Default applies).
- (iv) Upon or at any time after the occurrence and continuation of an Event of Default by Seller, SCE may draw on the entire undrawn portion of any outstanding Letter of Credit upon submission to the issuer of such Letter of Credit of one or more certificates specifying that such Event of Default has occurred and is continuing. In addition, SCE will have the right to draw on the Letter of Credit for any of the reasons set forth in such Letter of Credit or its accompanying draw certificate.
- (v) Cash proceeds received by SCE from drawing upon the Letter of Credit shall be deemed Project Security for Seller's obligations to SCE, and SCE shall have the rights and remedies set forth in this Agreement with respect to such cash proceeds.
- (vi) In all cases, all costs associated with a Letter of Credit, including the costs and expenses of establishing, renewing, substituting, canceling,

and changing the amount of a Letter of Credit shall be borne by Seller.

- (c) Liability Following Application of Collateral. Notwithstanding SCE's use of cash collateral or receipt of cash proceeds of a drawing under the Letter of Credit, Seller shall remain liable for:
- (i) Any failure to provide or maintain the required Project Security if, following such application, the remaining Project Security is less than the amount required hereunder (including failure to replenish cash collateral or a Letter of Credit to the full Project Security amount in the event that SCE uses the cash collateral or draws against the Letter of Credit for any reason other than to satisfy a Termination Payment); or
 - (ii) Any amounts owing to SCE that remain unpaid after the application of the amounts drawn by SCE.

7.04 Grant of Security Interest.

To secure its performance of its obligations under this Agreement, and until released as provided herein, Seller hereby grants to SCE a present and continuing first-priority security interest ("Security Interest") in, and lien on (and right of setoff against), and assignment of the Project Security and any and all proceeds resulting therefrom or from the liquidation thereof, whether now or hereafter held by, on behalf of, or for the benefit of SCE.

7.05 Remedies.

- (a) Upon or any time after the occurrence or deemed occurrence and during the continuation of an Event of Default or an Early Termination Date, SCE, if it is the Non-Defaulting Party, may do any one or more of the following:
- (i) exercise any of its rights and remedies with respect to the Project Security, including any such rights and remedies under Applicable Laws;
 - (ii) exercise any of its rights of setoff against any and all property of Seller in the possession of SCE or its agent;
 - (iii) draw on any outstanding Letter of Credit issued for its benefit; and
 - (iv) liquidate any Project Security then held by or for the benefit of SCE free from any claim or right of any nature whatsoever of Seller, including any equity or right of purchase or redemption by Seller.

- (b) SCE shall apply the proceeds of the collateral realized upon the exercise of any such rights or remedies to reduce Seller's obligations under this Agreement, subject to SCE's obligation to return any surplus proceeds remaining after such obligations are satisfied in full.
- (c) SCE shall be under no obligation to prioritize the order with respect to which it exercises any one or more rights and remedies available hereunder. Seller shall in all events remain liable to SCE for any amount payable by Seller in respect of any of its obligations remaining unpaid after any such liquidation, application and set off.

7.06 Credit and Collateral Covenants.

- (a) Seller shall, from time to time as requested by SCE, take such actions and execute, acknowledge, record, register, deliver and file such notices, statements, instruments and other documents as may be necessary or advisable to perfect the Security Interest.
- (b) During any period during which Seller is a Defaulting Party, Seller shall not:
 - (i) Declare or pay any dividend, or make any other distribution or payment, on account of any equity interest in Seller; or
 - (ii) Otherwise make any distribution or payment to any Affiliate of Seller.
- (c) If Seller is a Special Purpose Entity, then:
 - (i) Seller shall not cause or permit the stock, equity ownership interest in Seller or assets of Seller to be pledged or assigned as collateral or otherwise to any party other than Lender under a Collateral Assignment Agreement.
 - (ii) Seller shall not hold any material assets, become liable for any material obligations or engage in any material business activities other than the development, construction and operation of the Project.
 - (iii) Seller shall not own, form or acquire, or otherwise conduct any of its activities through, any direct or indirect subsidiary.

7.07 California Commercial Code Waiver.

This Agreement sets forth the entirety of the agreement of the Parties regarding credit, collateral, financial assurances and adequate assurances. Except as expressly set forth in this Agreement, including in Article 7 and Article 10, neither Party:

- (a) has or will have any obligation to post margin, provide letters of credit, pay deposits, make any other prepayments or provide any other financial assurances, in any form whatsoever, or
- (b) will have reasonable grounds for insecurity with respect to the creditworthiness of a Party that is complying with the relevant provisions of Article 7 and Article 10; and all implied rights relating to financial assurances arising from Section 2609 of the California Commercial Code or case law applying similar doctrines, are hereby waived.

7.08 Financial Information.

Each Party, if requested by the other Party, shall deliver the following financial statements, which in all cases must be for the most recent accounting period and prepared in accordance with GAAP or IFRS:

- (a) Within one hundred twenty (120) days following the end of each fiscal year, a copy of its annual report containing audited (or unaudited, if Seller does not otherwise prepared audited financial statements) consolidated financial statements (income statement, balance sheet, statement of cash flows and statement of retained earnings and all accompanying notes) for such fiscal year, setting forth in each case, in comparative form, the figures for the previous year for the Party; and
- (b) Within sixty (60) days after the end of each of its first three fiscal quarters of each fiscal year, a copy of its quarterly report containing unaudited consolidated financial statements (income statement, balance sheet, statement of cash flows and statement of retained earnings and all accompanying notes) for such fiscal quarter and the portion of the fiscal year through the end of such quarter, setting forth in each case, in comparative form, the figures for the previous year for the Party.

In each case, the financial statements specified above must be certified in accordance with all Applicable Laws, including all applicable SEC rules and regulations, if such Party is an SEC reporting company, or certified by the chief financial officer, controller, treasurer or any assistant treasurer of a Party, or any employee of a Party designated by any of the foregoing, as being fairly stated in all material respects (subject to normal year-end audit adjustments) if such Party is not an SEC reporting company.

A Party shall be deemed to have met the requirements of this Section 7.08 if its financial statements are publicly available electronically on its or the SEC's website.

Unavailability of financial statements required hereunder due to a delay in preparation or certification shall not be an Event of Default so long as the producing Party diligently pursues the preparation, certification and delivery of such statements.

ARTICLE 8. FORCE MAJEURE**8.01 No Default for Force Majeure.**

Neither Party will be considered to be in default in the performance of any of its obligations set forth in this Agreement when and to the extent failure of performance is caused by Force Majeure; provided, a failure to make payments when due that accrued prior to the Force Majeure event shall not be excused.

8.02 Force Majeure Claim.

If, because of a Force Majeure, either Party is unable to perform its obligations under this Agreement, such Party (the "Claiming Party") shall be excused from whatever performance is affected by the Force Majeure only to the extent so affected; provided:

- (a) the Claiming Party, no more than fourteen (14) days after the initial occurrence of the claimed Force Majeure, gives the other Party Notice describing the particulars of the occurrence;
- (b) the Claiming Party must provide timely evidence reasonably sufficient to establish that the occurrence constitutes a Force Majeure as defined in this Agreement;
- (c) the suspension of performance is of no greater scope and of no longer duration than is required by the Force Majeure; and
- (d) as soon as the Claiming Party is able to resume performance of its obligations under this Agreement, it shall do so and shall promptly give the other Party Notice of this resumption.

8.03 Termination.

- (a) If the Initial Delivery Date does not occur on or before the Expected Initial Delivery Date as the result of a Force Majeure occurring before the Expected Initial Delivery Date and Seller is the Claiming Party, then the Expected Initial Delivery Date will, subject to Sections 2.04 and 2.05 and Seller's compliance with its obligations as the Claiming Party under this Article 8, be extended on a day-for-day basis for the duration of the Force Majeure; provided, if (i) the Initial Delivery Date does not occur before the Initial Delivery Deadline and (ii) such Force Majeure extension coincides with and extends beyond the Initial Delivery Deadline, then either Party may terminate this Agreement on

Notice, which will be effective five (5) Business Days after such Notice is provided.

If either Party exercises its termination right pursuant to this Section 8.03(a), no Termination Payment will be due or owing by either Party, and Seller will be entitled to a return of any Development Security.

- (b) During the Delivery Period, either Party may terminate this Agreement on Notice, which will be effective five (5) Business Days after such Notice is provided, if (i) an event of Force Majeure extends for more than three hundred sixty-five (365) consecutive days and materially and adversely affects the operations of the Claiming Party, or (ii) the Project is destroyed or rendered inoperable by a Force Majeure, and an independent, third-party engineer determines in writing that the Project cannot be repaired or replaced within six (6) months after the first day of such Force Majeure.

If either Party exercises its termination right pursuant to this Section 8.03(b), no Termination Payment will be due or owing by either Party, and Seller will be entitled to a return of any Performance Assurance.

ARTICLE 9. REPRESENTATIONS, WARRANTIES AND COVENANTS

9.01 Representations and Warranties of Both Parties.

As of the Effective Date, each Party represents and warrants to the other Party that:

- (a) It is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;
- (b) Except for CPUC Approval in the case of SCE, it has or will timely acquire all regulatory authorizations necessary for it to legally perform its obligations under this Agreement;
- (c) The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any Applicable Laws;
- (d) This Agreement constitutes its legally valid and binding obligation, enforceable against it in accordance with the terms of this Agreement, subject to any Equitable Defenses;
- (e) It is not Bankrupt and there are not proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt;

- (f) There is not pending, or to its knowledge, threatened against it or, in the case of Seller, any of its Affiliates, any legal proceedings that could materially and adversely affect its ability to perform under this Agreement;
- (g) No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement;
- (h) It is acting for its own account and its decision to enter into this Agreement is based upon its own judgment, not in reliance upon the advice or recommendations of the other Party and it is capable of assessing the merits of and understanding, and understands and accepts the terms, conditions and risks of this Agreement;
- (i) It has entered into this Agreement in connection with the conduct of its business and it has the capability or ability to make available or take delivery of, as applicable, the Product under this Agreement in accordance with the terms of this Agreement; and
- (j) It has not relied upon any promises, representations, statements or information of any kind whatsoever that are not contained in this Agreement in deciding to enter into this Agreement.

9.02 Additional Seller Representations and Warranties.

- (a) As of the Effective Date, Seller represents and warrants to SCE that:
 - (i) Seller ☐ is/ ☐ is not {SCE note: select applicable option} an entity formed solely to engage in the development, construction and operation of the Project (a “Special Purpose Entity”)
 - (ii) If the Project is In Front of the Meter, Seller has provided SCE with true and correct, up-to-date copies of all of the Interconnection Studies, if any, to enable delivery of the Project’s output to the Interconnection Point pursuant to Applicable Laws and to enable Seller to provide the Product to SCE; and
 - (iii) If the Project utilizes Energy Storage, Seller has provided to SCE a list of services that Seller currently provides to SCE or to any other entity using the Storage Unit(s), in addition to the Product delivered to SCE under this Agreement.
- (b) As of the Effective Date and, if applicable, as of each time that a Generating Facility is added to the Project, Seller represents and warrants to SCE that

Seller has not used, granted, pledged, assigned, sold or otherwise committed any Product to meet the RA Compliance Obligations of, or conferred Resource Adequacy Benefits upon, any entity other than SCE during the Delivery Period, except to the extent such benefits are conferred on another entity pursuant to an order of the CPUC or at the direction of SCE.

- (c) As of the Initial Delivery Date, Seller represents and warrants to SCE that the Project, and each Storage Unit (if any) included within the Project:
 - (i) was not installed or operational at any time before January 1, 2010 as provided in the CPUC Decision 13-10-040;
 - (ii) has a remaining design life of at least [#] years after the Initial Delivery Date as attested by an Independent Engineer; *[SCE note: design life should extend at least until end of Delivery Period, or longer based on accounting considerations]*
 - (iii) is incremental capacity to the *[SCE note: insert applicable circuit]*; and
 - (iv) does not replace an existing solar power generating facility or storage unit.
- (d) On each day on which Project Security in the form of cash is held by SCE under this Agreement, Seller hereby represents and warrants that:
 - (i) Seller has good title to and is the sole owner of such Project Security;
 - (ii) Upon the posting of Project Security by Seller to SCE, SCE shall have a valid and perfected first priority continuing security interest therein, free of any liens, claims or encumbrances, except those liens, security interests, claims or encumbrances arising by operation of law that are given priority over a perfected security interest; and
 - (iii) Seller is not and will not become a party to or otherwise be bound by any agreement, other than this Agreement, which restricts in any manner the rights of any present or future holder of any of the Project Security with respect hereto.
- (e) On the Initial Delivery Date and on each day Seller provides information to SCE or updates Exhibit B, Seller hereby represents and warrants that: (i) the information contained in Exhibit B is correct and accurate and (ii) Seller has provided SCE with true and correct, up-to-date copies of all documents, if any, related to the interconnection of the Project.

- (f) Seller also makes the additional representations and warranties (if any) set forth in Section 9.02 of Attachment 1.

9.03 SCE Covenants.

- (a) SCE shall maintain and preserve its existence as a corporation formed under the laws of the State of California and all material rights, privileges and franchises necessary or desirable to enable it to perform its obligations under this Agreement.
- (b) SCE shall, comply with Applicable Laws with respect to the Product arising out of or in connection with SCE's actions or inactions after taking delivery of the Product.

9.04 Seller Covenants.

- (a) Seller shall maintain ownership of and demonstrable exclusive rights to the Project throughout the Term.
- (b) Seller shall deliver the Product to SCE free and clear of all liens, security interests, claims and encumbrances or any interest therein or thereto by any person.
- (c) Seller shall obtain, maintain and remain in compliance with all Permits, agreements (including interconnection agreements) and rights (including transmission rights) necessary to operate the Project and provide the Product to SCE in accordance with this Agreement.
- (d) Seller shall maintain and preserve its existence as a *[insert applicable corporate incorporation information]* formed under the laws of the State of *[XX]* and all material rights, privileges and franchises necessary or desirable to enable it to perform its obligations under this Agreement.
- (e) If Seller agrees to use any Storage Unit(s) associated with the Project to provide any services to SCE or to any other entity in addition to the Product delivered to SCE under this Agreement, Seller shall:
 - (i) Inform SCE regarding such additional services in writing prior to providing such additional services. Upon SCE's request, Seller shall provide SCE with an update regarding any previously reported additional services or any new additional services delivered to SCE or any other entity and
 - (ii) Provide the services in compliance with the rules set forth in CPUC Decision (D.) 18-01-003 regarding multiple-use application issues for

energy storage devices, as such rules are amended, modified or updated from time to time.

- (f) Seller shall furnish SCE, the CPUC, each applicable Governmental Authority, and the CAISO with such evidence as may reasonably be requested to demonstrate SCE's ownership of or exclusive right to the Product during the Delivery Period.
- (g) Seller shall, and shall cause the SC (if any) to, comply with Applicable Laws relating to the Project and the Product.
- (h) Throughout the Delivery Period:
 - (i) If the Product includes Capacity Attributes, no portion of the Product will be committed by Seller to any third party in order to satisfy RA Compliance Obligations or analogous obligations in any CAISO Markets or non-CAISO markets, other than (in the case of an In Front of the Meter Energy Storage Project), pursuant to an RMR Contract between the CAISO and Seller, an order of the CPUC, or at the direction of SCE.
 - (ii) If the CAISO designates any portion of the Project as CPM Capacity Seller shall, and shall cause the Project's SC to:
 - (A) Promptly (and in any event within one (1) Business Day of the time Seller or such SC receives notification from the CAISO) notify SCE and
 - (B) Not accept any such designation by the CAISO unless and until SCE has agreed to accept such designation, provided that SCE shall have the exclusive right to offer the Product and Project, or any portion thereof, to the CAISO as CPM Capacity.
- (i) Seller shall perform all covenants (if any) set forth in Section 9.04 of Attachment 1.

9.05 Customer Service Covenants.

This Section 9.05 shall only be applicable to Behind the Meter Projects.

(a) Customer Information.

Seller shall provide, for each Customer or Recruited Account associated with the Project, an authorization by which the Customer or Recruited Account

authorizes data disclosure or account enrollment, by submitting a CPUC-approved form or by other method consistent with the SCE Tariff. SCE's provision of any information, usage or meter data to Seller shall be subject to the prior written authorization of the applicable Customer or Recruited Account. SCE has no obligation to verify the accuracy of any information provided to Seller hereunder.

(b) Advertising and Marketing.

Any and all marketing materials designed or developed by Seller that reference any SCE program will be subject to written approval from SCE Contract Administration prior to any distribution, circulation or publication. Seller is responsible for all marketing activities to customers; however, SCE, in its sole discretion, may assist Seller with advertising or marketing to SCE's customers. Seller shall not, nor shall Seller permit any of its subcontractors or independent contractors to use SCE's corporate name, trademark, trade name, logo, identity or any affiliation for any reason, without SCE's prior written consent, which may be withheld by SCE in its sole discretion.

(c) Security of Customer Information.

Seller shall implement reasonable administrative, technical, and physical safeguards, including any specific safeguards specified from time to time by SCE, to protect Customer information from unauthorized access, destruction, use, modification, or disclosure.

An "EPI Incident" is:

- (i) Unless expressly authorized under this Agreement, any use, reproduction, distribution, transfer, disposition, disclosure, possession, memory input, alteration, erasure, damage, breach in the security, or other activity by a person or party other than SCE of
 - (A) Seller's computing systems or equipment, including those that contain EPI, or
 - (B) SCE's computing systems or equipment that contain EPI, if caused by the action or inaction of Seller; or
- (ii) Any unauthorized access to, interception of, disclosure or acquisition of such EPI.

Any reasonably suspected or confirmed EPI Incident must be reported to SCE via email to Cybersecurity@sce.com, within 24 hours after Seller's awareness

of the event. Notification shall include the nature of the event, date and time of the event, suspected amount and type of information exposed and steps being taken to investigate the circumstances of the exposure. Seller shall cooperate and assist SCE in the investigation, analysis and resolution of EPI Incidents. Seller shall provide SCE with details of the investigation and final disposition of the EPI Incident relevant to the services provided to SCE or which may impact the confidentiality, integrity or availability of those services or of SCE information.

In addition to the above, Seller shall: (x) regularly scan systems for vulnerabilities, (y) rank all vulnerabilities and promptly remediate detected vulnerabilities ranked as critical, high or moderate, and (z) use commercially reasonable efforts to identify any critical, high or moderate vulnerabilities, risks or threats that could potentially impact SCE, and shall notify SCE in writing within one (1) Business Day after such identification. If Seller determines that it cannot remediate any such potential or detected vulnerabilities, risk or threats within 30 days after identifying any such potential or detected vulnerabilities, risks, or threats, it shall promptly notify SCE in writing. Seller's notification shall provide detailed information describing the controls used to mitigate these vulnerabilities, risks or threats.

(d) Provision of Contractor Information.

Seller will provide to SCE a list of all Seller's direct and indirect subcontractors and any independent contractors associated with the Project, prior to any such person contacting any Customer in any manner.

9.06 Changes in Terminology Arising from CAISO RA Enhancement.

If the Product includes Capacity Attributes, and if the CAISO RA Enhancement is implemented, then this Agreement shall be interpreted in accordance with the following from and after the effective date of such implementation, references to Capacity Attributes and Expected Capacity Attributes in this Agreement (including in the calculation of payments due hereunder) shall be construed with reference to the value adopted by the CAISO RA Enhancement with respect to the Project that takes into account historical forced outages of a facility (referred to herein as "UCAP" regardless of the term ultimately adopted by the CAISO for such value) instead of "NQC".

The Parties intend, by the revisions described in this Section 9.06, to implement the structural changes contemplated by the CAISO RA Enhancement and to ensure that Seller's performance is measured based on the value that SCE may utilize to meet its resource adequacy obligations, without materially shifting the benefits, burdens and obligations of the Parties set forth in this Agreement as of the Effective Date. The Parties understand and agree that the revised contract interpretation described above is

consistent with their intent, because Seller will bear the risk of forced outages under both the current Resource Adequacy framework and the CAISO RA Enhancement (through RAAIM, in the current framework, and through the calculation of UCAP, in the CAISO RA Enhancement).

The Parties shall execute appropriate amendments to this Agreement to document the above revisions and any other similar amendments that are consistent with the Parties' intent as described in this Section 9.06, including those amendments, if any, referenced in Section 9.06 of Attachment 1.

9.07 Change in Electric Market Design.

If the Product includes Capacity Attributes, and if a Change in CAISO Tariff other than the CAISO RA Enhancement renders this Agreement or any terms herein incapable of being performed or administered, then either Party, on Notice, may request the other Party to enter into negotiations to make the minimum changes to this Agreement necessary to make this Agreement capable of being performed and administered, while attempting to preserve to the maximum extent possible the benefits, burdens and obligations set forth in this Agreement as of the Effective Date.

Upon receipt of a Notice requesting negotiations, the Parties shall negotiate in good faith.

If the Parties are unable, within sixty (60) days after the sending of the Notice requesting negotiations, either to agree upon changes to this Agreement or to resolve issues relating to changes to this Agreement, then either Party may submit issues pertaining to changes to this Agreement to mediation and arbitration as provided in Article 12.

A change in cost will not in itself be deemed to render this Agreement or any terms therein incapable of being performed or administered, or constitute, or form the basis of, a Force Majeure.

ARTICLE 10. EVENTS OF DEFAULT; TERMINATION

10.01 Events of Default.

An “Event of Default” means, with respect to a Party (a “Defaulting Party”), the occurrence of any of the following:

- (a) With respect to either Party:
 - (i) Such Party fails to make when due any payment required under this Agreement and this failure is not cured within five (5) Business Days after Notice of the failure;

- (ii) Any representation or warranty made by such Party herein is false or misleading in any material respect when made or when deemed made or repeated if the representation or warranty is continuing in nature, provided, if the misrepresentation or breach of warranty is capable of a cure, an Event of Default will be deemed to occur if the misrepresentation or breach of warranty is not remedied within five (5) Business Days after Notice from the non-breaching Party;
 - (iii) Such Party fails to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default) if such failure is not remedied within thirty (30) days after Notice of the failure, which Notice sets forth in reasonable detail the nature of the failure; provided, if the failure is not reasonably capable of being cured within the thirty (30) day cure period specified above, the Party will have such additional time (not exceeding an additional sixty (60) days) as is reasonably necessary to cure the failure, so long as the Party promptly commences and diligently pursues the cure;
 - (iv) Such Party becomes Bankrupt; or
 - (v) Such Party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting, surviving or transferee entity fails to assume all the obligations of that Party under this Agreement either by operation of law or pursuant to an agreement reasonably satisfactory to the other Party;
- (b) With respect to Seller:
 - (i) Seller fails to satisfy the credit and collateral requirements set forth in Article 7, including failure to post or maintain Project Security, and such failure is not cured within three (3) Business Days after Notice from SCE;
 - (ii) Seller fails to achieve the Initial Delivery Date for the Project by the Initial Delivery Deadline except if (A) the cause of such failure is due to an event of Force Majeure, (B) Seller has complied with its obligations under Article 8 as the Claiming Party, and (C) this Agreement is subject to termination under Section 8.03(a);

- (iii) Seller intentionally or knowingly delivers, or attempts to deliver, or Forecast if applicable, Product for sale under this Agreement that is not associated with the Project;
- (iv) A termination of, or cessation of service under, any agreement necessary for Seller:
 - (A) To interconnect the Project to the T&D Provider's electric system;
 - (B) To transmit the electric energy on the T&D Provider's electric system or charge or discharge the Project; or
 - (C) To comply with the CAISO Tariff and the SCE Tariff;provided, if SCE and Seller mutually agree that a termination of, or cessation of service under, any such agreement is not due to the fault of Seller, Seller shall have thirty (30) days from such termination or cessation to cure such default;
- (v) If the Product includes Capacity Attributes, Seller fails to take any actions necessary to dedicate, convey or effectuate the use of any and all Resource Adequacy Benefits for SCE's sole benefit;
- (vi) Subject to the terms of a Collateral Assignment Agreement, which shall control in the event of any conflict or inconsistency with this Section 10.01(b)(vi), the occurrence and continuation of an event of default of Seller under one or more agreements or instruments relating to indebtedness for borrowed money, in the aggregate amount of not less than *[dollar amount text]* dollars (\$*[Number]*) *[amount to be determined by SCE]* which results in the indebtedness having been declared immediately due and payable.
- (vii) If Seller is a Special Purpose Entity, the stock or equity ownership interests in Seller or assets of Seller are directly or indirectly pledged or assigned, as collateral to any party other than Lender;
- (viii) Seller makes any material misrepresentation or omission in any report, documentation, or information required to be made or furnished by Seller pursuant to this Agreement and such misrepresentation or omission is not remedied within five (5) Business Days after Notice from SCE;

- (ix) Seller sells, assigns, or otherwise transfers, or commits to sell, assign, or otherwise transfer, the Product, or any portion thereof, to any party other than SCE;
- (x) Subject to Seller's one-time right to cure pursuant to Section 4.07, Seller fails to achieve a Critical Path Development Milestone on or before the deadline to achieve such Critical Path Development Milestone set forth in this Agreement;
- (xi) Seller fails to maintain the necessary Permits under Section 4.01;
- (xii) Seller fails to provide a Project Progress Report in accordance with Section 4.06 and such failure is not remedied within five (5) Business Days after Notice from SCE; or
- (xiii) Any additional Event of Default set forth in Section 10.01 of Attachment 1.

10.02 Early Termination Date.

If an Event of Default with respect to a Defaulting Party shall have occurred and be continuing, the other Party (the "Non-Defaulting Party") shall have the right, by delivery of Notice to the Defaulting Party, to (a) designate a day, no earlier than the day such Notice is effective and no later than twenty (20) days after such Notice is effective, as an "Early Termination Date," and to terminate this Agreement as of the Early Termination Date, (b) accelerate all amounts owing between the Parties under this Agreement, (c) withhold any payments due to the Defaulting Party under this Agreement, (d) suspend performance pending termination of this Agreement but excluding the obligation to post and maintain Project Security in accordance with Article 7; and (e) pursue all remedies available at law or in equity against the Defaulting Party (including monetary damages and, where appropriate, specific performance or injunctive relief), except to the extent that such remedies are limited by the terms of this Agreement.

10.03 Notice of Termination Payment.

As soon as practicable after an Early Termination Date is declared, the Non-Defaulting Party shall provide Notice to the Defaulting Party of the Termination Payment, calculated in a commercially reasonable manner in accordance with Section 10.04. The Notice must include a written statement setting forth, in reasonable detail, the calculation of such Termination Payment, together with appropriate supporting documentation.

If the Termination Payment is owed to the Non-Defaulting Party, then the Defaulting Party shall pay such amount to the Non-Defaulting Party within five (5) Business Days after the Notice is provided. If the Termination Payment is owed to the Defaulting Party, then the Forward Settlement Amount shall be zero dollars (\$0) and the Non-Defaulting Party shall only pay to the Defaulting Party, within thirty (30) days after the Notice is provided, any amounts owed by the Non-Defaulting Party to the Defaulting Party determined as of the Early Termination Date.

The Parties shall negotiate in good faith to resolve any Disputes regarding the calculation of the Termination Payment. Any Disputes which the Parties are unable to resolve through negotiation may be submitted for resolution through mediation and arbitration as provided in Article 12.

10.04 Calculation of Termination Payment.

(a) Termination Payment Prior to Initial Delivery Date.

If the Early Termination Date occurs before the Initial Delivery Date, then the Termination Payment shall be calculated as follows:

- (i) If Seller is the Defaulting Party, then the Termination Payment shall be owed to SCE and shall be equal to the entire Development Security amount and any interest accrued thereon. SCE shall be entitled to immediately retain for its own benefit those funds held as Development Security and any interest accrued thereon, and any amount of Development Security that Seller has not yet posted with SCE will be immediately due and payable by Seller to SCE. There will be no amounts owed to Seller.
- (ii) If SCE is the Defaulting Party, then the Termination Payment shall be owed to Seller and shall equal the sum of the actual, documented and verifiable costs incurred by Seller between the Effective Date and the Early Termination Date in connection with the Project, less the fair market value (determined in a commercially reasonable manner) of (A) all Seller's assets individually, or (B) the entire Project, whichever is greater, regardless of whether or not any Seller asset or the entire Project is actually sold or disposed of. There will be no amount owed to SCE.
- (iii) Each Party agrees that its damages in the event of an Early Termination Date prior to the Initial Delivery Date caused by the other Party's default would be difficult or impossible to determine and that the damages set forth in this Section 10.04(a) are a reasonable approximation of its harm or loss.

(b) Termination Payment After the Initial Delivery Date Occurs.

If the Early Termination Date occurs after the Initial Delivery Date, then the Termination Payment shall equal the sum of all amounts owed by the Defaulting Party to the Non-Defaulting Party under this Agreement, including a Forward Settlement Amount (if any), less any amounts owed by the Non-Defaulting Party to the Defaulting Party determined as of the Early Termination Date. If SCE is the Non-Defaulting Party and reasonably expects to incur penalties, fines or costs from the CAISO, the CPUC, or any other Governmental Authority, then SCE may estimate the amount of those penalties and fines and include them in the Termination Payment amount.

(c) No-Fault Termination.

If either Party exercises a termination right as set forth in Sections 2.07, 8.03, or 10.05, the Termination Payment will be calculated with a Forward Settlement Amount of zero dollars (\$0), and, if the termination occurs before the Initial Delivery Date, Seller will be entitled to a return of any Development Security provided to SCE.

10.05 Additional Termination Rights.

(a) SCE Termination Right – Excess Network Upgrade Costs (In Front of the Meter & Behind the Meter Exporting Projects Only).

(i) SCE has the right to terminate this Agreement on Notice, which will be effective five (5) Business Days after such Notice is given to Seller, on or before the date that is sixty (60) days after Seller provides to SCE the results of any Interconnection Study or interconnection agreement tendered to Seller (including any agreement tendered for interconnecting, or establishing service for, the Project for purposes of charging the Project with electric energy) by the T&D Provider if:

(A) Such Interconnection Study or agreement as of the date of the termination Notice, estimates, includes, specifies or reflects that the maximum total cost of transmission upgrades or new transmission facilities that are, or may become, reimbursable by SCE, the CAISO, or any T&D Provider under the jurisdiction of the CAISO, to Seller (“Aggregate Network Upgrade Costs”), may in the aggregate exceed [dollar amount text] dollars (\$[Number]) (“Network Upgrades Cap”), irrespective of any subsequent amendments of such Interconnection Study or agreement or any

contingencies or assumptions upon which such Interconnection Study or agreement is based; or *{SCE Note: Monetary threshold to be based upon transmission-related costs allocated to the Project that SCE would incur as estimated in the most recent Interconnection Study, or, if applicable, on value included in Seller's offer.}*

- (B) SCE must procure transmission service from any other participating transmission owner to allow SCE to Schedule electric energy from the Project and the cost for such transmission service is not reimbursed or paid by Seller.

If SCE exercises its termination right pursuant to this Section 10.05(a), no Termination Payment will be due or owing by either Party and Seller will be entitled to a return of any Development Security provided to SCE.

- (ii) Notwithstanding anything to the contrary in this Section 10.05(a), SCE shall have no right to terminate this Agreement under this Section 10.05(a) if Seller, concurrently with its provision of the first Interconnection Study or interconnection agreement tendered to Seller by the T&D Provider that may give rise to a termination right of SCE under this Section 10.05(a), provides Notice to SCE that Seller irrevocably elects to owe to SCE:

- (A) the amount by which the Aggregate Network Upgrade Costs exceed the Network Upgrades Cap ("Excess Network Upgrade Costs"), provided, (I) with respect to this Section 10.05(a)(ii)(A), and solely for the purpose of calculating Excess Network Upgrade Costs, Aggregate Network Upgrade Costs shall be updated to reflect the latest interconnection agreement (including any amendments or modifications thereto) tendered to Seller; and (II) under no circumstance shall the calculation of Excess Network Upgrade Costs be less than zero dollars (\$0), and
- (B) any costs for transmission services specified in Section 10.05(a)(i)(B);

Seller's failure to provide an election pursuant to this Section 10.05(a)(ii) shall be deemed to be an election not to exercise such rights

If Seller elects to pay, without reimbursement, for the Excess Network Upgrade Costs pursuant to this Section 10.05(a), in no event shall Seller have any interest in or rights or title to any Network Upgrades or Congestion Revenue Rights (as that term is defined in the CAISO Tariff) in connection with the development of the Project or the delivery of Product to SCE pursuant to this Agreement.

- (iii) The Parties agree and acknowledge that Projects utilizing energy storage may require an Interconnection Study and interconnection agreement for both charging electric energy to the Project, and a separate Interconnection Study and interconnection agreement for discharging electric energy from the Project. If there are two separate studies and agreements for charging and discharging electric energy, the Parties agree that for purposes of Section 10.05(a)(i)(A), the Aggregate Network Upgrade Costs shall reflect the aggregate maximum cost estimates for the total cost of transmission upgrades or new transmission facilities that are, or may become, reimbursable by SCE, or any T&D Provider under the jurisdiction of the CAISO, including costs reimbursed by SCE, or any T&D Provider under the jurisdiction of the CAISO, to Seller as set forth in the Interconnection Study(ies) and/or interconnection agreement(s), as applicable, for both charging and discharging electric energy.
- (b) [SCE Termination Right – Changing Deferral Need. {SCE Note: As bid in Offer Workbook. SCE considering (i) whether there should be multiple different buy-out date/amounts (increasing amount for later buy-out) and (ii) whether there should be a partial buydown right.}]
 - (i) SCE has the right to terminate this Agreement on Notice, which will be effective five (5) Business Days after such Notice is given to Seller, on or before the date that is *[fifteen (15) months prior to Expected Initial Delivery Date]* {SCE Note: SCE discussing what this date should be.} if SCE determines, in its sole discretion, that it no longer needs the Project to meet a deferral need.
 - (ii) If SCE terminates this Agreement in accordance with this Section 10.05(b), SCE shall pay Seller *[dollar amount text]* dollars (\$[Number]) within thirty (30) days after its Notice given in Section 10.05(c)(i), there will be no Termination Payment, the Forward Settlement Amount will be zero dollars (\$0), and Seller will be entitled to a return of any Development Security provided to SCE.] {SCE Note: Remove for all but Distribution Deferral Contracts}

- (iii) Termination of this Agreement by SCE in accordance with this Section 10.05(b) will not be or cause an Event of Default by either Party.

10.06 Limitation on Seller's and Seller's Affiliates' Ability to Make or Agree to Sales from the Project after Certain Terminations of this Agreement.

If Seller terminates this Agreement as provided in Sections 2.07 or 8.03 (based on a Force Majeure as to which Seller is the Claiming Party), or if SCE terminates this Agreement due to Seller's Event of Default prior to the Initial Delivery Date, neither Seller nor Seller's Affiliates may sell, market or deliver any Product (or any component of the Product) associated with or attributable to the Project to a party other than SCE for a period of two (2) years following the Early Termination Date, unless prior to selling, marketing or delivering such Product, or entering into the agreement to sell, market or deliver such Product to a party other than SCE, Seller or Seller's Affiliates provides SCE with a written offer to sell the Product to SCE which provides SCE the right to select in its sole discretion to purchase such Product on either the terms and conditions materially similar to the terms and conditions contained in this Agreement or the terms and conditions to which the third party agreed, and SCE fails to accept such offer within forty-five (45) days after SCE's receipt thereof.

Neither Seller nor Seller's Affiliates may sell or transfer the Project or any part thereof, the Interconnection Queue Position (if applicable), or any of Seller's land rights or interests in the Site so long as the limitations contained in this Section 10.06 apply, unless the transferee agrees to be bound by the terms set forth in this Section 10.06 pursuant to a written agreement approved by SCE.

Notwithstanding the foregoing, this Section 10.06 shall not be applicable to Projects consisting solely of Energy Efficiency measures.

ARTICLE 11. LIMITATIONS

11.01 Limitation of Remedies, Liability and Damages.

EXCEPT AS SET FORTH HEREIN, THERE ARE NO WARRANTIES BY EITHER PARTY UNDER THIS AGREEMENT, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF.

FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR

MEASURE OF DAMAGES WILL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY WILL BE LIMITED AS SET FORTH IN SUCH PROVISION AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED, UNLESS THE PROVISION IN QUESTION PROVIDES THAT THE EXPRESS REMEDIES ARE IN ADDITION TO OTHER REMEDIES THAT MAY BE AVAILABLE.

SUBJECT TO SECTION 12.04 (PROVISIONAL RELIEF), IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN, THE OBLIGOR'S LIABILITY WILL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY, SUCH DIRECT ACTUAL DAMAGES WILL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED.

UNLESS EXPRESSLY PROVIDED IN THIS AGREEMENT, INCLUDING THE PROVISIONS OF ARTICLE 13 (INDEMNIFICATION), NEITHER PARTY WILL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE.

IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE.

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

NOTHING IN THIS ARTICLE PREVENTS, OR IS INTENDED TO PREVENT SCE FROM PROCEEDING AGAINST OR EXERCISING ITS RIGHTS WITH RESPECT TO ANY PROJECT SECURITY.

11.02 No Representation by SCE.

Any review by SCE or its consultants of the Project or any aspect thereof, including the design, construction or refurbishment, operation or maintenance of the Project, or otherwise, is solely for SCE's information. By making such review, SCE makes no representation as to the economic and technical feasibility, operational capability, or

reliability of the Project, and Seller shall in no way represent to any third party that any such review by SCE of the Project, including any review of the design, construction or renovation, operation, or maintenance of the Project by SCE, constitutes any such representation by SCE. Any review, approval, request, or requirement of material submitted by Seller shall mean only that such Required Material is acceptable to SCE solely for SCE's internal purposes and benefit, and will not in any way be construed to mean that such material is accurate, suitable for its intended purpose, in compliance with any Applicable Law or other requirement, or endorsed for the benefit of any other party, including Seller. Further, Seller acknowledges and agrees that SCE shall have no liability to Seller or any other third party with respect to any Required Material so reviewed, approved, requested or required by SCE or on SCE's behalf. Seller is solely responsible for the economic and technical feasibility, operational capability, and reliability of the Project.

11.03 Separation of Functions.

- (a) Nothing in this Agreement is intended to abrogate, limit, amend or modify the terms of any other agreement between Seller and SCE, including any interconnection agreement or tariff, and no breach under such other agreement shall excuse a Party's nonperformance under this Agreement, unless the breach of such other agreement is also an Event of Default under this Agreement.
- (b) Nothing in this Agreement is intended to provide any rights or obligations to either Party with respect to:
 - (i) any relationship between the Parties in which SCE is acting in its capacity as an owner or provider of electrical interconnection, transmission, or distribution service or equipment (including any interconnection agreement or tariff); or
 - (ii) electrical interconnection, transmission, or distribution service or equipment.
- (c) SCE is not responsible or liable in any way for:
 - (i) any delay or failure by Seller to achieve the Initial Delivery Date by the Expected Initial Delivery Date or the Initial Delivery Deadline, as applicable, related to electrical interconnection, transmission, or distribution service or equipment;
 - (ii) any costs or damages incurred by Seller as a result thereof or any reduction in payments under this Agreement resulting from any delay in achieving the Initial Delivery Date by the Expected Initial Delivery

Date or Initial Delivery Deadline, as applicable, related to electrical interconnection, transmission, or distribution service or equipment; or

- (iii) a reduction in the Term or the Delivery Period related to electrical interconnection, transmission, or distribution service or equipment.
- (d) Seller's non-performance of any provision of this Agreement shall not be excused to any greater extent due to any action or inaction of SCE in its capacity as an owner or provider of electrical interconnection, transmission, or distribution service or equipment than it would be if the non-performance were due to any action or inaction of a person other than SCE.

ARTICLE 12. DISPUTES

12.01 Dispute Resolution.

Other than requests for provisional relief under Section 12.04, any and all Disputes which the Parties have been unable to resolve by informal methods after undertaking a good faith effort to do so, must first be submitted to mediation under the procedures described in Section 12.02 below, and if the matter is not resolved through mediation, then for final and binding arbitration under the procedures described in Section 12.03 below.

The Parties agree that there will be no interlocutory appellate relief (such as writs) available. Any Dispute resolution process pursuant to this Article 12 shall be commenced within one (1) year of the date of the occurrence of the facts giving rise to the Dispute, without regard to the date such facts are discovered; provided, if the facts giving rise to the Dispute were not reasonably capable of being discovered at the time of their occurrence, then such one (1) year period shall commence on the earliest date that such facts were reasonably capable of being discovered, and in no event more than four (4) years after the occurrence of the facts giving rise to the Dispute. If any Dispute resolution process pursuant to this Article 12 with respect to a Dispute is not commenced within such one (1) year time period, such Dispute shall be waived and forever barred, without regard to any other limitations period set forth by law or statute.

12.02 Mediation.

Either Party may initiate mediation by providing Notice to the other Party in accordance with Section 14.02 of a request for mediation, setting forth a description of the Dispute and the relief requested.

The Parties will cooperate with one another in selecting the mediator ("Mediator") from the panel of neutrals from Judicial Arbitration and Mediation Services, Inc. ("JAMS"),

its successor, or any other mutually acceptable non-JAMS Mediator, and in scheduling the time and place of the mediation.

Such selection and scheduling will be completed within forty-five (45) days after Notice of the request for mediation.

Unless otherwise agreed to by the Parties, the mediation will not be scheduled for a date that is greater than one hundred twenty (120) days from the date of Notice of the request for mediation.

The Parties covenant that they will participate in the mediation in good faith, and that they will share equally in its costs (other than each Party's individual attorneys' fees and costs related to the Party's participation in the mediation, which fees and costs will be borne by such Party).

All offers, promises, conduct and statements, whether oral or written, made in connection with or during the mediation by either of the Parties, their agents, representatives, employees, experts and attorneys, and by the Mediator or any of the Mediator's agents, representatives and employees, will not be subject to discovery and will be confidential, privileged and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding between or involving the Parties, or either of them, provided, evidence that is otherwise admissible or discoverable will not be rendered inadmissible or non-discoverable as a result of its use in the mediation.

12.03 Arbitration.

Either Party may initiate binding arbitration with respect to the matters first submitted to mediation by providing Notice in accordance with Section 14.02 of a demand for binding arbitration before a single, neutral arbitrator (the "Arbitrator") within sixty (60) days following the unsuccessful conclusion of the mediation provided for in Section 12.02. If Notice of arbitration is not provided by either Party within sixty (60) days following the unsuccessful conclusion of the mediation provided for in Section 12.02, the Dispute resolution process shall be deemed complete and further resolution of such Dispute shall be barred, without regard to any other limitations period set forth by law or statute.

The Parties will cooperate with one another in selecting the Arbitrator within sixty (60) days after Notice of the demand for arbitration and will further cooperate in scheduling the arbitration to commence no later than one hundred eighty (180) days from the date of Notice of the demand.

If, notwithstanding their good faith efforts, the Parties are unable to agree upon a mutually-acceptable Arbitrator, the Arbitrator will be appointed as provided for in California Code of Civil Procedure Section 1281.6.

To be qualified as an Arbitrator, each candidate must be a retired judge of a trial court of any state or federal court, or retired justice of any appellate or supreme court.

Unless otherwise agreed to by the Parties, the individual acting as the Mediator will be disqualified from serving as the Arbitrator in the Dispute, although the Arbitrator may be another member of the JAMS panel of neutrals or such other panel of neutrals from which the Parties have agreed to select the Mediator.

Upon Notice of a Party's demand for binding arbitration, such Dispute submitted to arbitration, including the determination of the scope or applicability of this agreement to arbitrate, will be determined by binding arbitration before the Arbitrator, in accordance with the laws of the State of California, without regard to principles of conflicts of laws.

Except as provided for herein, the arbitration will be conducted by the Arbitrator in accordance with the rules and procedures for arbitration of complex business disputes for the organization with which the Arbitrator is associated.

Absent the existence of such rules and procedures, the arbitration will be conducted in accordance with the California Arbitration Act, California Code of Civil Procedure Section 1280 et seq. and California procedural law (including the Code of Civil Procedure, Civil Code, Evidence Code and Rules of Court, but excluding local rules).

Notwithstanding the rules and procedures that would otherwise apply to the arbitration, and unless the Parties agree to a different arrangement, the place of the arbitration will be in Los Angeles County, California.

Also notwithstanding the rules and procedures that would otherwise apply to the arbitration, and unless the Parties agree to a different arrangement, discovery will be limited as follows:

- (a) Before discovery commences, the Parties shall exchange an initial disclosure of all documents and percipient witnesses which they intend to rely upon or use at any arbitration proceeding (except for documents and witnesses to be used solely for impeachment);
- (b) The initial disclosure will occur within thirty (30) days after the initial conference with the Arbitrator or at such time as the Arbitrator may order;
- (c) Discovery may commence at any time after the Parties' initial disclosure;
- (d) The Parties will not be permitted to propound any interrogatories or requests for admissions;
- (e) Discovery will be limited to twenty-five (25) document requests (with no subparts), three (3) lay witness depositions, and three (3) expert witness

depositions (unless the Arbitrator holds otherwise following a showing by the Party seeking the additional documents or depositions that the documents or depositions are critical for a fair resolution of the Dispute or that a Party has improperly withheld documents);

- (f) Each Party is allowed a maximum of three (3) expert witnesses, excluding rebuttal experts;
- (g) Within sixty (60) days after the initial disclosure, or at such other time as the Arbitrator may order, the Parties shall exchange a list of all experts upon which they intend to rely at the arbitration proceeding;
- (h) Within thirty (30) days after the initial expert disclosure, the Parties may designate a maximum of two (2) rebuttal experts;
- (i) Unless the Parties agree otherwise, all direct testimony will be in form of affidavits or declarations under penalty of perjury; and
- (j) Each Party shall make available for cross examination at the arbitration hearing its witnesses whose direct testimony has been so submitted.

Subject to Section 11.01, the Arbitrator will have the authority to grant any form of equitable or legal relief a Party might recover in a court action.

The Parties acknowledge and agree that irreparable damage would occur if certain provisions of this Agreement are not performed in accordance with the terms of this Agreement, that money damages would not be a sufficient remedy for any breach of these provisions of this Agreement, and that the Parties shall be entitled, without the requirement of posting a bond or other security, to specific performance and injunctive or other equitable relief as a remedy for a breach of Sections 1.01, 5.05, 9.04(a)(vii), 9.05(c), 10.06, 14.05 (Confidentiality) and, in the case of In Front of the Meter Energy Storage Projects only, Section 9.04 of Attachment 1.

Judgment on the award may be entered in any court having jurisdiction.

The Arbitrator must, in any award, allocate all of the costs of the binding arbitration (other than each Party's individual attorneys' fees and costs related to the Party's participation in the arbitration, which fees and costs will be borne by such Party), including the fees of the Arbitrator and any expert witnesses, against the Party who did not prevail.

Until such award is made, however, the Parties will share equally in paying the costs of the arbitration.

At the conclusion of the arbitration hearing, the Arbitrator shall prepare in writing and provide to each Party a decision setting forth factual findings, legal analysis, and the reasons on which the Arbitrator's decision is based. The Arbitrator shall also have the authority to resolve claims or issues in advance of the arbitration hearing that would be appropriate for a California superior court judge to resolve in advance of trial. The Arbitrator shall not have the power to commit errors of law or fact, or to commit any abuse of discretion, that would constitute reversible error had the decision been rendered by a California superior court. The Arbitrator's decision may be vacated or corrected on appeal to a California court of competent jurisdiction for such error. Unless otherwise agreed to by the Parties, all proceedings before the Arbitrator shall be reported and transcribed by a certified court reporter, with each Party bearing one-half of the court reporter's fees.

12.04 Provisional Relief.

The Parties acknowledge and agree that irreparable damage would occur if certain provisions of this Agreement are not performed in accordance with the terms of this Agreement, that money damages would not be a sufficient remedy for any breach of these provisions of this Agreement, and that the Parties shall be entitled, without the requirement of posting a bond or other security, to seek a preliminary injunction, temporary restraining order, or other provisional relief as a remedy for a breach of Sections 1.01, 5.05, 9.04(a)(vii), 9.05(c), 10.06, 14.05 (Confidentiality) and, in the case of In Front of the Meter Energy Storage Projects only, Section 9.04 of Attachment 1, in any court of competent jurisdiction, notwithstanding the obligation to submit all other Disputes (including all claims for monetary damages under this Agreement) to arbitration pursuant to Section 12.01. The Parties further acknowledge and agree that the results of the arbitration may be rendered ineffectual without the provisional relief.

Such a request for provisional relief does not waive a Party's right to seek other remedies for the breach of the provisions specified above in accordance with this Article 12, notwithstanding any prohibition against claim-splitting or other similar doctrine. The other remedies that may be sought include specific performance and injunctive or other equitable relief, plus any other remedy specified in this Agreement for the breach of the provision, or if this Agreement does not specify a remedy for the breach, all other remedies available at law or equity to the Parties for the breach.

12.05 Consolidation of Matters.

The Parties shall make diligent good faith efforts to consolidate any provisional relief, mediation, arbitration or other dispute resolution proceedings arising pursuant to this Article 12 that arise from or relate to the same act, omission or issue.

ARTICLE 13. INDEMNIFICATION; GOVERNMENTAL CHARGES

13.01 SCE's Indemnification Obligations.

In addition to any other indemnification obligations SCE may have elsewhere in this Agreement, which are hereby incorporated in this Section 13.01, SCE releases, and shall indemnify, defend and hold harmless Seller, and Seller's directors, officers, employees, agents, assigns, and successors in interest, from and against any and all loss, liability, damage, claim, cost, charge, demand, fine, penalty or expense of any kind or nature (including any direct damage, claim, cost, charge, demand, or expense, and attorneys' fees (including cost of in-house counsel) and other costs of litigation, arbitration and mediation, and in the case of third-party claims only, indirect and consequential loss or damage of such third party), arising out of or in connection with:

- (a) any breach made by SCE of its representations, warranties, or covenants in Article 9;
- (b) the failure by SCE to pay any Governmental Charges or Environmental Costs for which SCE is responsible under Sections 13.06 or 13.08; and
- (c) any event, circumstance or act listed in Section 13.01 of Attachment 1.

This indemnity applies notwithstanding Seller's active or passive negligence. However, Seller will not be indemnified hereunder for its loss, liability, damage, claim, cost, charge, demand or expense to the extent caused by its gross negligence or willful misconduct.

13.02 Seller's Indemnification Obligations.

In addition to any other indemnification obligations Seller may have elsewhere in this Agreement, which are hereby incorporated in this Section 13.02, Seller releases, and shall indemnify, defend and hold harmless SCE, and SCE's directors, officers, employees, agents, assigns, and successors in interest, from and against any and all loss, liability, damage, claim, cost, charge, demand, penalty, fine or expense of any kind or nature (including any direct damage, claim, cost, charge, demand, or expense, and attorneys' fees (including cost of in-house counsel) and other costs of litigation, arbitration or mediation, and in the case of third-party claims only, indirect or consequential loss or damage of such third party), arising out of or in connection with:

- (a) any breach made by Seller of its representations, warranties, or covenants in Article 9;
- (b) injury or death to persons, including SCE employees, and physical damage to property, including SCE property, where the injury, death, or damage arises out of, is related to, or is in connection with, Seller's construction, ownership

or operation of the Project, or obligations or performance under this Agreement;

- (c) injury or death to any person or damage to any property, including the personnel or property of SCE, to the extent that SCE would have been protected had Seller complied with all of the provisions of Section 14.07 (Insurance); provided, the inclusion of this Section 13.02(c) is not intended to create any express or implied right in Seller to elect not to provide the insurance required under Section 14.07;
- (d) any breach by Seller of the covenants set forth in Section 10.06;
- (e) any violation of Applicable Laws arising out of or in connection with Seller's performance of, or failure to perform this Agreement, including strict liability;
- (f) any (i) release of a Hazardous Material by Seller, any of Seller's EPC Contractors or other contractors, or any of its or their subcontractors, (ii) enforcement or compliance proceeding relating to or in connection with any alleged, threatened or actual violation of any environmental law by Seller or its EPC Contractor or any of Seller's or its EPC Contractor's subcontractors, or (iii) action reasonably necessary to abate, investigate, remediate or prevent a violation or threatened violation of any environmental law by Seller or its EPC Contractor or any of Seller's or its EPC Contractor's subcontractors;
- (g) any representations, statements or promises made by either Seller or Seller's agents or employees to a Customer or Recruited Account or a potential Customer or Recruited Account;
- (h) any infringement upon or violation of any trade secret, trademark, trade name, copyright, patent, or other intellectual property rights of any third party by equipment, software, applications or programs (or any portion of same) used in connection with the Project;
- (i) the failure by Seller to pay any Governmental Charges or Environmental Costs for which Seller is responsible under Sections 13.06 or 13.08, or, for Non-Tolling In Front of the Meter Energy Storage Projects only, Section 3.03(e) of Attachment 1;
- (j) if the Product includes Capacity Attributes, any costs, penalties or fines resulting from the failure of Seller or its SC (unless SCE is the SC) to:
 - (i) provide any portion of the Contract Capacity for any portion of the Delivery Period;

- (ii) provide notice of the non-availability of any portion of the Contract Capacity for any portion of the Delivery Period as required under Section 1.06;
 - (iii) provide notice of or any malfunction, outage or other condition affecting the Project as required under Article 6;
 - (iv) timely submit accurate Supply Plans that identify SCE's right to the Contract Capacity for each day of the Delivery Period;
 - (v) Dispatch the Project within any applicable time limits set forth in this Agreement; or
 - (vi) provide SCE with the full amount of Resource Adequacy Benefits associated with the Project (in accordance with then current resource adequacy counting rules);
- (k) any event, circumstance or act listed in Section 13.02 of Attachment 1.

The Parties shall use commercially reasonable efforts to minimize costs, penalties, and fines for which indemnity is sought hereunder; provided, in no event will SCE be required to use or change its utilization of its owned or controlled assets or market positions to minimize such costs, penalties, and fines.

This indemnity applies notwithstanding SCE's active or passive negligence. However, SCE will not be indemnified for its loss, liability, damage, claim, cost, charge, demand or expense to the extent caused by its gross negligence or willful misconduct.

13.03 Indemnification Claims.

All claims for indemnification by a Party entitled to be indemnified under this Agreement (an "Indemnified Party") by the other Party (the "Indemnitor") will be asserted and resolved as follows:

- (a) If a claim or demand for which an Indemnified Party may claim indemnity is asserted against or sought to be collected from an Indemnified Party by a third party, the Indemnified Party shall as promptly as practicable give Notice to the Indemnitor; provided, failure to provide this Notice will relieve Indemnitor only to the extent that the failure actually prejudices Indemnitor.
- (b) Indemnitor will have the right to control the defense and settlement of any claims in a manner not adverse to Indemnified Party but cannot admit any liability or enter into any settlement without Indemnified Party's approval.

- (c) Indemnified Party may employ counsel at its own expense with respect to any claims or demands asserted or sought to be collected against it; provided, if counsel is employed due to a conflict of interest or because Indemnitor does not assume control of the defense, Indemnitor will bear the expense of this counsel.

13.04 Survival of Indemnification Rights and Obligations.

All indemnity rights and obligations shall survive the termination of this Agreement for a period of four (4) years.

13.05 Cooperation to Minimize Tax Liabilities.

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

13.06 Governmental Charges.

Seller shall pay or cause to be paid all taxes, charges or fees imposed by a Governmental Authority, including ad valorem taxes and other taxes attributable to the Project, land, land rights or interests in land for the Project (collectively, "Governmental Charges") on or with respect to the Project or the Product.

If the Project is In Front of the Meter, for any period in which the Project is selling Energy to SCE hereunder: (a) Seller shall pay or cause to be paid all Governmental Charges on or with respect to the Product at or before the Delivery Point; and (b) SCE shall pay or cause to be paid all Governmental Charges on or with respect to Product after the Delivery Point.

If Seller is required by Applicable Laws to remit or pay Governmental Charges which are SCE's responsibility hereunder, SCE shall promptly reimburse Seller for such Governmental Charges. If SCE is required by Applicable Laws to remit or pay Governmental Charges which are Seller's responsibility hereunder, SCE may deduct the amount of any such Governmental Charge from any amounts due to Seller under this Agreement. If SCE elects not to deduct such amounts from amounts due to Seller under this Agreement, Seller shall promptly reimburse SCE for such amounts upon SCE's request.

Nothing shall obligate or cause a Party to pay or be liable to pay any Governmental Charges for which it is exempt under Applicable Laws.

13.07 Compliance with Laws and Indemnification.

Seller shall be responsible for obtaining and maintaining all Permits, and shall construct and operate the Project in compliance with all Applicable Laws and Permit Requirements for the Term, including any new or revised Permits or Applicable Laws that become effective during the Term. If these requirements conflict, or the CAISO or CPUC do not provide a corresponding requirement to the other Governmental Authorities, Seller shall comply with the most stringent requirement of the Governmental Authorities.

Seller shall be solely responsible for any fines, penalties or other charges which result from Seller's failure to obtain or maintain such Permits and/or operate the Project in accordance with Applicable Laws and Permit Requirements. No such fines, penalties or charges shall be passed through to SCE.

13.08 Environmental Costs and Indemnification.

Seller is solely responsible for

- (a) Any Environmental Costs,
- (b) Any taxes, charges or fees imposed on the Project or Seller by a Governmental Authority for Greenhouse Gas emitted by and attributable to the Project, or any portion thereof, during the Term,
- (c) Any obligations listed under "Compliance Obligation" in the GHG Regulations, and
- (d) Any other costs associated with the implementation and regulation of Greenhouse Gas emissions (whether in accordance with the California Global Warming Solutions Act of 2006, Assembly Bill 32 (2006) and the regulations promulgated thereunder, including the GHG Regulations, or any other federal, state or local legislation to offset or reduce any Greenhouse Gas emissions implemented and regulated by a Governmental Authority) with respect to the Project, any portion of the Project, or Seller.

ARTICLE 14. MISCELLANEOUS

14.01 General.

- (a) Entire Agreement. This Agreement constitutes the entire agreement between the Parties relating to its subject matter.
- (b) Amendment. This Agreement can only be amended by a writing signed by both Parties.

- (c) No Third-Party Beneficiaries. This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement).
- (d) Waiver. The failure of either Party to insist in any one instance upon strict performance of any the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as a waiver of any such provisions or the relinquishments of such rights for the future but the same shall continue and remain in full force and effect. Waiver by either Party of any default of the other Party shall not be deemed a waiver of any other default.
- (e) Section Headings; Technical Terms. The headings used in this Agreement are for convenience and reference purposes only. Words having well-known technical or industry meanings have these meanings unless otherwise specifically defined in this Agreement.
- (f) Successors and Assigns. This Agreement is binding on each Party's successors and permitted assigns.
- (g) Forward Contract. The Parties acknowledge and agree that this Agreement and the transactions contemplated by this Agreement constitute a "forward contract" and that SCE and Seller are each "forward contract merchants" within the meaning of the United States Bankruptcy Code (11 U.S.C. §101 *et seq.*), as amended.
- (h) Multiple Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Agreement and of signature pages by facsimile transmission, Portable Document Format (i.e., PDF) or by other electronic means constitutes effective execution and delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes.
- (i) Survival. Except as may be provided or limited by this Agreement, the obligations which by their nature are intended to survive termination of this Agreement, including representations, warranties, covenants and rights and obligations with respect to audits, indemnification, payment, settlement, confidentiality, remedies, limitation of liabilities, posting of Project Security, dispute resolution, and limitations on sales, shall so survive.

- (j) No Agency. Except as otherwise provided explicitly herein, in performing their respective obligations under this Agreement, neither Party is acting, or is authorized to act, as the other Party's agent.
- (k) Independent Contractors. The Parties are independent contractors. Nothing contained herein shall be deemed to create an association, joint venture, or partnership relationship between the Parties or to impose any partnership obligations or liability on either Party in any way.
- (l) Severability. If any term, section, provision or other part of this Agreement, or the application of any term, section, provision or other part of this Agreement, is held to be invalid, illegal or void by a court or regulatory agency of proper jurisdiction, all other terms, sections, provisions or other parts of this Agreement shall not be affected thereby but shall remain in force and effect unless a court or regulatory agency holds that the provisions are not separable from all other provisions of this Agreement.
- (m) Rules of Construction.
 - (i) This Agreement will be considered for all purposes as prepared through the joint efforts of the Parties and may not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof.
 - (ii) The term "including" when used in this Agreement is by way of example only and may not be considered in any way to be in limitation.
 - (iii) The word "or" when used in this Agreement includes the meaning "and/or" unless the context unambiguously dictates otherwise.
 - (iv) Where days are not specifically designated as Business Days, they will be considered as calendar days.
 - (v) All references to time shall be in Pacific Daylight Time (when California observes Daylight Savings Time) and Pacific Standard Time (otherwise) unless stated otherwise.
 - (vi) No provision of this Agreement is intended to contradict or supersede the SCE Tariff, Applicable Laws, or any agreement covering transmission, distribution, metering, scheduling or interconnection, including the interconnection agreement, each of which shall control in the event of an apparent contradiction with this Agreement. Each

Party agrees that it will not assert, or defend itself, on the basis that any applicable tariff is inconsistent with this Agreement.

- (vii) Any reference to any Applicable Laws, tariff, government department or agency, regional reliability council, T&D Provider, accounting standard, or Ratings Agency includes any successor to such law, tariff, standard or organization.

14.02 Notices.

All notices, requests, invoices, statements or payments must be made as specified in Exhibit E.

Notices must, unless otherwise specified herein, be in writing and may be provided by hand delivery, first class United States mail, overnight courier service, e-mail or facsimile.

Notice provided in accordance with this Section 14.02 will be deemed given as follows:

- (a) Notice by e-mail, facsimile or hand delivery will be deemed given at the close of business on the day actually received, if received during business hours on a Business Day, and otherwise will be deemed given at the close of business on the next Business Day;
- (b) Notice by overnight United States mail or courier service will be deemed given on the next Business Day after such Notice was sent out;
- (c) Notice by first class United States mail will be deemed given two (2) Business Days after the postmarked date;
- (d) Curtailment Orders, Dispatch Instructions, Charging Instructions, and Local Resource Constrained Days instructions will be deemed given on the date and time made by SCE and will be effective immediately.

Notices will be effective on the date deemed given, unless a different date for the Notice to go into effect is stated in another section of this Agreement.

A Party may change its designated representatives, addresses and other contact information by providing Notice of same in accordance herewith.

All Notices, requests, invoices, statements or payments related to this Agreement must reference the ID# and clearly identify the fact, circumstance, request, issue, dispute or matter to which such Notice relates.

14.03 Governing Law; Waiver of Jury Trial.

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.

14.04 Assignment.

- (a) Except as provided in Section 14.04(d), neither Party shall assign this Agreement or its rights hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld.
- (b) Any Tax Equity Financing or a direct or indirect change of control of Seller (whether voluntary or by operation of law) will be deemed an assignment and will require the prior written consent of SCE, which consent shall not be unreasonably withheld.
- (c) Any requests for consent to assignment shall be provided at least forty-five (45) days in advance of the assignment date.
- (d) In connection with any debt financing or refinancing of the Project by Seller that contemplates an assignment of this Agreement as collateral, SCE shall in good faith work with Seller and Lender to agree upon a consent to a collateral assignment of this Agreement (“Collateral Assignment Agreement”) substantially in the form of Exhibit F. Requests for a Collateral Assignment Agreement must be received by SCE at least forty-five (45) days in advance of the anticipated closing date for the transaction in question. Seller shall also be responsible for SCE’s reasonable costs associated with the preparation, review, execution and delivery of documents in connection with any such assignment, including attorneys’ fees.

14.05 Confidentiality.

(a) Confidentiality Obligation.

Except as otherwise expressly agreed in writing by the other Party, and except as otherwise agreed in Sections 14.05(b) (Permitted Disclosures) and 14.05(c) (Duty to Seek Protection), each receiving Party shall, and shall cause its Representatives to, (i) keep strictly confidential and take reasonable precautions to protect against the disclosure of all Confidential Information, and (ii) use all Confidential Information solely for the purposes of performing

its obligations under this Agreement and not for any other purpose; provided, a Party may disclose Confidential Information to those of its Representatives who need to know such information for the purposes of performing the receiving Party's obligations under this Agreement (and, in the case of Representatives of Seller engaged wholly or in part in the purchase and sale of electrical power or natural gas, are directly engaged in performing Seller's obligations under this Agreement) if, prior to being given access to Confidential Information, such Representatives are informed of the confidentiality thereof and the requirements of this Agreement and are obligated to comply with the requirements of this Agreement. Each Party will be responsible for any breach of this Agreement by its Representatives.

(b) Permitted Disclosures.

- (i) SCE and Seller may disclose Confidential Information to the "Independent Evaluator," as defined in CPUC Decision 04-12-048. SCE and the Independent Evaluator may disclose Confidential Information to Governmental Authorities, the CAISO, SCE's Procurement Review Group established by the CPUC in Decision 02-08-071 ("PRG"), and SCE's advisory Cost Allocation Mechanism Group established by the CPUC in Decision 07-12-052 ("CAM"), or any discovery or data request of a party to any proceeding before the CPUC, FERC or CEC. Neither SCE nor the Independent Evaluator shall have any liability whatsoever to Seller in the event of any unauthorized use or disclosure by any Governmental Authority, the PRG, the CAM, or the CAISO of any Confidential Information or other information disclosed to any of them by SCE or the Independent Evaluator.
- (ii) The Parties may disclose Confidential Information to the extent necessary to comply with Applicable Laws, any accounting rule or standard, and any applicable summons, subpoena or order of a Governmental Authority, and any exchange, Control Area or CAISO rule.
- (iii) Either Party shall be permitted to disclose the following terms with respect to this Agreement: (A) Party names, (B) technology type, (C) Delivery Period, (D) Project location, (E) Contracted Amount, (F) Expected Initial Delivery Date, and (G) the Project's expected Energy deliveries, energy savings or load reduction (as applicable).
- (iv) The Parties may disclose Confidential Information as may reasonably be required to participate in the WREGIS or other process recognized

under Applicable Laws for the registration, transfer or ownership of Green Attributes associated with the Project;

- (v) If the Product includes Capacity Attributes, Seller may disclose the Product, or any applicable portion of the Product, including the applicable Expected Capacity Attributes and any amounts of EFC and Inflexible Capacity for each Showing Month under this Agreement:
 - (A) to the SC in order for such SC to timely submit accurate Supply Plans; provided, that Seller shall use reasonable efforts to limit, to the extent possible, the ability of the SC to further disclose such information.
 - (B) to any Governmental Authority, the CPUC, and the CAISO in order to support its RA Compliance Showings, if applicable.
- (vi) If SCE resells all or any portion of the Product to another party or the Product is to be provided to another party, SCE may disclose to the other party to such transaction all such information necessary to effect such transaction.
- (vii) For Behind the Meter Projects, Seller may disclose non-price information to Customers or Recruited Accounts, or bona fide potential Customers or Recruited Accounts, for the sole purpose, and only to the extent necessary, for proper performance of this Agreement.
- (viii) For Behind the Meter Projects, SCE may confirm with potential Customers or Participating Accounts (A) the identity of any subcontractors that Seller has provided to SCE that are acting on behalf of Seller under this Agreement, and (B) such potential Customer or Participating Account's eligibility to become a Customer associated with the Project, or a Participating Account, in accordance with this Agreement.

(c) Duty to Seek Protection.

- (i) In connection with requests or orders to produce Confidential Information protected by this Agreement and in accordance with a summons, subpoena, order or similar request of a Governmental Authority, or pursuant to any discovery or data request of a party to any proceeding before a Governmental Authority, each Party, to the extent permitted by Applicable Laws, (A) will promptly notify the

other Party of the existence, terms, and circumstances of such requirement(s) so that such other Party may seek a protective order or other appropriate remedy or waive compliance with the provisions of this Agreement, and (B) will, and will cause its Representatives to, cooperate fully with such other Party, to the extent permitted by Applicable Laws, in seeking to limit or prevent such disclosure of such Confidential Information. Notwithstanding the preceding sentence, the requirements under this Section 14.05(c)(i) do not apply to Section 14.05(b)(i).

- (ii) If a Party or its Representatives are compelled to make disclosure in response to a requirement described in Section 14.05(c)(i), the compelled person may disclose only that portion of the Confidential Information protected by this Agreement which its counsel advises that it is legally required to disclose and will exercise reasonable efforts to obtain assurance that confidential treatment will be accorded to the disclosed Confidential Information protected by this Agreement.

(d) Ownership and Return of Information.

All Confidential Information shall be and remain the property of the Party providing it. Nothing in this Agreement shall be construed as granting any rights in or to Confidential Information to the Party or Representatives receiving it, except the right of use in accordance with the terms of this Agreement. Notwithstanding the foregoing, the Parties shall have the right to retain copies of Confidential Information, subject to the confidentiality obligations in this Section 14.05.

14.06 Records.

(a) Performance Under This Agreement.

Each Party and its Representatives shall maintain records and supporting documentation relating to this Agreement, the Product, the Project, and the performance of the Parties hereunder in accordance with, and for the applicable time periods required by, all Applicable Laws, but in no event less than four (4) years after final payment is made under this Agreement.

(b) Other Regulatory and Governmental Requirements.

At SCE's request, Seller shall maintain and deliver to SCE copies of records and supporting documentation with respect to the Product or the Project that

Seller is not already required to maintain or deliver under this Agreement, in order to comply with all Applicable Laws.

(c) Audit Rights.

SCE, or its designee, shall have the right, at its sole expense and during normal working hours, to audit the documents, records or data of Seller to the extent reasonably necessary to verify the accuracy of any statement, claim, charge or calculation made pursuant to this Agreement. Seller shall promptly comply with any reasonable request by SCE under this Section 14.06(c) and provide copies of documents, records or data to SCE. The rights and obligations under this Section 14.06(c) shall survive the termination of this Agreement for a period of two (2) years.

(d) Industry Standards.

Seller shall maintain and make available to SCE and the CPUC, or any division thereof, records including logbooks, demonstrating that the Project is operated and maintained in accordance with Prudent Electrical Practices, Applicable Laws, Permit Requirements, and Industry Standards, including CPUC General Order 167. Seller shall comply with all reporting requirements and permit on-site audits, investigations, tests and inspections permitted or required under any Prudent Electrical Practices, Applicable Laws, Permit Requirements, or Industry Standards.

(e) California Climate Action Registry.

If applicable, in accordance with CPUC Rulemaking 06-04-009 (April 13, 2006), upon modification of the protocols of the registry contemplated therein ("California Climate Action Registry") to allow energy storage (as applicable) facility-specific registration, Seller shall promptly (i) register with the California Climate Action Registry, (ii) send SCE Notice of such registration and (iii) remain a member of the California Climate Action Registry throughout the entire Term.

14.07 Insurance.

Throughout the Term and for such additional periods as may be specified below, Seller and, to the extent not covered by Seller's insurance policies, its contractors and subcontractors shall, at their own expense, provide and maintain in effect the insurance policies and minimum limits of coverage specified below, and such additional coverage as may be required by Applicable Laws, with insurance companies which are authorized to do business in the state in which the services are to be performed and which have an A.M. Best's Insurance Rating of not less than A-:VII. The minimum

insurance requirements specified herein do not in any way limit or relieve Seller of any obligation assumed elsewhere in this Agreement, including Seller's defense and indemnity obligations.

- (a) Workers' Compensation Insurance with the statutory limits required by the state having jurisdiction over Seller's employees;
- (b) Employer's Liability Insurance with limits of not less than:
 - (i) Bodily injury by accident – One Million dollars (\$1,000,000) each accident
 - (ii) Bodily injury by disease – One Million dollars (\$1,000,000) policy limit
 - (iii) Bodily injury by disease – One Million dollars (\$1,000,000) each employee
- (c) Commercial General Liability Insurance (which, except with the prior written consent of SCE and subject to Sections 14.07(c)(i) and (ii), shall be written on an "occurrence," not a "claims-made" basis), covering all operations by or on behalf of Seller arising out of or connected with this Agreement, including coverage for bodily injury, property damage, personal and advertising injury, products/completed operations, and contractual liability. Such insurance shall bear a per occurrence limit of not less than One Million dollars (\$1,000,000) and annual aggregate of not less than Two Million Dollars (\$2,000,000), exclusive of defense costs, for all coverages. Such insurance shall contain standard cross-liability and severability of interest provisions.

If Seller elects, with SCE's written concurrence, to use a "claims made" form of Commercial General Liability Insurance, then the following additional requirements apply:

- (i) The retroactive date of the policy must be on or prior to the Effective Date; and
 - (ii) Either the coverage must be maintained for a period of not less than four (4) years after this Agreement terminates, or the policy must provide for a supplemental extended reporting period of not less than four (4) years after this Agreement terminates.
- (d) Commercial Automobile Liability Insurance covering bodily injury and property damage with a combined single limit of not less than One Million dollars (\$1,000,000) per occurrence. Such insurance shall cover liability

arising out of Seller's use of all owned (if any), non-owned and hired vehicles in the performance of this Agreement.

- (e) Pollution Liability Insurance, (which, except with the prior written consent of SCE and subject to Sections 14.07(e)(i) and (ii), shall be written on an "occurrence" or a "claims-made" policy form) with limits of not less than [] Million dollars (\$[],000,000) {SCE Note: Amount will be equal to \$1 million per MW of Contract Capacity, capped at \$5 million} per occurrence or each claim and in the annual aggregate, covering losses involving hazardous material(s) and caused by pollution incidents or conditions that arise from the Project, including coverage for bodily injury, sickness, disease, mental anguish or shock sustained by any person, including death, property damage including the resulting loss of use thereof, clean-up costs, and the loss of use of tangible property that has not been physically damaged or destroyed, and defense costs.

If Seller elects, with SCE's written concurrence, to use a "claims made" form of Pollution Liability Insurance, then the following additional requirements apply:

- (i) The retroactive date of the policy must be prior to the Effective Date; and
- (ii) Either the coverage must be maintained for a period of not less than three (3) years after this Agreement terminates, or the policy must provide for a supplemental extended reporting period of not less than three (3) years after this Agreement terminates.

- (f) Umbrella/Excess Liability Insurance, written on an "occurrence," not a "claims-made" basis, providing coverage excess of the underlying Employer's Liability, Commercial General Liability, Pollution Liability Insurance, and Commercial Automobile Liability insurance, on terms at least as broad as the underlying coverage, with limits of not less than [] Million dollars (\$[],000,000) {SCE Note: Amount will be equal to \$1 million per MW of Contract Capacity, capped at \$20 million, except for Energy Efficiency and Demand Response which shall be capped at \$10 million} per occurrence and in the annual aggregate. The insurance requirements under this Section 14.07 can be provided in part by the combination of Seller's primary commercial general liability and excess liability policies.

If Seller elects, with SCE's written concurrence, to use a "claims made" form of Umbrella/Excess Liability Insurance, then the following additional requirements apply:

- (i) The retroactive date of the policy must be prior to the Effective Date; and
- (ii) Either the coverage must be maintained for a period of not less than three (3) years after this Agreement terminates, or the policy must provide for a supplemental extended reporting period of not less than three (3) years after this Agreement terminates.

All policies required by Sections 14.07(a) through (f) shall be written on a “per project” or “per contract” basis.

- (g) SCE as Additional Insured. The insurance required in this Section 14.07 shall apply as primary insurance to, without a right of contribution from, any other insurance or self-insurance maintained by or afforded to SCE, its subsidiaries and Affiliates, and their respective officers, directors, shareholders, agents, and employees, regardless of any conflicting provision in Seller's policies to the contrary. To the extent permitted by Applicable Laws, Seller and its insurers shall be required to waive all rights of recovery from or subrogation against SCE, its parent, its subsidiaries and Affiliates, and their respective officers, directors, shareholders, agents, employees and insurers. The Commercial General Liability, Commercial Automobile Liability, Pollution Liability and Umbrella/Excess Liability insurance required above shall include, either by policy terms and conditions or by endorsement, SCE, its parent, its subsidiaries and Affiliates, and their respective officers, directors, shareholders, agents, employees, assigns, and successors in interest, as additional insureds for liability arising out of Seller's construction, ownership or operation of the Project, or obligations or performance, under this Agreement.
- (h) Proof of Insurance. Within ten (10) Business Days after the Effective Date, and within ten (10) Business Days after coverage is renewed or replaced, Seller shall furnish to SCE the entire policy forms, including endorsements, and certificates of insurance evidencing the coverage required above, written on forms and with deductibles reasonably acceptable to SCE. All deductibles and co-insurance retentions applicable to the insurance above shall be paid by Seller. Seller, or its insurance broker or agent, shall provide SCE with at least thirty (30) days' prior written notice in the event of cancellation of coverage. SCE's receipt of documents that do not comply with the requirements stated herein, or Seller's failure to provide documents that comply with the requirements stated herein, shall not limit or relieve Seller of the duties and responsibility of maintaining insurance in compliance with the requirements in this Section 14.07 and shall not constitute a waiver of any of the requirements in this Section 14.07.

- (i) Reporting. Seller agrees to report to SCE in writing within ten (10) Business Days following all accidents or occurrences resulting in bodily injury to any person, and to any property where such property damage is greater than One Hundred Thousand Dollars (\$100,000).
- (j) Failure to Comply. If Seller fails to comply with any of the provisions of this Section 14.07, Seller, among other things and without restricting SCE's remedies under the law or otherwise, shall, at its own cost and expense, act as an insurer and provide insurance in accordance with the terms and conditions above. With respect to the required Commercial General Liability, Umbrella/Excess Liability, Pollution Liability and Commercial Automobile Liability insurance, Seller shall provide a current, full and complete defense to SCE, its subsidiaries and Affiliates, and their respective officers, directors, shareholders, agents, employees, assigns, and successors in interest, in response to a third party claim in the same manner that an insurer would have, had the insurance been maintained in accordance with the terms and conditions set forth above. In addition, an alleged violation of the provisions of this Section 14.07 means that Seller has the initial burden of proof regarding any legal justification for refusing or withholding coverage and Seller shall face the same liability and damages as an insurer for wrongfully refusing or withholding coverage in accordance with the laws of California.

14.08 Consolidation of Seller's Financial Statements.

- (a) SCE shall determine, through consultation with its internal accountants and review with their independent registered public accounting firm, whether SCE is required to consolidate Seller's financial statements with SCE's financial statements for financial accounting purposes under Accounting Standards Codification (ASC) 810/Accounting Standards Update 2009-17, "Consolidation of Variable Interest Entities" (ASC 810), or future guidance issued by accounting profession governance bodies or the SEC that affects SCE accounting treatment for this Agreement (the "Financial Consolidation Requirement").
- (b) If the Financial Consolidation Requirement is applicable, then:
 - (i) Within twenty (20) days following the end of each calendar year (for each year that such treatment is required), Seller shall deliver to SCE unaudited financial statements and related footnotes of Seller as of the end of the year. It is permissible for Seller to use accruals and prior months' estimates with true-up to actual activity, in subsequent periods, when preparing the unaudited financial statements. The annual financial statements should include quarter-to-date and yearly information. SCE shall provide to Seller a checklist before the end of

each year listing the items which SCE believes are material to SCE and required for this purpose, and Seller shall provide the information on the checklist, subject to the availability of data from Seller's records. If audited financial statements are prepared for Seller for the year, Seller shall provide such statements to SCE within five (5) Business Days after those statements are issued.

- (ii) Within fifteen (15) days following the end of each fiscal quarter (for each quarter that such treatment is required), Seller shall deliver to SCE unaudited financial statements and related footnotes of Seller as of the end of the quarterly period. The financial statements should include quarter-to-date and year-to-date information. SCE shall provide to Seller a checklist before the end of each quarter listing items which SCE believes are material to SCE and required for this purpose, and Seller shall provide the information on the checklist, subject to the availability of data from Seller's records. It is permissible for Seller to use accruals and prior months' estimates with true-up to actual activity, in subsequent periods, when preparing the unaudited financial statements and the information on the checklist.
 - (iii) If Seller regularly prepares its financial data in accordance with GAAP or IFRS, the financial information provided to SCE shall be prepared in accordance with such principles. If Seller is not a SEC registrant and does not regularly prepare its financial data in accordance with GAAP or IFRS, the information provided to SCE shall be prepared in a format consistent with Seller's regularly applied accounting principles, e.g., the format that Seller uses to provide financial data to its auditor.
- (c) If the Financial Consolidation Requirement is applicable, then promptly upon Notice from SCE, Seller shall allow SCE's independent registered public accounting firm such access to Seller's records and personnel, as reasonably required so that SCE's independent registered public accounting firm can conduct financial statement audits in accordance with the standards of the Public Company Accounting Oversight Board (United States), as well as internal control audits in accordance with Section 404 of the Sarbanes-Oxley Act of 2002, as applicable. All expenses for the foregoing work of SCE's independent registered public accounting firm shall be borne by SCE. If SCE's independent registered public accounting firm during or as a result of the audits permitted in this Section 14.08(c) determines a material weakness or significant deficiency, as defined by GAAP or IFRS, as applicable, exists in Seller's internal controls over financial reporting, then within 90 days after Seller's receipt of Notice from SCE, Seller shall remediate any such material

weakness or significant deficiency; provided, however, that Seller has the right to challenge the appropriateness of any determination of material weakness or significant deficiency. Seller's true up to actual activity for yearly or quarterly information as provided herein shall not be evidence of material weakness or significant deficiency.

- (d) SCE shall treat Seller's financial statements and other financial information provided under the terms of this Section 14.08 in strict confidence and, accordingly:
 - (i) Shall utilize such Seller financial information *only* for purposes of preparing, reviewing or certifying SCE's or any SCE parent company financial statements, for making regulatory, tax or other filings required by Applicable Laws in which SCE is required to demonstrate or certify its or any parent company's financial condition or to obtain Credit Ratings;
 - (ii) Shall make such Seller financial information available only to its officers, directors, employees or auditors who are responsible for preparing, reviewing or certifying SCE's or any SCE parent company financial statements, to the SEC and the Public Company Accounting Oversight Board (United States) in connection with any oversight of SCE's or any SCE parent company financial statement and to those Persons who are entitled to receive Confidential Information as identified in Section 14.05; and
 - (iii) SCE shall ensure that its internal auditors and independent registered public accounting firm (1) treat as confidential any information disclosed to them by SCE pursuant to this Section 14.08, (2) use such information solely for purposes of conducting the audits described in this Section 14.08, and (3) disclose any information received only to personnel responsible for conducting the audits.
- (e) If the Financial Consolidation Requirement is applicable, then, within two (2) Business Days following the occurrence of any event from the Effective Date through the last day of the Delivery Period affecting Seller which Seller would be required to disclose in a Form 8-K filing with the SEC if Seller was subject to the form 8-K filing requirements, Seller shall provide to SCE a Notice describing such event in sufficient detail to permit SCE to make a Form 8-K filing.
- (f) If, after consultation and review, the Parties do not agree on issues raised by Section 14.08(a), then such dispute shall be subject to review by another independent audit firm not associated with either Party's respective

independent registered public accounting firm, reasonably acceptable to both Parties. This third-party independent audit firm will render its recommendation on whether consolidation by SCE is required. Based on this recommendation, Seller and SCE shall mutually agree on how to resolve the dispute. If Seller fails to provide the data consistent with the mutually agreed upon resolution, SCE may declare an Event of Default pursuant to Section 10.01. If the independent audit firm associated with SCE still determines, after review by the third party independent audit firm, that SCE must consolidate, then Seller shall provide the financial information necessary to permit consolidation to SCE; provided, however, that in addition to the protections in Section 14.08(d), such information shall be password protected and available only to those specific officers, directors, employees and auditors who are preparing and certifying the consolidated financial statements and not for any other purpose.

14.09 Mobile Sierra.

Absent the agreement of all Parties to the proposed change, the standard of review for changes to any rate, charge, classification, term or condition of this Agreement, whether proposed by a Party (to the extent that any waiver below is unenforceable or ineffective as to such Party), a non-party or FERC acting *sua sponte*, shall be the 'public interest' standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956), and clarified by *Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1 of Snohomish*, 554 U.S. 527 (2008); *NRG Power Marketing LLC v. Maine Public Utility Commission*, 558 U.S. 527 (2010).

Notwithstanding any provision of this Agreement, and absent the prior written agreement of the Parties, each Party, to the fullest extent permitted by Applicable Laws, for itself and its respective successors and assigns, hereby also expressly and irrevocably waives any rights it can or may have, now or in the future, whether under Sections 205, 206, or 306 of the Federal Power Act or otherwise, to seek to obtain from FERC by any means, directly or indirectly (through complaint, investigation, supporting a third party seeking to obtain or otherwise), and each hereby covenants and agrees not at any time to seek to so obtain, an order from FERC changing any section of this Agreement specifying any rate or other material economic terms and conditions agreed to by the Parties.

14.10 Seller Ownership and Control of Project.

Seller agrees, that, in accordance with FERC Order No. 697, upon request of SCE, Seller shall submit a letter of concurrence in support of any affirmative statement by SCE that the contractual arrangement set forth in this Agreement does not transfer "ownership or control of generation capacity" from Seller or Customer(s) to SCE as the

term “ownership or control of generation capacity” is used in 18 Code of Federal Regulations Section 35.42. Seller also agrees that it will not, in filings, if any, made subject to FERC Order Nos. 652 and 697, claim that the contractual arrangement set forth in this Agreement conveys ownership or control of generation capacity from Seller or Customer(s) to SCE.

14.11 NERC Standards Non-Compliance Penalties.

This Section 14.11 shall only be applicable to In Front of the Meter Projects.

- (a) During the Delivery Period, Seller shall be
 - (i) responsible for complying with any NERC Reliability Standards applicable to the Project and
 - (ii) liable for NERC Standards Non-Compliance Penalties.
- (b) SCE shall reimburse Seller for a NERC Standards Non-Compliance Penalty, or any payment made by Seller in settlement of a claim of violation, if:
 - (i) the penalty or claim being settled was solely caused by SCE’s actions or inactions as SC as described in the NERC Responsibilities;
 - (ii) SCE participated in, or waived its right to participate in, any administrative processes, discussions or settlement negotiations with FERC, NERC, WECC, or other Governmental Authority arising from or related to the alleged violation or possible penalty and, in the case of a settlement, agreed to the terms of the settlement; and
 - (iii) Seller can establish to SCE’s reasonable satisfaction that the penalty was actually assessed against and paid by Seller or the settlement payment was actually made by Seller.

14.12 Nondedication.

Notwithstanding any other provisions of this Agreement, neither Party dedicates any of the rights that are or may be derived from this Agreement or any part of its facilities involved in the performance of this Agreement to the public or to the service provided under this Agreement, and this service shall cease upon termination of this Agreement.

[Remainder of this page intentionally left blank]

ID# [Number], [Seller's Name]

[RFO Name]

IN WITNESS WHEREOF, the Parties have read this Agreement, understand it, and agree to be bound by its terms as of the Effective Date.

[SELLER'S NAME],

*a [Seller's jurisdiction of organization
and type of organization].*

By:

[Name]

[Title]

Date: _____

**SOUTHERN CALIFORNIA EDISON
COMPANY,**

a California corporation.

By:

[Name]

[Title]

Date: _____

**EXHIBIT A
DEFINITIONS**

“Acceptable Alternative Energy Baseline” has the meaning, for Demand Response Projects only, set forth in Section 3.04(d) of Attachment 1.

“Accepted DER Costs” has the meaning set forth in Section 6.01(d).

“Account Holder” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in the WREGIS Operating Rules, as applicable to the Project as the Registered Generating Unit.

“Accounts Payable” has the meaning, for Behind the Meter Projects only, set forth in Exhibit E.

“ACH” means the electronic funds transfer system operated by the National Automated Clearing House, or any successor entity.

“Actual Availability Report” has the meaning, for Distributed Generation Projects only, set forth in Section 6.07(a) of Attachment 1.

“Actual Efficiency Factor” or “AEF” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.04(b) of Attachment 1.

“Actual Measured Savings” has the meaning, for Meter-Based Energy Efficiency Projects only, set forth in Section 3.02(a) of Attachment 1.

“Adjusted Expected Aggregate Contract Payments” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Section 3.03(a) of Attachment 1.

“Affiliate” means, with respect to a Party, any entity that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with such Party.

“Aggregate Network Upgrade Costs” has the meaning set forth in Section 10.05(a)(i)(A).

“Agreement” has the meaning set forth in the preamble.

“AC” or “Alternating Current” means the electric current that reverses direction; it is the opposite of Direct Current.

“Ancillary Services” or “A/S” means, for In Front of the Meter Energy Storage Projects only, Spinning Reserve, Non-Spinning Reserve, replacement reserves, Regulation Up or Regulation

Down or any other ancillary service defined in the CAISO Tariff. Capitalized terms used in this definition have the meanings set forth in the CAISO Tariff.

“Ancillary Services Capacity” or “A/S Capacity” means, for In Front of the Meter Energy Storage Projects only, Capacity associated with any Ancillary Service available from any Storage Unit.

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

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

“Arbitrator” has the meaning set forth in Section 12.03.

“A/S Availability” means, for In Front of the Meter Energy Storage Projects only, the amount of Ancillary Services Capacity available to SCE under this Agreement from a Storage Unit during any Settlement Interval.

“A/S Capacity Payment Reduction” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.07 of Attachment 1.

“A/S Price Adjustment Factor” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.07 of Attachment 1.

“A/S Maximum Capacity” means, for In Front of the Meter Energy Storage Projects only, the maximum capacity for which such Ancillary Service is available, as set forth in Exhibit B for each applicable Ancillary Service.

“Associated Ancillary Services Energy” means, for In Front of the Meter Energy Storage Projects only, the Energy expressed in MWh expressly associated with the Ancillary Services Capacity made available from any Storage Unit at the instruction of the CAISO.

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

“Availability Notice” means, for In Front of the Meter Energy Storage Projects only, the hourly schedule of the Available Capacity (including Energy and Ancillary Services) that each Storage Unit is expected to have for each hour of such Put Period Day, delivered by Seller to SCE no later than two (2) Business Days before the Trading Day applicable to such Put Period Day.

“Availability Standards” has the meaning set forth in the CAISO Tariff.

“Available Capacity” means, collectively, for In Front of the Meter Energy Storage Projects only, Available Charging Capacity, Available Discharging Capacity, and Equivalent Storage Capacity.

“Available Charging Capacity” means, for In Front of the Meter Energy Storage Projects only, the amount of Charging Capacity, expressed in MW, that a Storage Unit is capable of providing under this Agreement during any Settlement Interval during a Put Period.

“Available Discharging Capacity” means, for In Front of the Meter Energy Storage Projects only, the amount of Discharging Capacity, expressed in MW, that a Storage Unit is capable of providing under this Agreement during any Settlement Interval during a Put Period.

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

“Base Energy Throughput” or “BET” means the total discharge energy allocation for a Storage Unit over the course of a year. The Base Energy Throughput resets each year.

“Behind the Meter” means a Project for which Option C, Option D, or Option E is selected in Section 1.01(b).

“Behind the Meter Distributed Generation” means a Project for which Option C is selected in Section 1.01(b).

“Bid,” “Bids” or “Bidding” has the meaning set forth in the CAISO Tariff.

“Bid Data” means, for Non-Tolling In Front of the Meter Energy Storage Projects only, the Bid quantity(ies) and the time periods instructed by SCE for Seller to submit as Bids in the respective CAISO market(s) in accordance with this Agreement, including the Operating Restrictions, for designated Local Resource Constrained Days.

“Bundled Service Customer” means a customer who takes electric power, transmission, distribution billing, metering and related services from SCE, including having all its power requirements purchased by SCE.

“Business Day” means any day except a Saturday, Sunday, a Federal Reserve Bank holiday or the Friday immediately following Thanksgiving. A Business Day begins at 8:00 a.m. and end at 5:00 p.m. local time for the Party sending the Notice or payment or performing a specified action.

“CAISO” means the California Independent System Operator Corporation.

“CAISO Approved Meter” means, for In Front of the Meter Projects only, a CAISO approved revenue quality meter or meters, CAISO approved data processing gateway or remote intelligence gateway, telemetering equipment and data acquisition services sufficient for monitoring, recording and reporting, in real-time, all electric energy produced by the Project (and, for In Front of the Meter Energy Storage Projects, all electric energy discharged by, and used to charge, the Project), excluding Station Use *[and Site Host Load] {for IFOM DG Excess-Sales only}*.

“CAISO Certification” has the meaning, for In Front of the Meter Projects only, set forth in Section 2.04(g) of Attachment 1.

“CAISO Controlled Grid” has the meaning set forth in the CAISO Tariff.

“CAISO Costs” means, for In Front of the Meter Distributed Generation Projects only, the debits, costs, penalties and interest that are directly assigned by the CAISO to the Resource ID for the Project for, or attributable to, Scheduling or deliveries from the Project under this Agreement in each applicable Settlement Interval.

“CAISO Markets” has the meaning set forth in the CAISO Tariff.

“CAISO RA Enhancement” means a change to the CAISO’s Resource Adequacy tariff provisions that (a) changes the basis for assessment of Resource Adequacy showings and supply plans from (i) a value reflecting installed capacity (currently, NQC) to (ii) a value that takes into account historical forced outages of a facility (such as “Unforced Capacity” or “UCAP,” as referenced in CAISO’s Fourth Revised Straw Proposal dated March 17, 2020) and (b) eliminates the application of Resource Adequacy Availability Incentive Mechanism (RAAIM) charges to forced outage periods.

“CAISO Revenues” means the credits and other payments incurred or received by SCE as a result of Energy from the Project delivered to any CAISO administered market by Seller, including costs and revenues associated with CAISO dispatches, for each applicable Settlement Interval.

“CAISO Sanctions” means any sanctions directly assigned by the CAISO to Seller, the Resource ID or the Project.

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

“Calculated Month” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.14(c)(ii) of Attachment 1.

“Calendar Year” means, for In Front of the Meter Energy Storage Projects only, the months within each calendar year during the Delivery Period. The initial Calendar Year will be from the Initial Delivery Date until December 31st of such year. The final Calendar Year will be January 1st of the last year during which the Delivery Period occurs, through the last day of the Delivery Period.

“California Climate Action Registry” has the meaning set forth in Section 14.06(e).

“California Renewables Portfolio Standard” means the California Public Utilities Code Section 399.11, *et seq.*

“CAM” has the meaning set forth in Section 14.05(b).

“Capacity” means, individually or collectively, as applicable:

- (a) for In Front of the Meter Energy Storage Projects only: Charging Capacity, Discharging Capacity, and Storage Capacity for the Storage Unit, and any increase in Net Qualifying Capacity occurring for any reason during the Term; and
- (b) for Behind the Meter Distributed Generation Projects only, electric generating capacity, as determined under Attachment B, for each Generating Facility (but excluding the installed capacity of any Storage Unit that forms a part of such Generating Facility).

“Capacity Attributes” means any and all current or future defined characteristics, certificates, tags, credits, ancillary service attributes, or accounting constructs, howsoever entitled, including any accounting construct counted toward any RA Compliance Obligations or any capacity products considered as distribution deferral capacity, attributed to or associated with the Project throughout the Delivery Period, including:

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

- (b) resource adequacy attributes or other locational attributes for the Project related to a Local Capacity Area, as may be identified from time to time by the CPUC, any other Governmental Authority, or the CAISO, associated with the physical location or point of electrical interconnection of the Project within the CAISO Controlled Grid, that can be counted toward Local RAR; and
- (c) flexible capacity resource adequacy attributes for the Project, including the amount of EFC as may be identified from time to time by the CPUC, any other Governmental Authority, or the CAISO, that can be counted toward Flexible RAR.

“Capacity Availability” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.06(d) of Attachment 1.

“Capacity Price Adjustment Factor” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.06 of Attachment 1.

“Capacity Price” has the meaning, for Demand Response Projects only, set forth in Section 1.04 of Attachment 1.

“Capacity Savings Percentage” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Section 3.03(d)(i) of Attachment 1.

“CEC” means the California Energy Commission.

“CEC Certification” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 5.04(a)(ii) of Attachment 1.

“CEC Pre-Certification” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 5.04(a)(i) of Attachment 1.

“CEC Verification” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 5.04(a)(iii) of Attachment 1.

“Change in CAISO Tariff” means any of the following has occurred after the Effective Date: (a) the definition or utilization of Resource Adequacy has changed materially under the CAISO Tariff; (b) Resource Adequacy is no longer addressed, or is replaced with a materially different capacity mechanism, under the CAISO Tariff; or (c) the CAISO has been dissolved or replaced and any successor to the CAISO operates under rules, protocols, procedures or standards that differ in a material respect from the CAISO Tariff.

“Charging Capacity” means, for In Front of the Meter Energy Storage Projects only, the amount of power, expressed in MW, that a Storage Unit is designed to provide from 0% SEP to 100% SEP, and shall include, Ancillary Services Capacity, and any other products that may be developed or evolve from time to time during the Term that relate to the capability of a storage resource to store and charge energy.

“Charging Energy Costs” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 5.03(c) of Attachment 1.

“Charging Energy Requirements” means, for In Front of the Meter Energy Storage Projects only, the electric energy requirements (if any) of a Storage Unit that is withdrawn from the T&D Provider’s electrical system or the CAISO Controlled Grid to be stored by the Storage Unit and discharged at a later time. Under no circumstances does Charging Energy Requirements include Station Use.

“Charging Instruction” means, for Projects utilizing energy storage only, the operating instruction, and any subsequent updates, given by SCE or the CAISO to Seller, directing the applicable Storage Unit to charge at a specific rate to a specified Stored Energy Level. For the avoidance of doubt, any Schedule, including self-schedules, submitted by SCE or awarded by the CAISO in order to effectuate a Seller Initiated Test shall not be considered a Charging Instruction.

“Check Meter” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 5.02(b) of Attachment 1.

“Claiming Party” has the meaning set forth in Section 8.02.

“Collateral Assignment Agreement” has the meaning set forth in Section 14.04(d).

“Commercial and Industrial Customer” has the meaning, for Behind the Meter Projects only, set forth in Section 1.02.

“Commercial Operation” means that each Generating Facility or Storage Unit included in the Project has:

- (a) For In Front of the Meter Energy Storage Projects only, (i) successfully completed the demonstration set forth in Exhibit I, and (ii) has met the requirements of Exhibit I, Part II.C, and SCE has accepted the test results.
- (b) For In Front of the Meter Distributed Generation Projects only, successfully satisfied all of the conditions set forth in Section 2.04(a).

- (c) For Demand Response Projects only, successfully completed the demonstration set forth in Section 5.03(a) as demonstrated by SCE's acceptance of the test.

"Confidential Information" means this Agreement, the terms and conditions and other facts with respect to this Agreement, and any and all written or recorded or oral information, data, analyses, documents, and materials furnished or made available by a Party or its Representatives to the other Party or its Representatives in connection with this Agreement, including any and all analyses, compilations, studies, documents, or other material prepared by the receiving Party or its Representatives to the extent containing or based upon such information, data, analyses, documents, and materials. Confidential Information does not include information, data, analyses, documents, or materials that (a) are when furnished or thereafter become available to the public other than as a result of a disclosure by the receiving Party or its Representatives, or (b) are already in the possession of or become available to the receiving Party or its Representatives on a nonconfidential basis from a source other than the disclosing Party or its Representatives, provided, to the best knowledge of the receiving Party or its Representatives, as the case may be, such source is not and was not bound by an obligation of confidentiality to the disclosing Party or its Representatives, or (c) the receiving Party or its Representatives can demonstrate that the information has been independently developed by the receiving Party's personnel acting without access to the Confidential Information.

"Conflicting Bid Quantities" has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in Section 1.09(d) of Attachment 1.

"Construction Start Date" has the meaning, for Meter-Based Energy Efficiency Projects only, set forth in Section 4.01 of Attachment 1 and, for Customized Calculated Energy Efficiency Projects only, set forth in Section 4.03(b) of Attachment 1.

"Contract Capacity" has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 1.03 of Attachment 1.

"Contract Capacity & Ancillary Services Tests" means, for In Front of the Meter Energy Storage Projects only, the testing procedures, requirements, and protocols set forth in Exhibit I.

"Contract Energy Capacity" has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.06(d) of Attachment 1.

"Contracted Amount" has the meaning set forth in Section 1.03.

"Control Area" means the electric power system (or combination of electric power systems) under the operational control of the CAISO or any other electric power system under the

operational control of another organization vested with authority comparable to that of the CAISO.

“Coupling Type” has the meaning, for Behind the Meter Distributed Generation Projects only, set forth in Part I of Exhibit B.

“CPD Milestone Extension Date” has the meaning set forth in Section 4.07(a).

“Capacity Procurement Mechanism” or “CPM” has the meaning, for In Front of the Meter Projects only, as set forth in the CAISO Tariff.

“CPM Capacity” has the meaning set forth in the CAISO Tariff.

“CPUC” means the California Public Utilities Commission.

[“CPUC Approval” means a decision of the CPUC that (a) is final and no longer subject to appeal, which approves this Agreement in full and in the form presented on terms and conditions acceptable to SCE in its sole discretion, including terms and conditions related to cost recovery and cost allocation of amounts paid to Seller under the Agreement; (b) does not contain conditions or modifications unacceptable to SCE, in SCE’s sole discretion; *[and (c) finds that any procurement pursuant to this Agreement satisfies the requirement to procure resources under CPUC Decision XX-XX-XXX]* {SCE Note: change decision according to particular procurement activity}.] {SCE Note: Delete for resources that are eligible for RPS credits}

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

- (a) Approves this Agreement in its entirety, including payments to be made by the Buyer, subject to CPUC review of the Buyer’s administration of the Agreement; and
- (b) Finds that any procurement pursuant to this Agreement is procurement from an eligible renewable energy resource for purposes of determining Buyer’s compliance with any obligation that it may have to procure eligible renewable energy resources pursuant to the California Renewables Portfolio Standard (Public Utilities Code Section 399.11 et seq.), Decision 03-06-071, or other applicable law; *and (iii) finds that any procurement pursuant to this Agreement satisfies the requirement to procure resources under CPUC Decision 13-02-015].*

CPUC Approval will be deemed to have occurred on the date that a CPUC decision containing such findings becomes final and non-appealable.] {SCE Note: Delete for resources that are not eligible for RPS credits}

“Credit Rating” means with respect to any entity, the rating then assigned to such entity’s unsecured, senior long-term debt or deposit obligations (not supported by third party credit enhancements) by S&P or Moody’s. If no rating is assigned to such entity’s unsecured, senior long-term debt or deposit obligations by any Ratings Agency, then “Credit Rating” means the general corporate credit rating or long-term issuer rating assigned to such entity by S&P or Moody’s. If an entity is rated by more than one Ratings Agency and the ratings are at different levels, then “Credit Rating” means the lowest such rating.

“Critical Path Development Milestone” means any of the milestones set forth in Section 4.07.

“Curtailed Product” means, for In Front of the Meter Distributed Generation Projects only, the amount of energy that could have been delivered to the Delivery Point by Seller but which was not delivered (a) due to Seller’s curtailment in accordance with Section 6.01(f)(iii) of Attachment 1, or (b) if the CAISO Tariff prohibits, without any action by the CAISO or any T&D Provider, any electric generating facilities from delivery of energy in excess of its Schedule. The amount of energy that could have been delivered but which was not delivered will be determined in accordance with the definition of Curtailment Lost Output.

“Curtailment Lost Output” means, for In Front of the Meter Distributed Generation Projects only, the amount of energy that could have been delivered to the Delivery Point by Seller but which was not delivered in accordance with Section 6.01(f) of Attachment 1 and which is equal to: (a) the lesser of (i) the Forecast-Derived Energy and the (ii) the maximum amount of energy in MWh that the Generating Facility is capable of delivering, as reasonably determined by SCE, based upon the lower of PMax and the capacity available as reported in the CAISO’s outage management system, minus (b) the greater of the total Expected Energy and the Qualified Amounts, as determined for each Settlement Interval; provided, in no event shall the Curtailment Lost Output be less than zero (0) in any Settlement Interval.

“Curtailment Order” means, for In Front of the Meter Distributed Generation Projects only, an order from SCE to Seller to reduce or stop the delivery of Energy from the Generating Facility to SCE for any reason except as set forth in Sections 6.01(f)(i)-(ii) of Attachment 1.

“Customer” means a person or entity that is a customer of SCE and has an SCE customer service account number.

“Customized Calculated Energy Efficiency Project” means a Project for which Option E and the Customized Calculated Approach are selected in Section 1.01(b).

“Customized Calculated Savings Guidelines” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Exhibit B.

“Daily Delay Liquidated Damages” has the meaning set forth in Section 2.06.

“Day-Ahead” has the meaning set forth in the CAISO Tariff.

“Day-Ahead Market” or “DAM” has the meaning set forth in the CAISO Tariff.

“Day-of Bid Data” has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in Section 1.09(d) of Attachment 1.

“DC” or “Direct Current” means, for Distributed Generation Projects only, the continuous, unidirectional flow of electricity through a conductor such as a wire from high to low electrical potential; it is the opposite of Alternating Current.

“Default Adjustment” has the meaning, for Demand Response Projects only, set forth in [Section 6.11(b) of Attachment 1].

“Default Adjustment Value” has the meaning, for Demand Response Projects only, set forth in Section 6.07(b) of Attachment 1.

“Defaulting Party” has the meaning set forth in Section 10.01.

[“Deferral Shortfall Amount” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.05(a)(ii) of Attachment 1, for Energy Efficiency Projects only, set forth in Section 3.04(a) of Attachment 1 and, for Behind the Meter Distributed Generation Projects only, set forth in Section 3.04(a)(ii) of Attachment 1.] {SCE Note: for Distribution Deferral Contracts only}

“Deficiency Calculation Period” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.05(a)(i) of Attachment 1.

“Delivered Capacity Payment” has the meaning, for Demand Response Projects only, described set forth in Section 3.02 of Attachment 1.

“Delivered Energy” means, with respect to a Storage Unit, the amount of Energy discharged by such Storage Unit and delivered during each Settlement Interval at the Delivery Point as measured by the CAISO Approved Meter, and subject to adjustments identified in this Agreement. The Delivered Energy in any hour is equal to the sum of the Delivered Energy for each Settlement Interval during such hour.

“Delivered Energy Payment” has the meaning, for Demand Response Projects only, set forth in Section 3.03 of Attachment 1.

“Delivery Days” has the meaning set forth in Section 1.01, Option D, with respect to Demand Response Projects.

“Delivery Hours” has the meaning set forth in Section 1.01, Option D, with respect to Demand Response Projects.

“Delivery Period” or “Delivery Term” has the meaning set forth in Section 2.02.

“Delivery Point” means has the meaning, for In Front of the Meter Projects only, set forth in Section 1.02(c) of Attachment 1. *{SCE Note: For a Project not directly connected to the CAISO Controlled Grid, located outside the CAISO Control Area or connected to another transmission system operator, the Delivery Point will be the first point of interconnection with the CAISO Controlled Grid.}*

“Demand Response” means a Project for which Option D is selected in Section 1.01(b).

“Demonstrated Contract Capacity” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 5.03 of Attachment 1.

“Demonstrated Installed DC Rating” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 5.03 of Attachment 1.

“DERMS” or “Distributed Energy Resource Management Systems” means a software-based solution that allows for an operator’s real-time visibility into and control over its underlying Distributed Energy Resource capabilities. Such software shall allow SCE to exercise a heightened level of control and flexibility in the management of a Distributed Energy Resource. DERMS as used in this Agreement may be separate, distinct, and incremental to any software-based solution that allows for an operator’s real-time visibility into its underlying Distributed Energy Resource capabilities required by the CAISO, Seller’s interconnection agreement, or by SCE in its capacity as T&D Provider.

“DER Upgrade” has the meaning set forth in Section 6.01(d).

“DERs Monitoring” has the meaning set forth in Section 6.01(d).

“Development Security” means the collateral required under Section 7.01.

“Disadvantaged Community” means a census tract that either:

- (a) scores at or above the 75th percentile (i.e., scoring in the top 25 percent statewide) in the California Environmental Protection Agency's (CalEPA) [CalEnviroScreen](#) 3.0 on a statewide basis, or
- (b) is one of the 22 census tracts that score in the highest five percent of CalEnviroScreen's pollution burden, but that do not have an overall score.

“Discharging Capacity” means, for In Front of the Meter Energy Storage Projects only, the amount of power, expressed in MW, that a Storage Unit is designed to provide from 100% SEP to 0% SEP, and shall include Ancillary Services Capacity, and any other products that may be developed or evolve from time to time during the Term that relate to the capability of a storage resource to store and discharge energy.

“Dispatch” means the act of providing the Product to SCE, in accordance with the terms of this Agreement, pursuant to a Dispatch Instruction.

“Dispatch Instruction” means,

- (a) for In Front of the Meter Energy Storage Projects only, the operating instruction, and any subsequent updates, given by SCE to Seller, directing the applicable Storage Unit to discharge at a specified megawatt output or a dispatch given by the CAISO. Dispatch Instructions may be communicated electronically (i.e. through Automated Dispatch System, as defined by the CAISO Tariff, DERMS, or e-mail), via facsimile, telephonically or other verbal means. Telephonic or other verbal communications shall be documented (either recorded by tape, electronically or in writing) and such recordings shall be made available to both SCE and Seller upon request for settlement purposes. For the avoidance of doubt, any Schedule, including self-schedules, submitted by SCE or awarded by the CAISO in order to effectuate a Seller Initiated Test shall not be considered a Dispatch Instruction for the period that is the greater of:
 - (i) the number of hours required to complete the test, or
 - (ii) the Storage Unit's Minimum Run Time, as defined in the CAISO Tariff. To the extent this CAISO Tariff definition refers to or is applicable to a generation resource, such definition shall apply to the Storage Unit as if the Storage Unit is a generation resource; provided, it shall only apply to the Storage Unit's ability to discharge energy and for instances where the Storage Unit is discharging energy; and

- (b) For In Front of the Meter Distributed Generation Projects only, has the meaning set forth in the CAISO Tariff.
- (c) For Demand Response Projects only, an instruction from SCE pursuant to Section 1.07 or 1.08 directing Seller to serve all or a portion of the electrical consumption of the Participating Accounts with the Project, or one or more Resource ID(s) included in the Project, pursuant to the terms of this Agreement.

“Dispute” means any and all disputes, claims or controversies arising out of, relating to, concerning or pertaining to the terms of this Agreement, or to either Party’s performance or failure of performance under this Agreement.

“Distributed Energy Resources” or “DERs” means electrical power or capacity resources, such as distributed renewable generation, energy efficiency, energy storage and demand response technologies, interconnecting directly to a distribution-level grid or sited at or within a load center connecting to a distribution grid.

“Distributed Generation” means a Project for which Option B or C is selected in Section 1.01(b).

“Diverse Business Enterprise” has the meaning set forth in Section 4.05(c).

“DLF” or distribution loss factor has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 2.04(d) of Attachment 1 and, for In Front of the Meter Distributed Generation Projects only, set forth in Section 2.04(i) of Attachment 1.

“Double Incentive” has the meaning, for Behind the Meter Distributed Generation Projects only, set forth in Section 1.02(d)(vi) of Attachment 1 and, for Energy Efficiency Projects only, set forth in Section 1.02(a) of Attachment 1.

“Dual Participation Programs” has means, for Demand Response Projects only, the SCE demand response programs which permit service accounts in such programs to concurrently participate as a Participating Account under this Agreement (in accordance with CPUC Decisions 09-08-027, 12-11-025, and 18-11-029, SCE’s Supplemental Compliance Advice Filing dated March 17, 2010, pursuant to Decision 09-08-027, Rule 24 of the SCE Tariff, and any other existing or subsequent decisions, resolutions, or rulings related to concurrent participation in demand response programs, in each case as may be amended from time to time by the CPUC), as such programs are approved, amended, added or removed from being eligible for dual participation by the CPUC from time to time.

“Early Termination Date” has the meaning set forth in Section 10.02.

“Economic Benefit” has the meaning set forth in Section 3.06(a).

“Economic Bid” has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff, indicating a bid that includes quantity (MWh or MW) and price (\$) for specified Trading Hours.

“Effective Flexible Capacity” or “EFC” means, for Projects providing Capacity Attributes, the effective flexible capacity (in MWs) of the Project, Generating Facility(ies) or Storage Unit, as applicable, under the Resource Adequacy Rulings and CAISO Tariff, in each case to the extent applicable, and which such effective flexible capacity may satisfy a load-serving entity’s Flexible RAR.

“Effective Date” has the meaning set forth in the preamble.

“Eligible Intermittent Resource Protocol” or “EIRP” means, for In Front of the Meter Distributed Generation Projects only, the CAISO’s intermittent resource program initially established pursuant to the CAISO Tariff or any successor program that SCE determines accomplishes a similar purpose.

“Emergency” means, for In Front of the Meter Projects only:

- (a) An actual or imminent condition or situation which jeopardizes the integrity of T&D Provider’s electric system or the integrity of any other systems to which the T&D Provider’s electric system is connected, as determined by the T&D Provider in its reasonable discretion, or any condition so defined and declared by the CAISO; or
- (b) An emergency condition as defined under an interconnection agreement and any abnormal interconnection or system condition that requires automatic or immediate manual action to prevent or limit loss of load or generation supply, that could adversely affect the reliability of the T&D Provider’s electric system or generation supply, that could adversely affect the reliability of any interconnected system, or that could otherwise pose a threat to public safety.

“Emission Reduction Credits” or “ERC” means emission reductions that have been authorized by a local air pollution control district pursuant to California Division 26 Air Resources; Health and Safety Code Sections 40709 and 40709.5, by which all reductions in the emission of air contaminants that are to be used to offset certain future increases in the emission of air contaminants shall be banked prior to use to offset future increases in emissions.

“Energy” means, for In Front of the Meter Projects only, all electrical energy produced, flowing or supplied by discharged and stored by a Generating Facility, a Storage Unit, or the Project, as

applicable, measured in kilowatt-hours or multiple units thereof. Energy shall include Associated Ancillary Services Energy, Supplemental Energy, and any other electrical energy products that may be developed or evolve from time to time during the Term.

“Energy Adjustment Payment” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.11 of Attachment 1.

“Energy Adjustment Period” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.04(c)(iii) of Attachment 1.

“Energy Baseline” or “EB” has the meaning, for Demand Response Projects only, set forth in Section 3.04 of Attachment 1.

“Energy Deviations” has the meaning for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.03(b) of Attachment 1.

“Energy Efficiency” means a Project for which Option E is selected in Section 1.01(b).

“Energy Efficiency Capacity Payment Reduction” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.08 of Attachment 1.

“Energy Put Option” has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in Section 1.01, Option A-1.

“Energy Price” has the meaning, for Demand Response Projects only, set forth in Section 1.04 of Attachment 1.

“Energy Shortfall Amount” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.05(a)(ii) of Attachment 1, for Meter-Based Energy Efficiency Projects only, set forth in Section 3.04(a) of Attachment 1, and, for Behind the Meter Distributed Generation Projects only, set forth in Section 3.04(a)(ii) of Attachment 1.

“Energy Supply Bid” has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff.

“Environmental Costs” means costs incurred in connection with acquiring and maintaining all environmental permits and licenses for the Project, and the Project’s compliance with all applicable environmental laws, rules and regulations, including capital costs for pollution mitigation or installation of emissions control equipment required to permit or license the Project, all operating and maintenance costs for operation of pollution mitigation or control equipment, costs of permit maintenance fees and emission fees as applicable, and the costs of all Emission Reduction Credits or Marketable Emission Trading Credits required by any applicable

environmental laws, rules, regulations, and permits to operate, and costs associated with the disposal and clean-up of hazardous substances introduced to the Site, and the decontamination or remediation, on or off the Site, necessitated by the introduction of such hazardous substances on the Site.

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

“EPC Contractor” means the entity chosen by Seller to perform the engineering, procurement and construction activities for the Project.

“EPI” means any Customer information received by Seller in connection with this Agreement or the construction, ownership and operation of the Project.

“EPI Incident” has the meaning set forth in Section 9.05(c).

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

“Equivalent Storage Capacity” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.06(d) of Attachment 1.

“ERR” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 9.04(b)(i) of Attachment 1.

“Evaluator” has the meaning, for Behind the Meter Distributed Generation Projects only, set forth in Section 5.03(b)(ii) of Attachment 1 and, for Energy Efficiency Projects only, set forth in Section 5.03(a)(i) of Attachment 1.

“Event Day” means, for Demand Response Projects only, a day in which a Dispatch or Seller Dispatch occurs.

[“Event of Deficient Deferral Deliveries” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.05(a)(ii), for Energy Efficiency Projects only, set forth in Section 3.04(a) of Attachment 1, and, for Behind the Meter Distributed Generation Projects only, set forth in Section 3.04(a)(ii) of Attachment 1.] {SCE Note: replace for Distribution Deferral Contracts}

[“Event of Deficient Energy Deliveries” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.05(a)(ii) of Attachment 1, for Energy Efficiency Projects only, set forth in Section 3.04(a) of Attachment 1, and, for Behind the Meter Distributed

Generation Projects only, set forth in Section 3.04(a)(ii) of Attachment 1.] {SCE Note: replace for Distribution Deferral Contracts}

“Event of Default” has the meaning set forth in Section 10.01.

“Event Parameters” has the meaning, for Demand Response Projects only, set forth in Section 1.01, Option D.

“Excess Network Upgrade Costs” has the meaning set forth in Section 10.05(a)(ii)(A).

“Expected Aggregate Contract Payments” means, for Customized Calculated Energy Efficiency Projects only, the dollar amount specified in Section 1.04 of Attachment 1.

“Expected Annual Net Energy Production” means, for In Front of the Meter Distributed Generation Projects only, the Generating Facility’s expected annual Qualified Amounts, as calculated in accordance with Section 1.03(b).

“Expected Annual Site Host Load” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 1.03(b) of Attachment 1. *{SCE Note: Excess-Sales Only.}*

“Expected Capacity Attributes” means, for Projects providing Capacity Attributes, with respect to any particular day of any Showing Month, the Capacity Attributes (in MWs) for such day of such Showing Month, less any reductions to the amount of Capacity Attributes (in MWs) that must be provided for such day as specified in Section 1.07 of Attachment 1.

“Expected Capacity Savings” means:

- (a) for Behind the Meter Distributed Generation Projects only, the expected aggregate reduction in SCE’s local capacity needs, as set forth in Section 1.03, resulting from Seller’s installation and operation of the Generating Facility; and
- (b) for Energy Efficiency Projects only, the Project’s expected capacity savings set forth in Section 1.03, as measured in accordance with Exhibit B, from the Measurement Baseline of the Project.

“Expected Contract Capacity” means, for In Front of the Meter Energy Storage Projects only, the expected capability of the Storage Unit to discharge MW at the Delivery Point, as set forth in Exhibit B.

“Expected Contract Energy Capacity” means, for In Front of the Meter Energy Storage Projects only, the expected capability of the Storage Unit to discharge Energy in MWh at the Delivery Point, as set forth in Exhibit B.

“Expected Deferral Savings” means, for Behind the Meter Distributed Generation Projects only, the expected aggregate reduction in SCE’s local energy needs during the applicable deferral hours, measured for each hour and each Obligation Period, as set forth in Section 1.03. {SCE Note: Add in Deferral Savings for Deferral RFOs}

“Expected Energy” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in the CAISO Tariff.

“Expected Energy Savings” means, for Behind the Meter Distributed Generation Projects only, the expected aggregate reduction in SCE’s local energy needs, measured each Obligation Period, as set forth in Section 1.03.

“Expected Initial Delivery Date” is the date set forth in Section 2.03.

[“Expected Measured Monthly Deferral Savings” means, for Energy Efficiency Projects only, with respect to the applicable month in a Term Year and as set forth in Section 1.03 of Attachment 1, the expected monthly electric usage reductions (in kWhs) during the applicable hours identified in Section 1.03 of Attachment 1 of the Customer(s) at the Site(s) from the Measured Energy Baseline and caused by the Project.]

“Expected Measured Monthly Energy Savings” is, with respect to the applicable month in a Term Year and as set forth in Section 1.03 of Attachment 1, the expected monthly electric usage reductions (in kWhs) of the Customer(s) at the Site(s) from the Measured Energy Baseline and caused by the Project.

“Expected Monthly Net Deferral Production” means, for In Front of the Meter Distributed Generation Products only, the Generating Facility’s expected monthly Qualified Amounts, as calculated in accordance with Section 1.03(d) of Attachment 1.

“Expected Monthly Net Energy Production” means, for In Front of the Meter Distributed Generation Products only, the Generating Facility’s expected monthly Qualified Amounts, as calculated in accordance with Section 1.03(c) of Attachment 1.

“Expected Summer Off-Peak Energy Savings” means, for Customized Calculated Energy Efficiency Projects only, the Project’s expected energy reductions set forth in Section 1.03(b), as measured in accordance with Exhibit B, from the Measurement Baseline of the Project from the Initial Delivery Date until the end of the Term.

“Expected Summer On-Peak Energy Savings” means, for Customized Calculated Energy Efficiency Projects only, the Project’s expected energy reductions set forth in Section 1.03(c), as measured in accordance with Exhibit B, from the Measurement Baseline of the Project from the Initial Delivery Date until the end of the Term.

“Expected Winter On-Peak Energy Savings” means, for Customized Calculated Energy Efficiency Projects only, is the Project’s expected energy reductions set forth in Section 1.03(d), as measured in accordance with Exhibit B, from the Measurement Baseline of the Project from the Initial Delivery Date until the end of the Term.

“Exporting” has the meaning, for Behind the Meter Distributed Generation Projects only, set forth in Rule 21 of the SCE Tariff.

“Federal Investment Tax Credit” means investment tax credit under 26 USC 48 as in effect from time to time throughout the Delivery Period or other provision providing for a federal tax credit determined by reference to capital investment in equipment used to produce renewable electric energy from solar energy resources for which Seller, as the owner of the Generating Facility, is eligible.

“Federal Tax Credit Legislation” means, for projects utilizing energy storage, validly enacted federal legislation that provides federal income tax credits for owners of facilities that utilize equipment which receives, stores, and delivers electric energy using batteries or other energy storage technologies and means, for Distributed Generation Projects, means validly enacted federal legislation that either (i) extends the Federal Investment Tax Credit in its current form, or (ii) extends to owners of solar and geothermal generating facilities the applicability of a renewable energy tax credit determined by reference to capital investment in (A) the construction of the Generating Facility or (B) equipment used to produce renewable electric energy from solar or geothermal energy resources for which Seller, as the owner of the Generating Facility, is eligible.

“FERC” means the Federal Energy Regulatory Commission.

“Financial Consolidation Requirement” has the meaning set forth in Section 14.08(a).

“Firm Charging Capability” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 5.01(a) of Attachment 1.

“Firm Charging Study” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 5.01(a) of Attachment 1.

“Firm Charging Upgrades” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 5.01(a) of Attachment 1.

“Flexible Capacity” means, for Projects providing Capacity Attributes and with respect to any particular Showing Month of the Delivery Period, the MWs of Product which are eligible to satisfy a load-serving entity’s Flexible RAR.

“Flexible RAR” means, for Projects providing Capacity Attributes, the flexible capacity requirements established for load-serving entities by the CAISO pursuant to the CAISO Tariff, the CPUC pursuant to the Resource Adequacy Rulings, or by any other Governmental Authority.

“Force Majeure” means any occurrence that was not anticipated as of the Effective Date that:

- (a) In whole or in part:
 - (i) Delays a Party’s performance under this Agreement;
 - (ii) Causes a Party to be unable to perform its obligations; or
 - (iii) Prevents a Party from complying with or satisfying the conditions of this Agreement;
- (b) Is not within the control of, and not the result of negligence of, that Party; and
- (c) The Party has been unable to overcome by the exercise of due diligence, including an act of God, flood, drought, earthquake, storm, fire, pestilence, lightning and other natural catastrophes, epidemic, war, riot, civil disturbance or disobedience, terrorism, sabotage, or strike or labor dispute.

Force Majeure does not include:

- (d) Reductions in performance of the Project resulting from ordinary wear and tear, deferred maintenance, operator error, or the failure of equipment or parts except to the extent such failure is otherwise the result of a Force Majeure;
- (e) Curtailment or reduction in deliveries at the direction of a T&D Provider or the CAISO when the basis of the curtailment or reduction in deliveries ordered by a T&D Provider or the CAISO is congestion arising in the ordinary course of operations of the T&D Provider’s system or the CAISO Controlled Grid, including congestion caused by outages or capacity reductions for maintenance, construction or repair;
- (f) Any delay in providing, or cancellation of, any Permit by the issuing Governmental Authority, except to the extent such delay or cancellation is otherwise the result of a Force Majeure;

- (g) Any delay in providing, or cancellation of, interconnection service by a T&D Provider, except to the extent such delay or cancellation is otherwise the result of a Force Majeure;
- (h) A failure of performance of any other entity, except to the extent that such failure was caused by an event that would otherwise qualify as a Force Majeure;
- (i) Seller's ability to sell the Product, or any part thereof, at a price greater than the Product Price;
- (j) For Distributed Generation Projects, the lack of wind, sun or other fuel source of an inherently intermittent nature; and
- (k) For Behind the Meter Projects, Seller's inability to obtain or retain Customers.

“Forced Outage” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff.

“Forecast” means, for In Front of the Meter Distributed Generation Projects only, an hourly forecast provided in accordance with Exhibit H of either:

- (a) The sum of the continuous electrical output ratings for inverters (in MWs) in the Generating Facility that are operational; or
- (b) The amount of Energy (in MWh) expected to be generated by the Generating Facility,

in accordance with SCE instructions.

“Forecast-Derived Energy” means, for In Front of the Meter Distributed Generation Projects only, the amount of Energy in MWh that would have been generated by the Generating Facility, as determined by SCE after the applicable Settlement Interval(s) based upon a CAISO forecast. If an appropriate CAISO forecast is unavailable, then the Forecast-Derived Energy will be determined based upon (a) the Forecast of available capacity provided by Seller in accordance with this Agreement and (b) the meteorological data for the Generating Facility during the applicable Settlement Interval(s).

“Forecasting” means, for In Front of the Meter Distributed Generation Projects only, the action of Seller in preparing and submitting Forecasts to SCE.

“Forward Settlement Amount” means the Non-Defaulting Party’s costs and losses, on the one hand, netted against its gains, on the other. If the Non-Defaulting Party’s costs and losses exceed its gains, then the Forward Settlement Amount shall be an amount owing to the Non-Defaulting Party. If the Non-Defaulting Party’s gains exceed its costs and losses, then the Forward Settlement Amount shall be zero dollars (\$0). The Forward Settlement Amount does not include consequential, incidental, punitive, exemplary or indirect or business interruption damages. It is expressly agreed that the Non-Defaulting Party shall not be required to enter into replacement transactions in order to determine the Forward Settlement Amount.

- (a) When used in this definition, costs mean, with respect to the Non-Defaulting Party, brokerage fees, commissions, legal expenses and other similar third-party transaction costs and expenses reasonably incurred by the Non-Defaulting Party in entering into any new arrangement which replaces this Agreement~~/~~, *including, if SCE is the Non-Defaulting Party, with respect to credit towards SCE’s procurement requirements under CPUC Decision XX-XX-XXX*. *{SCE Note: include bracketed language, referencing the appropriate CPUC decision, for solicitations pursuant to CPUC mandates.}* With respect to SCE, costs shall be based on replacing the Product with product from a project with similar attributes to the Project that (i) in the case of Behind the Meter projects, is serving Customer(s) that are electrically served by, or is providing Contract Capacity at, *[SCE note: insert applicable circuit]*; or (ii) in the case of In Front of the Meter Projects, electrically connects directly to the Interconnection Point set forth in Section 1.02(d) of Attachment 1. SCE may also take into consideration any non-standard performance measures or covenants applicable to the Project when determining its costs.
- (b) When used in this definition, gains or losses mean, with respect to any Party, an amount equal to the present value of the economic benefit or loss to such Party, if any (exclusive of costs), resulting from the termination of this Agreement for the remaining Term of this Agreement, determined in a commercially reasonable manner. For Non-Tolling In Front of the Meter Energy Storage Projects that may exercise an Energy Put Option, for purposes of determining losses only, Seller shall be deemed to have exercised its Energy Put Option for each and every remaining Calendar Year of the Term.

Factors used in determining economic gain and loss to a Party may include reference to information supplied by one or more third parties, which shall exclude Affiliates of the Non-Defaulting Party, including quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets, comparable

transactions, forward price curves based on economic analysis of the relevant markets, settlement prices for comparable transactions at liquid trading hubs (e.g., NYMEX). With respect to SCE, gains and losses shall be based on replacing the Product with product from a project with similar attributes to the Project that (i) in the case of Behind the Meter Projects, is serving Customer(s) that are electrically served by, or is providing Contract Capacity at, *[SCE note: insert applicable circuit]*; or (ii) in the case of In Front of the Meter Projects, electrically connects directly to the Interconnection Point set forth in Section 1.02(d). SCE may also take into consideration any non-standard performance measures or covenants applicable to the Project when determining its gains or losses.

Only if the Non-Defaulting Party is unable, after using commercially reasonable efforts, to obtain third party information to determine its gains or losses, then the Non-Defaulting Party may use information available to it internally suitable for these purposes in accordance with prudent industry practices.

“Full Capacity Deliverability Status” or “FCDS” has the meaning, for In Front of the Meter Projects only, set forth in the CAISO Tariff.

“Fully Deliverable” means, for In Front of the Meter Projects only, Full Capacity Deliverability Status or Interim Deliverability Status, as those terms are defined in the CAISO Tariff.

“GAAP” means United States generally accepted accounting principles as in effect from time to time, consistently applied.

“Generating Facility” has the meaning, for Distributed Generation Projects only, set forth in Section 1.02 of Attachment 1.

“Generating Facility Completion Date” has the meaning, for Behind the Meter Distributed Generation Projects only, set forth in Section 5.03(c)(iii) of Attachment 1.

“Generating Facility Energy Yield Curve” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Exhibit K.

“Generation Management System” has the meaning, for In Front of the Meter Projects and Demand Response Projects only, set forth in Section 5.02 of Attachment 1.

“Generation Operations Center” or “GOC” means, for In Front of the Meter Projects only, the location of SCE’s CAISO market-oriented real-time operations personnel.

“Generator Operator” means, for In Front of the Meter Projects only, the entity that operates the Project and performs the functions of supplying energy and interconnected operations services and the other functions of a generator operator as described in NERC’s Statement of Compliance Registry Criteria located on the NERC website.

“Generator Owner” means, for In Front of the Meter Projects only, the entity that owns the Project and has registered with NERC as the entity responsible for complying with those NERC Reliability Standards applicable to owners of generating units as set forth in the NERC Reliability Standards.

“Geographic and Service Account Eligibility Verification” shall have the meaning, for Meter-Based Energy Efficiency Projects only, set forth in Section 5.03(b)(ii) of Attachment 1 and, for Customized Calculated Energy Efficiency Projects only, set forth in Section 5.03(c)(ii) of Attachment 1.

“GHG Regulations” means Title 17, Division 3, Chapter 1, Subchapter 10, Article 5, Sections 95800 *et. seq.* of the California Code of Regulations, as amended or supplemented from time to time.

“Governmental Authority” means:

- (a) Any federal, state, local, municipal or other government;
- (b) Any governmental, regulatory or administrative agency, commission, or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; or
- (c) Any court or governmental tribunal.

“Governmental Charges” has the meaning set forth in Section 13.06.

“Green Attributes” means, for Distributed Generation Projects only, any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Project, and its avoided emission of pollutants. Green Attributes include but are not limited to Renewable Energy Credits, as well as:

- (1) Any avoided emission of pollutants to the air, soil or water such as sulfur oxides (SO_x), nitrogen oxides (NO_x), carbon monoxide (CO) and other pollutants;
- (2) Any avoided emissions of carbon dioxide (CO₂), methane (CH₄), nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and other greenhouse

gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere;¹

- (3) The reporting rights to these avoided emissions, such as Green Tag Reporting Rights.

Green Tag Reporting Rights are the right of a Green Tag Purchaser to report the ownership of accumulated Green Tags in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at the Green Tag Purchaser's discretion, and include those Green Tag Reporting Rights accruing under Section 1605(b) of the Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program. Green Tags are accumulated on a MWh basis and one Green Tag represents the Green Attributes associated with one (1) MWh of energy.

Green Attributes do not include:

- (i) Any energy, capacity, reliability or other power attributes from the Project,
- (ii) Production tax credits associated with the construction or operation of the Project and other financial incentives in the form of credits, reductions, or allowances associated with the Project that are applicable to a state or federal income taxation obligation,
- (iii) Fuel-related subsidies or "tipping fees" that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits, or
- (iv) Emission Reduction Credits encumbered or used by the Project for compliance with local, state, or federal operating and/or air quality permits.

If the Project is a biomass or biogas facility and Seller receives any tradable Green Attributes based on the greenhouse gas reduction benefits or other emission offsets attributed to its fuel

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

usage, it shall provide SCE with sufficient Green Attributes to ensure that there are zero (0) net emissions associated with the production of electricity from the Project.

“Greenhouse Gas” or “GHG” has the meaning set forth in the GHG Regulations or in any other Applicable Laws.

“Guaranteed Efficiency Factor Max (GEFmax)” means, for In Front of the Meter Energy Storage Projects only, the maximum guaranteed Round Trip Efficiency Factor as set forth in Exhibit B.

“Guaranteed Efficiency Factor Min (GEFmin)” means, for In Front of the Meter Energy Storage Projects only, the minimum guaranteed Round Trip Efficiency Factor as set forth in Exhibit B.

“HASP” or Hour-Ahead Scheduling Process has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff (and includes any other successor process that replaces HASP).

“Hazardous Material” means any substance, waste, or material which has been designated as hazardous or toxic by the United States Environmental Protection Agency, the federal Occupational Safety and Health Administration (“OSHA”), California OSHA, the California Environmental Protection Agency, the California Office of Environmental Health Hazard Assessment, the California Department of Toxic Substances Control, the California State Water Resources Control Board, or any other environmental agency now or subsequently authorized to regulate materials in the environment or workplace.

“Holiday” means New Year’s Day, Presidents’ Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, and Christmas Day. When any Holiday falls on a Sunday, the following Monday will be recognized as a Holiday. No change will be made for Holidays falling on Saturday.

“Hourly Recorded Reduction” has the meaning, for Demand Response Projects only, set forth in Section 3.02(d) of Attachment 1.

“Idle Loss” means, for In Front of the Meter Energy Storage Projects only, the amount of stored energy lost when the system remains idle (not charging or discharging) for a defined period of time (expressed as a percentage of the Storage Unit Storage Capacity).

“Imbalance Energy” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff. To the extent this CAISO Tariff definition refers to or is applicable to a generation resource, such definition shall apply to the Storage Unit as if the Storage Unit is a generation resource.

“IFRS” means the International Financial Reporting Standards as in effect from time to time, consistently applied.

“In Front of the Meter” means a Project for which Option A or Option B is selected in Section 1.01(b).

“In Front of the Meter Distributed Generation” means a Project for which Option B is selected in Section 1.01(b).

“In Front of the Meter Energy Storage” means a Project for which Option A is selected in Section 1.01(b).

“Indemnified Party” has the meaning set forth in Section 13.03.

“Indemnitor” has the meaning set forth in Section 13.03.

“Independent Engineer” or “IE” means an independent, non-Affiliate California registered professional engineer (with experience acceptable to SCE in its sole discretion).

“Independent Evaluator” has the meaning set forth in Section 14.05(b)(i).

“Individual Measurement Baseline” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Section 5.03(b)(i) of Attachment 1.

“Industry Standards” mean applicable California utility industry standards, including the standards established by the California Electricity Generation Facilities Standards Committee pursuant to Public Utilities Code Section 761.3 and enforced by the CPUC, and CAISO mandated standards.

“Inflexible Capacity” means, for Projects providing Capacity Attributes and with respect to any particular Showing Month of the Delivery Period, the MWs of the Product which are not eligible to satisfy a load-serving entity’s Flexible RAR.

“Initial Commercial Operation Test” means,

- (d) for In Front of the Meter Energy Storage Projects only, the testing procedures, requirements, and protocols set forth in Exhibit I; and
- (e) for Demand Response Projects only, the demonstration described in Section 5.03.

“Initial Delivery Date” has the meaning set forth in Section 2.04.

“Initial Delivery Deadline” has the meaning set forth in Section 2.05.

“Inspection Report” means, for Behind the Meter Distributed Generation and Energy Efficiency Projects only, any Pre-Installation Inspection Report, Primary Post-Installation Inspection Report, or Post-Installation Inspection Report.

“Inspections” means, for Behind the Meter Distributed Generation and Energy Efficiency Projects only, the Pre-Installation Inspection, the Primary Post-Installation Inspection, and each Post-Installation Inspection.

“Installation” means, for Energy Efficiency Projects only, all of the Measures installed by Seller at a Customer’s Site pursuant to this Agreement.

“Installed DC Rating” means, for In Front of the Meter Distributed Generation Projects only, the lesser of (a) the amount of Direct Current electric energy generating capacity, set forth in Section 1.03(a) of Attachment 1, that Seller commits to install at the Site, and (b) the Demonstrated Installed DC Rating, expressed in kW_{PDC}.

“Interconnection Point” means, for In Front of the Meter Projects only, the location where the Generating Facility first interconnects with the existing electrical transmission or distribution system, as set forth in Section 1.02(d) of Attachment 1.

“Interconnection Queue Position” means, for In Front of the Meter Projects only, the order of Seller’s valid request for interconnection relative to all other valid interconnection requests, as specified in Section 1.02(e) of Attachment 1.

“Interconnection Study” means, for In Front of the Meter Projects only, any of the studies defined in the CAISO Tariff or any T&D Provider’s tariff that reflect methodology and costs to interconnect the Project to the T&D Provider’s electric grid.

“Interest Payment” means a payment amount that results from the product of the following three factors:

- (a) the dollar amount on which an interest payment is based;
- (b) for any given month in which the payment is made, the average of the annual interest rates reported for all weekdays in such month opposite the caption “Federal funds (effective)” as set forth in the H.15 release, or any successor publication, published by the Board of Governors of the Federal Reserve System; and
- (c) the number of days in the calculation period divided by 360.

“Interim Deliverability Status” has the meaning, for In Front of the Meter Projects only, set forth in the CAISO Tariff.

“Inverter Block Unit” means, for In Front of the Meter Distributed Generation Projects only, each inverter installed on the Site as part of the Generating Facility, along with the associated DC equipment, cables, components, devices and materials that interconnect the photovoltaic modules with the inverters.

“Inverter Block Unit Capacity” means, for In Front of the Meter Distributed Generation Projects only and with respect to each Inverter Block Unit, the total rated electric Alternating Current capacity of such Inverter Block Unit, determined as the lesser of:

- (a) The manufacturer’s output rating of the inverter included in such Inverter Block Unit, consistent with Prudent Electrical Practices and accepted industry standards, as indicated on the nameplate physically attached to such inverter; provided, if such output rating is not indicated in kW or MW on the nameplate physically attached to such inverter, then such output rating in kW or MW will be deemed to be equal to the maximum continuous out power in kilovolt-amperes (kVA) or megavolt-amperes (MVA) indicated on the nameplate physically attached to such inverter for purposes of this calculation; provided further, that if more than one inverter output rating is provided, whether in kW, MW, kVA or MVA, the lowest of these shall be deemed to be the manufacturer’s rating of such inverter; or
- (b) The sum of the manufacturer’s nameplate ratings of all photovoltaic modules included in such Inverter Block Unit, consistent with Prudent Electrical Practices and accepted industry standards, as indicated on the nameplates physically attached to such individual photovoltaic modules.

“Invoice Calculation Period” has the meaning set forth in Section 3.01 of Attachment 1.

“Invoice Date” has the meaning set forth in Section 3.01 of Attachment 1.

“Invoicing Party” has the meaning set forth in Section 3.01 of Attachment 1.

“IPMVP” has the meaning, for Energy Efficiency Projects only, set forth in Exhibit B.

“JAMS” has the meaning set forth in Section 12.02.

“kW” means a kilowatt.

“kWh” means a kilowatt-hour.

“kW_{PDC}” means, for In Front of the Meter Distributed Generation Projects only, kilowatts of peak DC power.

“Lender” means any financial institutions that provide(s) development, bridge, construction, permanent debt or Tax Equity Financing or refinancing for the Project to Seller.

“Letter of Credit” means an irrevocable, nontransferable standby letter of credit, substantially in the form of Exhibit G and acceptable to SCE, provided by Seller from an issuer acceptable to SCE that is a U.S. branch of a commercial bank with total assets of at least ten billion U.S. dollars (US\$10,000,000,000) and a Credit Rating of at least “A-” from S&P or “A3” from Moody’s. If such bank is rated by more than one Ratings Agency and the ratings are at different levels, the lowest rating shall be the Credit Rating for this purpose.

“Letter of Credit Default” means with respect to a Letter of Credit, the occurrence of any of the following events:

- (a) the issuer of such Letter of Credit fails to maintain a Credit Rating of at least “A-” from S&P or “A3” from Moody’s, as required in the definition of “Letter of Credit”;
- (b) the issuer of the Letter of Credit fails to comply with or perform its obligations under such Letter of Credit;
- (c) the issuer of such Letter of Credit disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, such Letter of Credit;
- (d) such Letter of Credit expires or terminates, or fails or ceases to be in full force and effect at any time during the Term of this Agreement, in any such case without replacement;
- (e) Seller fails to provide an extended or replacement Letter of Credit prior to twenty (20) Business Days before the Letter of Credit expires or terminates; or
- (f) the issuer of such Letter of Credit becomes Bankrupt;

provided, no Letter of Credit Default shall occur or be continuing in any event with respect to a Letter of Credit after the time such Letter of Credit is required to be canceled or returned to a Party in accordance with the terms of this Agreement.

“Load Drop Amount” means, for Demand Response Projects only, the total load drop capacity of each Recruited Account or Participating Account.

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

“Local RAR” means, for Projects providing Capacity Attributes, the local Resource Adequacy Requirements established for load-serving entities by the CAISO pursuant to the CAISO Tariff, the CPUC pursuant to the Resource Adequacy Rulings, or by any other Governmental Authority.

“Local Resource Constrained Day” or “LRCD” has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in Section 1.09(a) of Attachment 1.

“Locational Marginal Price” or “LMP” has the meaning, for In Front of the Meter Projects only, set forth in the CAISO Tariff.

“Lost Output” means, for In Front of the Meter Distributed Generation Projects only, the reduction in Qualified Amounts over the relevant measurement period that the Generating Facility was available to produce and could reasonably have been expected to deliver, based upon the calculation method set forth in Exhibit K, but was not delivered due to a Lost Output Event.

“Lost Output Event” means, for In Front of the Meter Distributed Generation Projects only, any of the following occurrences which cause Seller to be unable to deliver Energy:

- (a) Force Majeure;
- (b) An Event of Default where SCE is the Defaulting Party;
- (c) A curtailment or reduction of deliveries in accordance with Section 6.01(f) of Attachment 1 or as otherwise ordered or caused by the CAISO, or SCE acting as a T&D Provider (including a curtailment or reduction that does not constitute a Force Majeure as provided in subparagraph (e) or (g) of the definition of Force Majeure); or
- (d) An Emergency, to the extent not already covered in item (c) above.

“Lost Output Report” means, for In Front of the Meter Distributed Generation Projects only, the monthly report of Lost Output for Lost Output Events described in Subsections (a), (b), or (d) of the definition of Lost Output Event and provided in the form of the worksheet from the Lost Output Workbook prepared in accordance with the procedures set forth in Section 6.06 of Attachment 1 and Exhibit K.

“Lost Output Workbook” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Exhibit K.

“LRCD Capacity & Energy Capacity Verification Test” means, for Non-Tolling In Front of the Meter Energy Storage Projects only, the testing procedures, requirements, and protocols set forth in Exhibit I.

“M&V Plan” has the meaning, for Meter-Based Energy Efficiency Projects only, set forth in Section 5.03(b)(iii) of Attachment 1 and, for Customized Calculated Energy Efficiency Projects only, set forth in Section 5.03(c)(iii) of Attachment 1.

“Marketable Emission Trading Credits” means emissions trading credits or units pursuant to the requirements of California Division 26 Air Resources; Health & Safety Code Section 39616 and Section 40440.2 for market based incentive programs such as the South Coast Air Quality Management District’s Regional Clean Air Incentives Market, also known as RECLAIM, and allowances of sulfur dioxide trading credits as required under Title IV of the Federal Clean Air Act (42 U.S.C. § 7651b (a) to (f)).

“Market Clearing Price” or “MCP” means for each Settlement Interval, the Day-Ahead Market price for the hour in which such Settlement Interval falls for SP-15.

“Master File” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth Section 6.03(a) of Attachment 1.

“Measure” means, for Energy Efficiency Projects only, a service or product whose installation and operation at a Customer’s premises results in a reduction in the Customer’s on-site energy or capacity use, compared to what would have happened without the service or product installation.

“Measured Energy Baseline” has the meaning, for Meter-Based Energy Efficiency Projects only, set forth in Section 3.02(b) of Attachment 1.

“Measurement and Verification Protocol” means, for Energy Efficiency Projects only, the parameters, procedures, rules, and instructions that govern the creation of an M&V Plan in order for the Evaluator to measure and verify the capacity and energy savings from each Installation and the Project and is more fully described in Exhibit B.

“Measurement Baseline” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Section 5.03(b)(ii) of Attachment 1.

“Measurement Day” means, for Demand Response Projects only, a twenty-four (24) hour period that is a Delivery Day, but excluding (a) Event Days, and (b) event days under a Dual Participation Program.

“Mediator” has the meaning set forth in Section 12.02.

“Meteorological Equipment” means, for In Front of the Meter Distributed Generation Projects only, the instruments and equipment that meet those specifications set forth in Exhibit L, as may be modified by SCE from time to time to reflect the CAISO’s PIRP/EIRP protocol.

“Meter-Based Energy Efficiency Project” means a project for which Option E and the Meter-Based Approach are selected in Section 1.01(b).

“Metered Amounts” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 1.07 of Attachment 1 and, for Behind the Meter Distributed Generation Projects only, set forth in Section 3.02 of Attachment 1.

“Metering System(s)” has the meaning, for Behind the Meter Distributed Generation Projects only, set forth in Section 5.02(a) of Attachment 1].

“Minimum Energy Storage Capacity” has the meaning, for Demand Response Projects only, set forth in Section 1.03 of Attachment 1.

“Monthly Available A/S Capacity” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.07 of Attachment 1.

“Monthly Capacity Payment” means, for In Front of the Meter Energy Storage Projects only, the Monthly RA Capacity Payment, the Monthly Energy Retention Capacity Payment, or the Monthly Energy Capacity Payment, as applicable.

“Monthly Capacity Price” means, for In Front of the Meter Energy Storage Projects only, as applicable, the Monthly RA Capacity Price, the Monthly Energy Retention Price, or the Monthly Energy Capacity Price.

“Monthly Energy Capacity Payment” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.05(a) of Attachment 1, as may be reduced under Section 3.05(b) of Attachment 1.

“Monthly Energy Capacity Price” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 1.04 of Attachment 1.

“Monthly Energy Retention Capacity Payment” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.02(c) of Attachment 1.

“Monthly Energy Retention Price” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 1.04 of Attachment 1.

“Monthly RA Capacity Payment” has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in Section 3.02(a) of Attachment 1.

“Monthly RA Capacity Price” has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in Section 1.04(a) of Attachment 1.

“Monthly Supply Plan” has the meaning, for Projects providing Capacity Attributes, set forth in the CAISO Tariff.

“Moody's” means Moody's Investors Service, Inc.

“MW” means megawatt or megawatts.

“MWh” means megawatt-hour or megawatt-hours.

“Negative LMP” means, for In Front of the Meter Distributed Generation Projects only, in any Settlement Interval, the LMP at the Generating Facility's Pricing Node (as defined in the CAISO Tariff) is less than zero dollars (\$0).

“Negative LMP Costs” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.03(b)(iii) of Attachment 1.

“NERC” means the North American Electric Reliability Corporation.

“NERC Reliability Standards” means, for In Front of the Meter Projects only, those reliability standards applicable to a generating or storage facility, or to the Generator Owner or the Generator Operator with respect to a generating or storage facility, that are adopted by NERC and approved by the applicable regulatory authorities.

“NERC Responsibilities” means the document entitled “NERC Reliability Standards - Responsibilities of the Generator Operator, Scheduling Coordinator, CAISO, and Reliability Coordinator” or other successor description or document on the CAISO website at the time of the violation.

“NERC Standards Non-Compliance Penalties” means all penalties assessed by FERC, NERC (through WECC or otherwise) or other Governmental Authority for violations of the NERC Reliability Standards by the Project or Seller, as Generator Operator or other applicable category.

“Net Energy Metering” has the meaning, for Behind the Meter Projects only, set forth in Rule 21 of the SCE Tariff.

“Net Qualifying Capacity” or “NQC” has the meaning set forth in the CAISO Tariff.

“Network Upgrades” has the meaning set forth in Section 5.01(a)(i).

“Network Upgrades Cap” has the meaning set forth in Section 10.05(a)(i)(A).

“Non-Defaulting Party” has the meaning set forth in Section 10.02.

“Non-Exporting” has the meaning, for Behind the Meter Distributed Generation Projects and Demand Response Projects only, set forth in Rule 21 of the SCE Tariff. *{SCE Note: delete if corresponding bracketed language is removed from the agreement}*

“Non-IOU Fuel Source” means, for Energy Efficiency Projects only, any fuel source, not provided or supplied by the T&D Provider, capable to supply energy or meet the electric load or demand of a facility; including solar photovoltaics, energy storage system(s), cogeneration plant(s)/system(s), and fuel cell(s). *{SCE Note: delete if the RFO-specific addendum does not use this term.}*

“Non-SCE Charge” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 6.06(e) of Attachment 1.

“Non-SCE Dispatch” means, for In Front of the Meter Energy Storage Projects only, a dispatch by Seller either pursuant to a Seller Initiated Test or as required by Applicable Laws.

“Non-Tolling In Front of the Meter Energy Storage Project” means a Project for which Option A-1 is selected in Section 1.01(b).

“Notice” means notices, requests, statements or payments provided in accordance with Section 14.02 and Exhibit E.

“Obligation Period” has the meaning, for Behind the Meter Distributed Generation Projects only, set forth in Section 1.03(b) of Attachment 1.

“Operating Day” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff.

“Operating Months” has the meaning set forth in Section 1.01, Option D, with respect to Demand Response Projects.

“Operating Restrictions” means, for In Front of the Meter Energy Storage Projects only, subject to Section 6.05(f)(ii) of Attachment 1, limitations on SCE’s ability to schedule and use Capacity, Ancillary Services, and Energy during a Put Period that are identified in Exhibit B.

“Outage” has the meaning, for In Front of the Meter Projects only, set forth in the CAISO Tariff.

“Outage Schedule” has the meaning, for In Front of the Meter Projects only, set forth in Section 6.05(a) of Attachment 1.

“Outstanding Bid Quantity” has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in Section 1.09(c) of Attachment 1.

“Paid Curtailed Product” means, for In Front of the Meter Distributed Generation Projects only, the Curtailed Product for which SCE is obligated to pay Seller pursuant to Section 3.02(b) of Attachment 1.

“Participating Account” has the meaning, for Demand Response Projects only, set forth in Section 6.06(c) of Attachment 1.

“Participating Intermittent Resource” means, for In Front of the Meter Distributed Generation Projects only, an intermittent resource generating facility that is certified, and remains certified, under PIRP as set forth in the CAISO Tariff. *{SCE Note: Intermittent only.}*

“Participating Intermittent Resource Program” or “PIRP” means, for In Front of the Meter Distributed Generation Projects only, the CAISO’s intermittent resource program initially established pursuant to Amendment No. 42 of the CAISO Tariff in Docket No. ER02-922-000 or any successor program that SCE determines accomplishes a similar purpose. *{SCE Note: Intermittent only.}*

“Party” or “Parties” has the meaning set in the preamble.

“Paying Party” has the meaning set forth in Section 3.01 of Attachment 1.

“Payment Adjustment Factor” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Section 3.03(b) of Attachment 1.

“Payment Date” has the meaning set forth in Section 3.01 of Attachment 1.

“Performance Assurance” means the collateral required under Section 7.02.

“Performance Data Provider” or “PDP” has the meaning, for Behind the Meter Distributed Generation Projects only, set forth in Section 5.02(a) of Attachment 1.

“Performance Monitoring and Reporting Service Provider” or “PMRS” means, for Behind the Meter Distributed Generation Projects only, an entity capable of performing the monitoring and reporting activities described for a PMRS in the “California Public Utilities Commission California Solar Initiative Program Handbook,” as amended.

“Performance Tolerance Band” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.03(b)(i) of Attachment 1 and means, for In Front of the Meter Energy Storage Projects only, the lesser of (a) three percent (3%) of a Storage

Unit's PMAX divided by the number of Settlement Intervals in an hour, (b) five (5) MW divided by the number of Settlement Intervals in an hour, or (c) for each Settlement Interval,

- (a) with respect to the Performance Tolerance Band Upper Limit, the greater of the fifteen-minute HASP Regulation Up awards for the period within such Settlement Interval falls, or
- (b) with respect to the Performance Tolerance Band Lower Limit, the greater of the fifteen-minute HASP Regulation Down awards for the period within such Settlement Interval falls

divided by the number of Settlement Intervals in an hour.

If, at any time, the CAISO implements changes to the Performance Tolerance Band, then the Parties agree to negotiate in good faith to amend this definition to maintain the economic benefits and burdens contemplated under this Agreement.

"Performance Tolerance Band Lower Limit" means, for In Front of the Meter Energy Storage Projects only, the quantity of Energy determined for a Settlement Interval equal to Scheduled Energy minus the Performance Tolerance Band.

"Performance Tolerance Band Upper Limit" means, for In Front of the Meter Energy Storage Projects only, the quantity of Energy determined for a Settlement Interval equal to Scheduled Energy plus the Performance Tolerance Band.

"Permits" means all applications, approvals, authorizations, consents, filings, licenses, orders, permits or similar requirements imposed by any Governmental Authority, or the CAISO, in order to develop, construct, operate, maintain, improve, refurbish and retire the Project and deliver the Product to SCE in accordance with this Agreement.

"Permit Requirements" means any requirement or limitation imposed as a condition of a permit or other authorization relating to construction or operation of the Project or related facilities, including limitations on any pollutant emissions levels, limitations on fuel combustion or heat input throughput, limitations on operational levels or operational time, limitations on any specified operating constraint, requirements for acquisition and provision of any Emission Reduction Credits or Marketable Emission Trading Credits; or any other operational restriction or specification related to compliance with any Applicable Laws.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“Photovoltaic Module DC Rating” means, for In Front of the Meter Distributed Generation Projects only, for each photovoltaic module installed or to be installed at the Site, the number (expressed in kW_{PDC}) stated on the nameplate affixed thereto representing the manufacturer’s maximum (at “peak” sunlight) DC power rating at the standard test condition (“P_{mp}” or Power maximum at peak).

“Planned Outage” means, for In Front of the Meter Energy Storage Projects only, an Approved Maintenance Outage (as defined in the CAISO Tariff), but does not include an RA Maintenance Outage With Substitution, an RA Maintenance Outage Without Substitution, a Short-Notice Opportunity RA Maintenance Outage, or an Off-Peak Opportunity RA Maintenance Outage (as such terms are defined in the CAISO Tariff).

“PMAX” means, for In Front of the Meter Energy Storage Projects only, the applicable CAISO-certified maximum operating level of a Storage Unit and, for In Front of the Meter Distributed Generation Projects only, has the meaning set forth in the CAISO Tariff.

“PMIN” means, for In Front of the Meter Energy Storage Projects only, the applicable CAISO-certified minimum operating level of a Storage Unit.

“Predicted Capacity” means, for In Front of the Meter Energy Storage Projects only, the expected NQC for the Storage Unit as set forth for the Storage Unit in Exhibit B.

“Predicted Flexible Capacity” means, for In Front of the Meter Energy Storage Projects only, the expected EFC for the Storage Unit as set forth for the Storage Unit in Exhibit B.

“Pre-Installation Description” means, for Behind the Meter Distributed Generation Projects only, the description set forth in Exhibit B, Part I.

“Pre-Installation Inspection Report” means, for Behind the Meter Distributed Generation and Energy Efficiency Projects only, the report prepared by an Evaluator setting forth the Evaluator’s findings from the Pre-Installation Inspection. At a minimum, the Pre-Installation Inspection Report must include the information identified in Exhibit B.

“Pre-Installation Inspection” means, for Behind the Meter Distributed Generation Projects only, an inspection of the Project, or any component thereof, which satisfies the requirements described in Section 5.03(b)(i) of Attachment 1 and Exhibit B; for Meter-Based Energy Efficiency Projects only, an inspection of an Installation which satisfies the requirements described in Section 5.03(c)(i) of Attachment 1 and Exhibit B; and, for Customized Calculated Energy Efficiency Projects only, an inspection of an Installation which satisfies the requirements described in Section 5.03(d)(i) of Attachment 1 and Exhibit B.

“Post-Installation Inspection” means, for Behind the Meter Distributed Generation Projects only, an inspection of the Project, or any component thereof, which satisfies the requirements described in Section 5.03(c)(i) of Attachment 1 and Exhibit B; for Meter-Based Energy Efficiency Projects only, an inspection of the Project, or any component thereof, which satisfies the requirements described in Section 5.03(d) of Attachment 1; and, for Customized Calculated Energy Efficiency Projects only, an inspection of the Project, or any component thereof, which satisfies the requirements described in Section 5.03(g) of Attachment 1.

“Post-Installation Inspection Report” means, for Behind the Meter Distributed Generation Projects and Energy Efficiency Projects only, the report prepared by an Evaluator setting forth the Evaluator’s findings from the Post-Installation Inspection. At a minimum, the Post-Installation Inspection Report must include the information identified in Exhibit B.

“Prevention Equipment” means all equipment necessary to prevent, suppress and contain any fire, flooding, explosion, leak of hazardous material or other injury or damage at the Site(s).

“Price-Weighted Capacity Availability” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.06 of Attachment 1.

“Price-Weighted Monthly Capacity Availability” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.06 of Attachment 1.

“PRG” has the meaning set forth in Section 14.05(b).

“Pricing Node” has the meaning set forth in the CAISO Tariff.

“Primary Post-Installation Inspection” means, for Customized Calculated Energy Efficiency Projects only, an inspection of the Project which satisfies the requirements described in Section 5.03(e)(i) of Attachment 1 and Exhibit B.

“Primary Post-Installation Inspection Report” means, for Customized Calculated Energy Efficiency Projects only, the report prepared by an Evaluator setting forth the Evaluator’s findings from the Primary Post-Installation Inspection. At a minimum, the Primary Post-Installation Inspection Report must include the information identified in Exhibit B.

“Product” has the meaning set forth in Section 1.01.

“Product Payment” has the meaning, for Distributed Generation Projects only, set forth in Section 3.04 of Attachment 1 and, for Meter-Based Energy Efficiency Projects only, set forth in Section 3.02(a) of Attachment 1.

“Product Payment Allocation Factor(s)” means, for In Front of the Meter Distributed Generation Projects only, the product payment allocation factor(s) set forth in Section 3.04 of Attachment 1 and, for Meter-Based Energy Efficiency Projects only, the product payment allocation factor(s) set forth in Section 3.03 of Attachment 1.

“Product Price” has the meaning set forth in Section 1.04.

“Product Replacement Damage Amount” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.05(b) of Attachment 1, for Meter-Based Energy Efficiency Projects only, set forth in Section 3.04(b) of Attachment 1, and, for Behind the Meter Distributed Generation Projects only, set forth in Section 3.04(b) of Attachment 1.

“Prohibited Resource” means, for Demand Response Projects only, a technology using diesel, natural gas, gasoline, propane or liquefied petroleum gas, in topping cycle combined heat and power or non-combined heat and power configuration. The following resources are not Prohibited Resources: pressure reduction turbines, waste-heat-to-power bottoming cycle combined heat and power, and energy storage systems (including storage systems coupled with renewable generation) provided such energy storage systems meet the greenhouse gas emission factor thresholds in effect from time to time under the CPUC’s Self-Generation Incentive Program.

“Prohibited Resources Plan” has the meaning, for Demand Response Projects only, set forth in Section 6.11(g) of Attachment 1.

“Project” has the meaning set forth in Section 1.02.

“Project and Measure Description” means, for Energy Efficiency Projects only, a description prepared by Seller of the Measures Seller will use in the Project, the proposed Measurement Baseline, and how the Measures will improve pre-installation capacity and energy conditions, as more fully described in Exhibit B.

“Project Measurement and Verification Protocol” means, for Behind the Meter Distributed Generation Projects only, the parameters, procedures, rules, and instructions that govern the protocol for the Evaluator to measure and verify the capacity and energy savings from the Project as more fully described in Exhibit B.

“Project Progress Report” has the meaning set forth in Section 4.06.

“Project Security” means Development Security or Performance Assurance.

“Project Summary Report” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Section 5.03(f)(i) of Attachment 1.

“Protective Apparatus” means control devices (such as meters, relays, power circuit breakers and synchronizers) as specified in the interconnection agreement or related agreement for the Project or as SCE reasonably determines to be necessary for proper and safe operation of the Project in parallel with the T&D Provider’s electric system or the CAISO Controlled Grid.

“Prudent Electrical Practices” means those practices, methods and acts that would be implemented and followed by prudent operators of facilities or resources similar to the Project, in the Western United States, during the relevant time period, which practices, methods and acts, in the exercise of prudent and responsible professional judgment in the light of the facts known or that should reasonably have been known at the time the decision was made, could reasonably have been expected to accomplish the desired result consistent with good business practices, reliability and safety.

Prudent Electrical Practices shall include, at a minimum, those professionally responsible practices, methods and acts described in the preceding sentence that comply with manufacturers’ warranties, restrictions in this Agreement, WECC standards, and Applicable Laws.

Prudent Electrical Practices also includes taking reasonable steps to ensure that:

- (a) Equipment, materials, resources, and supplies, including spare parts inventories, are available to meet the needs of the Project;
- (b) Sufficient operating personnel are available at all times and are adequately experienced and trained and licensed as necessary to operate the Project properly and efficiently, and are capable of responding to reasonably foreseeable emergency conditions at the Project and transmission emergencies whether caused by events on or off the Site;
- (c) Preventive, routine, and non-routine maintenance and repairs are performed on a basis that ensures reliable, long term and safe operation of the Project, and are performed by knowledgeable, trained, and experienced personnel utilizing proper equipment and tools;
- (d) Appropriate monitoring and testing are performed to ensure equipment is functioning as designed;
- (e) Equipment is not operated in a reckless manner, in violation of manufacturer’s guidelines or in a manner unsafe to workers, the general public, or the T&D Provider’s electric system or contrary to environmental laws, permits or regulations or without regard to defined limitations such as, flood conditions, safety inspection requirements, operating voltage, current, volt ampere reactive

(VAR) loading, frequency, rotational speed, polarity, synchronization, and control system limits; and

- (f) Equipment and components are designed and manufactured to meet or exceed the standard of durability that is generally used for electric energy storage facilities operating in the Western United States and will function properly over the full range of ambient temperature and weather conditions reasonably expected to occur at the Site(s) and under both normal and emergency conditions.

“Put Period” has the meaning set forth in Section 1.01, Option A-1, with respect to Non-Tolling In Front of the Meter Energy Storage Projects.

“Put Period Day” means, for Non-Tolling In Front of the Meter Energy Storage Projects only, a day within a Put Period on which the Project operates.

“Qualified Amounts” means, for In Front of the Meter Distributed Generation Projects only, subject to Section 3.03(b)(iii) of Attachment 1, the Metered Amounts, expressed in kWh, that qualify as renewable power under the requirements of the California Renewables Portfolio Standard.

“Qualifying Capacity” means, for In Front of the Meter Distributed Generation Projects only, the maximum amount of Resource Adequacy Benefits a generating facility could provide before an assessment of its Net Qualifying Capacity, as determined pursuant to the relevant methodology established by the CPUC. For purposes of determining “Qualifying Capacity”, it shall be assumed that the Generating Facility is Fully Deliverable.

“Qualified Reporting Entity” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in the WREGIS Operating Rules, as applicable to the Generating Facility as the Registered Generating Unit.

“Qualifying Delivered Energy” means, for In Front of the Meter Energy Storage Projects only, the lesser of Delivered Energy or the Performance Tolerance Band Upper Limit for each Settlement Interval during a Put Period. Qualifying Delivered Energy shall be zero (0): (a) during a Seller Initiated Test; (b) during a Non-SCE Dispatch; or (c) during a Start-Up.

“Qualifying Meter” means, for Demand Response Projects and Energy Efficiency Projects only, an SCE-approved interval meter capable of recording usage in 15 minute intervals and being read remotely by SCE through electronic communication.

“Quarter” or “Quarterly” means the first three calendar months beginning on the first day of the Delivery Period, and each subsequent three calendar month period.

“RA Adjustment” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.09 of Attachment 1.

“RA Capacity Qualification Tests” means, for In Front of the Meter Energy Storage Project only, any and all tests, certifications or performance evaluations required by the CPUC, any other applicable Governmental Authority, or the CAISO pursuant to any Applicable Laws, in order for the Storage Unit to obtain, maintain or update a NQC and EFC, including testing for PMA.

“RA Compliance Obligations” means, for Projects providing Capacity Attributes, RAR, Local RAR and Flexible RAR.

“RA Compliance Showings” means, for Projects providing Capacity Attributes, the (a) Local RAR compliance or advisory showings (or similar or successor showings), (b) RAR compliance or advisory showings (or similar or successor showings), and (c) Flexible RAR compliance or advisory showings (or similar successor showings), in each case, an entity is required to make to the CAISO pursuant to the CAISO Tariff, to the CPUC (and, to the extent authorized by the CPUC, to the CAISO) pursuant to the Resource Adequacy Rulings, or to any Governmental Authority.

“RA Period” has the meaning set forth in Section 1.01, Option A-1, with respect to Non-Tolling In Front of the Meter Energy Storage Projects.

“Ramp Rate” means, for In Front of the Meter Energy Storage Projects only, the intentional, controlled, consistent rate (expressed in MW/min) of change in the Storage Unit power level at the Delivery Point, over time, when changing from one power command to another power command.

“Rated Power Capacity Payment Reduction” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.06 of Attachment 1.

“Ratings Agency” means any of S&P and Moody’s (collectively, the “Ratings Agencies”).

“Real-Time Market” or “RTM” has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff.

“Recapture Payment” has the meaning, for Demand Response Projects only, set forth in Section 3.05(b) of Attachment 1.

“Recovery Plan” has the meaning set forth in Section 4.07(a).

“Recruited Account” means, for Demand Response Projects only, each Customer that SCE may instruct Seller to Dispatch as a part of the Project, as identified by Seller pursuant to Section 6.06.

“Reduced Expected Capacity Savings” has the meaning, for Behind the Meter Distributed Generation Projects only, set forth in Section 5.03(c)(v) of Attachment 1.

“Reduced Monthly Energy Capacity Payment” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.05(b) of Attachment 1.

“Reduced Price Percent” has the meaning set forth in Section 3.06(a).

“Registered Generating Unit” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in WREGIS Operating Rules, as applicable to the Generating Facility.

“Reliability Must-Run Contract” or “RMR Contract” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff.

“Renewable Energy Credit” or “REC” has the meaning, for Distributed Generation Projects, set forth in CPUC Decision D.08-08-028, as such definition may be modified by the CPUC or Applicable Law from time to time.

“Representatives” means the Party’s, or the Party’s Affiliates’, officers, directors, employees, Lenders, rating agencies, counsel, accountants and advisors.

“Required Material” means any permit, license, application, certification, design, specification, program, agreement, instrument, equipment, device, mechanism, or any other item in connection with the Project to be reviewed or approved by SCE or on SCE’s behalf, or requested or required of Seller by SCE or on SCE’s behalf, under this Agreement.

“Residential Customer” has the meaning, for Behind the Meter Projects only, set forth in Section 1.02.

“Resold Product” has the meaning set forth in Section 1.05(c).

“Resource Adequacy” has the meaning used in Resource Adequacy Rulings.

“Resource Adequacy Benefits” means the rights and privileges attached to the Project relating to Capacity Attributes that satisfy any entity’s Resource Adequacy Requirements, as those obligations are set forth in any Resource Adequacy Rulings and shall include any local, zonal or otherwise locational attributes associated with the Project.

“Resource Adequacy Requirements” or “RAR” means the resource adequacy requirements applicable to an entity as established by the CAISO pursuant to the CAISO Tariff, the CPUC pursuant to the Resource Adequacy Rulings, or by any other Governmental Authority.

“Resource Adequacy Resource” has the meaning set forth in the Resource Adequacy Rulings.

“Resource Adequacy Rulings” means any CPUC decisions (including the annual document issued by the CPUC which sets forth the guidelines, requirements and instructions for load-serving entities to demonstrate compliance with the CPUC’s resource adequacy program), defining or relating to resource adequacy attributes or any other resource adequacy laws, rules or regulations enacted, adopted or promulgated by any applicable Governmental Authority or the CAISO, as such decisions, rulings, laws, rules or regulations may be amended or modified from time to time.

“Resource ID” has the meaning set forth in the CAISO Tariff.

“Retest” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Exhibit I, Part II. G.

“Round Trip Efficiency Factor” means, for In Front of the Meter Energy Storage Projects only, the ratio of the energy discharge to the energy charge based calculated in the following manner: (a) starting from any state of charge, charge to a full charge, and then discharge to a full discharge; (b) charge at Charging Capacity to a full charge and record the charge energy; (c) idle for no more than one (1) hour after reaching a full charge; (d) Discharge at the Discharge Capacity to a full discharge and record the discharge energy; and (e) divide the discharge energy by the charge energy to calculate the Round Trip Efficiency Factor.

“RT Bid Revision” has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in Section 1.09(d).

“Satellite Communications System” or “SCS” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 5.02(i) of Attachment 1.

“S&P” means Standard & Poor’s Financial Services LLC.

“SC Replacement Date” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 6.03(f) of Attachment 1.

“SC Set-Up Fee” has the meaning, for In Front of the Meter Projects only, set forth in Section 6.03(a) of Attachment 1.

“SCE” or “Buyer” has the meaning set forth in the preamble.

“SCE Contract Administration” has the meaning set forth in Exhibit E.

“SCE’s DAM Deadline” has the meaning, for Non-Tolling In Front of the Meter Energy Storage projects only, set forth in Section 1.09(c) of Attachment 1.

“SCE’s Evaluator” means, for Behind the Meter Distributed Generation and Energy Efficiency projects only, an Evaluator engaged by SCE.

“SCE Dispatched Test” has the meaning, for In Front of the Meter Energy Storage projects only, set forth in Section 5.03(c) of Attachment 1.

“SCE Tariff” means the entire body of effective rates, rentals, charges, and rules, collectively, of SCE, including title page, preliminary statement, rate schedules, rules, sample forms, service area maps, and lists of contracts and deviations, all as may be revised from time to time, and which can be found at <http://www.sce.com/AboutSCE/Regulatory/tariffbooks/rules.htm>.

“SCE’s RT Deadline” has the meaning, for Non-Tolling In Front of the Meter Energy Storage projects only, set forth in Section 1.09(d) of Attachment 1.

“Schedule,” “Scheduled” or “Scheduling” means, for In Front of the Meter projects only, the action of SCE in submitting Bids to the CAISO and receiving all CAISO Markets results from the CAISO.

“Scheduled Energy” means, for In Front of the Meter Energy Storage projects only, the Energy from a Storage Unit expected to be delivered during each Settlement Interval to the Delivery Point pursuant to (a) the latest Dispatch Instruction, or (b) any CAISO instructions during a Put Period. If, in any Settlement Interval, the expected energy normally published by CAISO is unavailable, incomplete, or does not conform to the Operating Restrictions of the Storage Unit, then for settlement purposes for that Settlement Interval only, the Scheduled Energy shall be deemed to be the Delivered Energy. In the case where PMAX and Scheduled Energy are greater than the Contract Capacity, then for settlement purposes for that Settlement Interval only, the Scheduled Energy shall be deemed to be the Contract Capacity.

“Scheduling and Delivery Deviation Administrative Charge” or “SDD Administrative Charge” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.12(c) of Attachment 1.

“Scheduling and Delivery Deviation Charge” or “SDD Charge” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.12(c) of Attachment 1.

“Scheduling Coordinator” or “SC” has the meaning set forth in the CAISO Tariff.

“SEC” means the Securities and Exchange Commission.

“Security Incident” has the meaning set forth in Section 5.02(a).

“Security Interest” has the meaning set forth in Section 7.04.

“Self-Schedule” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff.

“Self-Schedule Request” means, for In Front of the Meter Energy Storage Projects only, the notice provided in accordance with Section 5.03(c)(iv) of Attachment 1 and Exhibit H.

“Seller” has the meaning set forth in the preamble.

“Seller Dispatch” means, for Demand Response Projects only, a Dispatch performed by Seller in accordance with Section 1.08 of Attachment 1.

[“Seller’s Deferral Delivery Obligation” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.05(a)(i) of Attachment 1, for Energy Efficiency Projects only, set forth in Section 3.04(a) of Attachment 1, and, for Behind the Meter Distributed Generation Projects only, set forth in Section 3.04(a)(i) of Attachment 1.] {SCE Note: replace for Distribution Deferral Contracts}

“Seller’s Energy Delivery Obligation” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.05(a)(i) of Attachment 1, for Meter-Based Energy Efficiency Projects only, set forth in Section 3.04(a) of Attachment 1, and, for Behind the Meter Distributed Generation Projects only, set forth in Section 3.04(a)(i) of Attachment 1.

“Seller’s Evaluator” means, for Behind the Meter Distributed Generation and Energy Efficiency projects only, an Evaluator engaged by Seller.

“Seller Initiated Test” means, for In Front of the Meter Energy Storage Projects only, a test that occurs during any Settlement Intervals, including any extensions thereto, in which (a) Seller submits a Self-Schedule Request, and a Dispatch Instruction occurs; (b) a Dispatch Instruction occurs and in which Seller did not submit a Self-Schedule Request, and such test interferes with the ability of the Storage Unit to meet the applicable Dispatch Instruction (in the Day-Ahead Market or Real-Time Market); or (c) such test is performed before the Initial Delivery Date. A Seller Initiated Test shall include all Settlement Intervals in the Self-Schedule Request and any extensions thereto.

“Settlement Interval” has the meaning, for In Front of the Meter Projects only, set forth in the CAISO Tariff, and means, for Behind the Meter Distributed Generation Projects only, any one of

the four fifteen (15) minute time intervals beginning on any hour and ending on the next hour (e.g., 12:00 to 12:15 p.m., 12:15 to 12:30 p.m., etc.) as recorded by the Metering System and, for Meter-Based Energy Efficiency Projects only, means *[any one of the four fifteen (15) minute time intervals beginning on any hour and ending on the next hour (e.g., 12:00 to 12:15 p.m., 12:15 to 12:30 p.m., etc.) as recorded by the Qualifying Meter][any one (1) hour time interval as recorded by the Metering System] {SCE Note: select 15 minute interval for large commercial/industrial customer base, select 1 hour interval for residential/small commercial customer base}*.

“Settlement Interval Calculation” has the meaning, for Behind the Meter Distributed Generation Projects only, set forth in Section 3.02 of Attachment 1 and, for Meter-Based Energy Efficiency Projects only, set forth in Section 3.02 of Attachment 1.

“Shortfall Energy” has the meaning, for Demand Response Projects only, set forth in Section 3.03(d)(iii).

“Shortfall Energy Amount” has the meaning, for Demand Response Projects only, set forth in Section 3.03(d).

“Showing Month” means, for Projects providing Capacity Attributes, the calendar month of the Delivery Period that is the subject of the RA Compliance Showing, as set forth in the Resource Adequacy Rulings and outlined in the CAISO Tariff.

“Site” means the real property on which the Project is, or will be located, as further described in Section 1.02 and Exhibit B. *{SCE Note: may require additional description in addition to Exhibit B (e.g., parcel map, legal description)}*

“Site Control” means, for In Front of the Meter Projects only, that Seller shall:

- (a) Own the Site;
- (b) Be the lessee of the Site under a lease;
- (c) Be the holder of a right-of-way grant or similar instrument with respect to the Site; or
- (d) Be the managing partner or other person or entity authorized to act in all matters relating to the control and operation of the Site and the Project.

“Site Host Load” means, for In Front of the Meter Distributed Generation Projects only, the Energy produced by or associated with the Generating Facility that serves electrical loads (that

are not Station Use) of Seller or one or more third parties conducted pursuant to California Public Utilities Code Section 218(b). *{SCE Note: For Excess-Sales only.}*

“Small Commercial Customer” has the meaning, for Behind the Meter Projects only, set forth in Section 1.02.

“Special Purpose Entity” has the meaning set forth in Section 9.02(a)(i).

“Start-Up” means, for In Front of the Meter Energy Storage Projects only, the action of bringing a Storage Unit from shut down status to synchronization with the grid and the availability of unconditional release of such Storage Unit ready for ramping to the applicable dispatch instruction. During a Put Period, a Start-Up can only result from a Dispatch Instruction and is complete once all of the conditions in the preceding sentence are met.

“State of Charge” or “SOC” means, for Behind the Meter Distributed Generation and Demand Response Projects only, the amount of electric energy in a Storage Unit expressed as a percent of the maximum amount of electric energy a Storage Unit is capable of storing (e.g., 80% SOC).

“Station Use” means, for In Front of the Meter Energy Storage Projects only, all energy used by the Storage Unit for purposes other than supporting the sale of Energy to SCE or the CAISO Markets (including, all energy for information technology, telecommunications, lighting, ventilation, safety, and other onsite loads not included within Charging Energy Requirements, when the Storage Unit is charging or discharging, and any energy consumed onsite when the Storage Unit is idle) and, for In Front of the Meter Distributed Generation Projects only, means: (a) the electric energy produced by the Generating Facility that is used within the Generating Facility to power the lights, motors, control systems and other electrical loads that are necessary for operation; and (b) the electric energy produced by the Generating Facility that is consumed within the Generating Facility’s electric energy distribution system as losses.

“Storage-Backed Load Drop Amount” means, for Demand Response Projects, the total load drop capacity achieved through the use of energy storage, as identified by Seller pursuant to Section 6.06(a) for each Recruited Account that uses energy storage.

“Storage-Backed Project” means, for Behind the Meter Distributed Generation Projects only, a Project that is described in Section 1.02 of Attachment 1 as including Energy Storage.

“Storage-Backed Recorded Capacity” means, for Demand Response Projects only and for any particular Operating Month, the amount of Total Recorded Capacity attributable to Participating Accounts that use energy storage, as identified by Seller in Sections 6.06(a) and (c) of Attachment 1.

“Storage Capacity” means, for In Front of the Meter Energy Storage Projects only, the maximum amount of usable energy that is capable of being stored and delivered in a storage device, expressed in MWh, and shall include any other products that may be developed or evolve from time to time during the Term that relate to the capability of a storage resource to store energy.

“Storage Unit” means, for Projects utilizing energy storage, all components required to store electrical energy.

“Stored Energy Level” means, for In Front of the Meter Energy Storage Projects only, at a particular time, the amount of electric energy in a Storage Unit, expressed in MWh.

“Stored Energy Percentage” or “SEP” means, for In Front of the Meter Energy Storage Projects only, at a particular time, the ratio of (a) the Stored Energy Level of a Storage Unit to (b) the Contract Energy Capacity of the Storage Unit, expressed as a percentage (e.g., 80% SEP).

“Sub-Load Aggregation Point” or “SLAP” means, for Demand Response Projects only, the geographic location corresponding to each customer service account.

“SCADA” has the meaning, for In Front of the Meter Distributed Generation Projects and Demand Response Projects only, set forth in the CAISO Tariff.

“Summer Off-Peak Hours” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Exhibit B.

“Summer Off-Peak Energy Savings Percentage” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Section 3.03(d)(ii) of Attachment 1.

“Summer On-Peak Hours” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Exhibit B.

“Summer On-Peak Energy Savings Percentage” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Section 3.03(d)(ii) of Attachment 1.

“Supplemental Energy” means, for In Front of the Meter Energy Storage Projects only, the Energy from the Project that is uncommitted capacity following finalization of the HASP awards and available to the CAISO during the Real-Time Market.

“Supplemental Lost Output” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 6.06 of Attachment 1.

“Supplemental Lost Output Report” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 6.06(b) of Attachment 1.

“Supply Plan” has the meaning, for Projects providing Capacity Attributes, set forth in the CAISO Tariff.

“T&D Provider” means any entity or entities (other than Seller, Customers, or their respective Affiliates) responsible for the interconnection of the Project with the distribution or transmission system.

“Tax Credit Percentage” means the tax credit percentage, applicable to property eligible under Federal Tax Credit Legislation for which Seller, as the owner of the Project, is eligible.

“Tax Equity Financing” means a transaction or series of transactions involving one or more investors seeking a return that is enhanced by tax credits and/or tax depreciation and generally (i) described in Revenue Procedures 2001-28 (sale-leaseback (with or without “leverage”)), 2007-65 (flip partnership) or 2014-12 (flip partnership and master tenant partnership) as those revenue procedures are reasonably applied or analogized to the Project or (ii) contemplated by Section 50(d)(5) of the Internal Revenue Code of 1986, as amended (a pass-through lease).

“Telemetry System” means, for In Front of the Meter Projects and Demand Response Projects only, a system of electronic components that interconnects the Generating Facility, GMS and the CAISO as described in Section 5.02(e) of Attachment 1.

“Term” has the meaning set forth in Section 2.01.

“Term Year” means, for In Front of the Meter Distributed Generation, Demand Response, and Energy Efficiency Projects only, a twelve (12) month period beginning on Initial Delivery Date and each successive twelve (12) month period thereafter.

“Termination Payment” means the sum of all amounts owed by the Defaulting Party to the Non-Defaulting Party under this Agreement, less any amounts owed by the Non-Defaulting Party to the Defaulting Party determined as of the Early Termination Date. For clarity, the Forward Settlement Amount is part of and included in the Termination Payment.

“Test” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in the first paragraph of Exhibit I.

“Test Plan” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Exhibit I, Part V.

“Tier Level” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Exhibit J.

“Title 20” means, for Energy Efficiency Projects only, the California Code of Regulations, Title 20, in effect as of the Effective Date.

“Title 24” means, for Behind the Meter Projects only, the California Code of Regulations, Title 24, in effect as of the Effective Date.

“TMY3” means, for Meter-Based Energy Efficiency Projects only, Typical Meteorological Year 3 data set from the National Renewable Energy Laboratory (NREL) as found in the document “User’s Manual for TMY3 Data Sets” NREL/TP-581-43156, April, 2008 by S. Wilcox and W. Marion, located at <http://www.nrel.gov/docs/fy08osti/43156.pdf>.

“TOD Period(s)” means, for In Front of the Meter Distributed Generation Projects only, the time of delivery period(s) set forth in Section 3.04 of Attachment 1 and, for Meter-Based Energy Efficiency Projects only, the time of delivery period(s) set forth in Section 3.03 of Attachment 1.

“TOD Period Product Payment” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.04 of Attachment 1.

“Tolling In Front of the Meter Energy Storage” means a Project for which Option A-2 is selected in Section 1.01(b).

“Total Recorded Capacity” has the meaning, for Demand Response Projects only, set forth in Section 3.02(c) of Attachment 1.

“Total Savings Percentage” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Section 3.03(c) of Attachment 1.

“Trading Day” means, for In Front of the Meter Energy Storage Projects only, the day in which Day-Ahead trading occurs in accordance with the WECC Prescheduling Calendar.

“Trading Hour” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff.

“Type One Non-Compliance” has the meaning, for Demand Response Projects only, set forth in Section 6.07(g) of Attachment 1.

“Type Two Non-Compliance” has the meaning, for Demand Response Projects only, set forth in Section 6.07(g) of Attachment 1.

“UDP Implementation” means, for In Front of the Meter Energy Storage Projects only, the date that UDP will be applied to each SC by the CAISO.

“Unincluded Capacity” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 1.07(e)(i) of Attachment 1.

“Uninstructed Deviation” has the meaning set forth in the CAISO Tariff.

“Uninstructed Deviation Penalty” or “UDP” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff (and includes any other successor charge that replaces the Uninstructed Deviation Penalty).

“Uninstructed Imbalance Energy” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff. To the extent this CAISO Tariff definition refers to or is applicable to a generation resource, such definition shall apply to the Storage Unit as if the Storage Unit is a generation resource; provided, it shall only apply to the Storage Unit’s ability to discharge.

“Unrelated Energy Discharge” has the meaning, for Behind the Meter Distributed Generation Projects only, set forth in Section 6.05(b) of Attachment 1.

“Variable Asset Replacement Charge” or “VARC” means, for In Front of the Meter Energy Storage Projects only, the applicable rate for a Storage Unit as specified in Exhibit J.

“Variable Asset Replacement Payment” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.10 of Attachment 1.

“Variable O&M Charge” or “VOM” means, for In Front of the Meter Energy Storage Projects only, the applicable rate for a Storage Unit as specified in Exhibit J.

“Variable O&M Payment” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.10 of Attachment 1.

“Verification Access” has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in Section 1.09 of Attachment 1.

“Web Client” means, for In Front of the Meter Projects and Demand Response Projects only, a web-based system approved by SCE.

“WECC” means the Western Electricity Coordinating Council.

“WECC Prescheduling Calendar” has the meaning, for In Front of the Meter Energy Storage Projects only, used on the WECC website at <http://www.wecc.biz>.

“Winter On-Peak Hours” has the meaning, for Customized Calculated Energy Efficiency

Projects only, set forth in Exhibit B.

“Winter On-Peak Energy Savings Percentage” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Section 3.03(d)(iv) of Attachment 1.

“WREGIS” means the Western Renewable Energy Generation Information System.

“WREGIS Certificate(s)” has the same meaning as “Certificate” as defined by WREGIS in the WREGIS Operating Rules.

“WREGIS Operating Rules” means the rules published by the Western Electricity Coordination Council for the rules and operations of WREGIS.

*** End of EXHIBIT A ***

EXHIBIT B[-1]**{SCE Note: Delete number and remove all other Product-Specific Exhibit B's}****IN FRONT OF THE METER ENERGY STORAGE****PROJECT DESCRIPTION****PART I. DESCRIPTION OF STORAGE UNIT.**

Predicted Capacity (MW)	
Predicted Flexible Capacity (MW)	
Existing Zone	[SP15, NP15, ZP26]
Storage Unit Technology	
Air Pollution Control District	[e.g., SCAQMD]
California Air Resources Board ID #	TBD
Resource Category for RA Counting	4
Deliverability restrictions	None
Interconnection Queue Number	
Interconnection Voltage (kV)	
Location/Substation	
Operation Restrictions	

PART II. PROJECT AND SITE DESCRIPTION.

1. Project Description

{SCE Note: Seller may provide additional written description of the site beyond what is summarized in Part II of this Exhibit B.}

2. Site Plan Drawing

{SCE Note: Seller must provide a depiction of the Storage Unit and where it is located on the Site. Details shall include the Interconnection Point with substation name and voltage, site boundary, points of ingress and egress, adjacent roads, labels of the Storage Unit components and a legend if necessary}

3. Site Legal Description

{SCE Note: Seller must provide a legal description of the site, including APN number and parcel map.}

4. Site Map

{SCE Note: Seller must provide a map of the area where the project is located. The map should indicate major highways and/or landmarks near the project as well as other roadways important to locate the site. The map should also include a site address with latitude and longitude for the site.}

ID# [Number], [Seller's Name]

[RFO Name]

PART III. ELECTRICAL SINGLE LINE DIAGRAM.

{SCE Note: Seller must provide an electrical single line diagram that depicts all of the major electrical equipment that is part of the site. This includes inverters, transformers, meters, breakers, etc. Include ratings when possible. This drawing must also show the Interconnection Point, the Delivery Point and auxiliary power, and must include a legend.}

PART IV. CAPACITY AND ANCILLARY SERVICES OPERATING RESTRICTIONS.

{SCE Note: This information is for one storage unit. If the offer consists of more than one energy storage unit, please complete a separate form for each unit.}

Storage Unit Name:		[Unit Name]		
A. Contract Capacity				
Contract Year	Expected Contract Capacity (MW)	Expected Contract Energy Capacity (MWh)	Predicted Capacity (MW)	Predicted Flexible Capacity (MW)
[Year 1]				
[Year 2]				
[Year 3]				
[Year 4]				
[Year 5]				
[Year 6]				
[Year 7]				
[Year 8]				
[Year 9]				
[Year 10]				
B. Total Unit Dispatchable Range Information				
Discharging Capacity (MW)	Contract Capacity			
Charging Capacity (MW)	Contract Capacity			
Guaranteed Efficiency Factor Max (GEF^{max})(%):	[X]			
Guaranteed Efficiency Factor Min (GEF^{min})(%):	[X]			
Base Energy Throughput (BET) expressed as equivalent number of annual full cycle (Cycles/year)	[X]			
C. Charge and Discharge Ramp Rates				
Mode	Ramp Rate (MW/min)			
Charge	[X]			

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ID# [Number], [Seller's Name]

[RFO Name]

Discharge	[X]
-----------	-----

D. Ancillary Services (A/S)				
			Frequency regulation is included:	[X]
			Spin is included:	[X]
	A/S range and capacity			
Mode	Lower Level (MW) [1]	Higher Level (MW) [1]	Ramp Rate (MW/min)	A/S Capacity (MW) [2]
Regulation Up	[X]	[X]	[X]	[X]
Regulation Down	[X]	[X]	[X]	[X]
Spin	[X]	[X]	[X]	[X]

[1] As defined in the CAISO's the Generator Resource Data Template (GRDT) and Intertie Resource Data Template (IRDT) Data Definitions: Lower level of the Regulation Range and Higher level of the Regulation Range. For NGR (Non Generating Resource) with continuous operating range that spans from charge to discharge, lower level should be negative.

[2] As of the Effective Date, CAISO calculates the A/S Maximum Capacity provided by a Storage Unit based on a 10-minute period at the stated Ramp Rate. If during the Delivery Period, CAISO uses a period limitation other than the 10-minute period limitation, the A/S Maximum Capacity for each A/S and region shall be calculated according to (a) CAISO's period limitation while preserving the Ramp Rate stated for each A/S or the (b) range between the minimum A/S capacity and the maximum A/S capacity for such region, whichever is smaller.

*** End of EXHIBIT B ***

EXHIBIT B[-2]***{SCE Note: Delete number and remove all other Product-Specific Exhibit B's}
IN FRONT OF THE METER DISTRIBUTED GENERATION****Project Description***PART I. GENERATING FACILITY DESCRIPTION.**

{SCE Note: Seller must provide description of the Generating Facility equipment, systems, control systems and features, including a site plan drawing showing the general arrangement of the Generating Facility, and a single-line diagram(s) showing electrical arrangement of generating equipment, inverters, unit/service transformers, CAISO Controlled Grid interconnection, interconnection transformer(s), metering, breakers, and disconnects (as applicable). To the extent applicable, Seller must include the designation system by which Seller identifies individual generating units.}

Name and Address of Generating Facility:

[Project Name]

[Address]

[City, State Zip Code]

Latitude and Longitude: _____ ° Lat, _____ ° Long.

Technology: *[specify fixed tilt OR single-axis tracking OR dual-axis tracking AND monocrystalline silicon OR polycrystalline silicon OR thin film].*

Item	Manufacturer	Model Number	Rating	Quantity	Total Rating
Photovoltaic Modules			<i>[Rating, in W DC, of a single module]</i>		
Inverter			<i>[include temperature specific to</i>		

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ID# [Number], [Seller's Name]

[RFO Name]

			rating, if applicable. e.g. 800kVA @ 50°C]		
Transformer	[optional]	[optional]	[include both kVA rating and high/low voltage rating]		
Primary Step Up Transformer [if applicable]	[optional]	[optional]	[include both kVA rating and high/low voltage rating]		

[Unless stated otherwise, all fields in the table are required.]

PART II. SITE DESCRIPTION.

{SCE Note: Seller must provide a legal description of the site, including a site map.}

*** End of EXHIBIT B ***

EXHIBIT B[-3]***{SCE Note: Delete number and remove all other Product-Specific Exhibit B's}***
BEHIND THE METER DISTRIBUTED GENERATION/ENERGY STORAGE**PROJECT DESCRIPTION****PART I. PRE-INSTALLATION DESCRIPTION.**

The Pre-Installation Description sets forth the items necessary to determine the level of energy savings for a Generating Facility.

A. Pre-Installation Description.

With respect to each generating facility at a Customer Site that will become part of a Generating Facility and the Project, Seller shall provide to SCE in the Pre-Installation Description:

- (a) The Customer's name(s), and the address of the Site where the existing generating facilities will be modified;
- (b) The associated SCE service account number;
- (c) Unless a new Generating Facility will be installed as part of the Project at the Customer Site, the twelve (12) months of Customer solar production data and battery input/output data in 15-minute intervals for the existing generating facility.
- (d) A general description of the Customer's operations at the Site(s).
- (e) Copies of any technical drawings and facility description(s) provided to the SCE interconnection department.
- (f) For Storage-Backed Projects, a description of the nature of the electrical connection between the photovoltaic and storage components of a Generating Facility (the "Coupling Type") as either "DC-coupled", meaning that the storage system's point of connection with the solar array is on the DC side, or "AC-coupled", meaning that the storage system's point of connection with the solar array is on the AC side. Seller may only include Generating Facilities of a similar

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Coupling Type within the Project.

- (g) The system size of the Generating Facility(ies), measured using the CEC's AC system rating, as set forth below:

System size = $A \times B \times C$,

where:

A = Performance Test Conditions (PTC) DC kW Rating;

B = number of solar panels in the Generating Facility; and

C = efficiency rating of the inverters.

- (h) The Generating Facility's estimated annual production (hourly production for 12 months in kWh) listed out as:

- (i) Photovoltaic production,
- (ii) energy storage discharge (as applicable),
- (iii) total of photovoltaic production and,
- (iv) total of energy storage (as applicable).

- (i) A Generating Facility description for each Generating Facility including:
- (i) the system size of the Generating Facility measured using the CEC's AC system rating, as set forth in Part I of this Exhibit B, and
 - (ii) the same technical drawings and facility description provided to the T&D Provider as part of Seller's interconnection request for the Generating Facility, including a single-line diagram and an array layout.

Seller's Generating Facility description must include a written description of the Generating Facility, a site plan drawing showing the general arrangement of the Generating Facility, and single-line diagram(s) showing electrical arrangement of generating equipment, inverters, unit/service transformers, interconnection transformers, metering, breakers, disconnects (as applicable) and the battery

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configuration (as applicable) to enable charging and discharging of solar energy. To the extent applicable, Seller must include the designation system by which Seller identifies individual generating units.

PART II. PROJECT MEASUREMENT AND VERIFICATION PROTOCOL AND PRE-INSTALLATION INSPECTION.

For Generating Facilities for Small Commercial Customers or Residential Customers that do not involve modifications to existing equipment, the Evaluator shall conduct Post-Installation Inspections of all Generating Facilities until, following the completion and acceptance by SCE of five (5) Post-Installation Inspections, the Evaluator shall conduct Post-Installation Inspections only of Generating Facilities selected by SCE. SCE will notify the Seller, within ten (10) Business Days after receipt of Seller's request for unconditional Permission to Operate, whether or not SCE will require a Post-Installation Inspection of such Generating Facilities.

A. Pre-Installation Inspection.

The Evaluator shall conduct Pre-Installation Inspections, if a Customer has an existing generating facility, and Post-Installation Inspections on all Generating Facilities.

B. Pre-Installation Inspection Report.

The Pre-Installation Inspection Report, and data from the report, will be provided in a format mutually agreed to by SCE and the Evaluator. At a minimum, the report shall include:

- (a) For all Customers that will have a Generating Facility that is part of the Project, the Customer's Name, retail service account number, and address.
- (b) Verification, and supporting calculations, of the capacity of an existing generating facility that will be modified to be part of a new Generating Facility using the CEC's installed AC capacity system rating.
- (c) Verification, and supporting calculations, of the previous twelve (12) months of Customer solar production data in 15-minute intervals for the existing generating facility to determine the incremental value of the new Generating Facility.
- (d) Verification of the previous twelve (12) months of Customer battery charge and discharge data in 15-minute intervals for the existing energy storage system, if applicable, to determine the incremental value of the new Generating Facility.

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- (e) An equipment inventory, including nameplate data, location, condition (including photographs) of the existing generation facility.
- (f) The Evaluator's statement as to whether the existing generating facility has received unconditional Permission to Operate (PTO) from SCE.
- (g) A record of any person present during the Pre-Installation Inspection, and the role such individuals were taking.
- (h) A record of any unusual or abnormal conditions or events that occurred during the Pre-Installation Inspection and any actions taken in response thereto.
- (i) The Evaluator's statement of whether the information in the Pre-Installation Description is correct.
- (j) Verification and documentation if the existing generating facility is interconnected:
 - (i) under Rule 21 as Non-Exporting;
 - (ii) *[under Rule 21 as Exporting; or*
 - (iii) *under Wholesale Distribution Access Tariff (WDAT) of the SCE Tariff.] {SCE Note: TBD.}*

PART III. POST-INSTALLATION INSPECTION.

As part of the Post-Installation Inspections, among other things, the Evaluator shall determine:

(a) whether each Generating Facility included in the Project has been completed and installed in accordance with this Exhibit B and is operating as planned and designed; and (b) provide a Post-Installation Inspection Report certifying the Capacity installed at the Site, as measured pursuant to the methodology established in this Exhibit B.

PART IV. POST-INSTALLATION INSPECTION REPORT.

At a minimum, the Post-Installation Inspection Report shall include:

- (a) The Customer's name, retail service account number, and address.
- (b) Equipment inventory, including nameplate data, location, and condition (including photographs).

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- (c) A description of the Generating Facility, including:
 - (i) Modules, the Storage Unit, if applicable, and inverters manufacturer
 - (A) Model number (if model nameplate is not visible, invoice is necessary for verification)
 - (B) Quantity of modules, if applicable, and inverters
 - (ii) Installation parameters
 - (A) Tilt (must be within plus or minus three degrees (3°) to pass inspection)
 - (B) Azimuth (must be within plus or minus five degrees (5°) to pass inspection)
 - (C) Standoff height
 - (D) Estimated shading of arrays
 - (iii) Operation
 - (A) Time of inspection, operating parameters, and output at time of inspection.
 - (B) Verification of Metering System operation according to requirements set forth in the Agreement.
 - (C) Verify Storage Unit operating modes (standby, charging, discharging)
 - (D) Storage Unit discharge testing (This requirement can be met by completing items I and II) below:
 - I. A test report provided by the manufacturer and/or system integrator that demonstrates that the Storage Unit can discharge at its rated capacity for a minimum of two hours. The test report must include:

- a. Description of testing approach methodology
 - b. Load type
 - c. Ambient temperature
 - d. Discharge current (in alternating current)
 - e. Discharge voltage (in alternating current)
 - f. Inverter efficiency
 - g. Rated power discharge for complete two-hour period
- II. Discharge the Storage Unit at its rated capacity, and record the output to native load, grid or artificial load (depending on what is practical at the installation) for a period of 30 minutes using a logger that measures voltage and current. The time of the test, the type of load served by the Storage Unit, the state of charge at the start of the test and the ambient temperature must also be reported.
- (d) Verification, for each Generating Facility, that the system size of the Generating Facility measured using the CEC's AC system rating, as set forth in Part I of this Exhibit B, is at least 1 kW.
 - (e) Verification and documentation if the Generating Facility is interconnected as an Exporting or Non-Exporting project under Rule 21 or Wholesale Distribution Access Tariff (WDAT) of the SCE Tariff.
 - (f) A record of any person present during the Post-Installation Inspection, and the roles such individuals were taking.
 - (g) A record of any unusual or abnormal conditions or events that occurred during the Post-Installation Inspection and any actions taken in response thereto.
 - (h) The Evaluator's statement as to whether the Generating Facility has been completed and installed in accordance with this Exhibit B.

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- (i) The Evaluator's statement as to whether the Generating Facility is operating as planned and designed.
- (j) The Evaluator's statement, and supporting calculations, as to whether the Generating Facility reduced the capacity use at the Site; and the Capacity of the Generating Facility using the CEC'S AC system rating, as set forth in Part 1 of this Exhibit B.
- (k) The Evaluator's statement, and supporting calculations, as to whether the Generating Facility, when aggregated with all other Generating Facilities constituting the Project, will result in capacity savings and a reduction in energy use that will contribute to the Expected Capacity Savings[*and the Expected Monthly Deferral Savings*]. {SCE Note: Add in Event of Deficient Deferral Savings for Deferral RFOs}
- (l) A statement regarding measurement accuracy and data uncertainty.

*** End of EXHIBIT B ***

EXHIBIT B[-4]

{SCE Note: Delete number and remove all other Product-Specific Exhibit B's}

DEMAND RESPONSE

PROJECT DESCRIPTION

PART I. PROJECT AND SITE DESCRIPTION.

1. Project Description.

{SCE Note: Seller must provide description of the Project equipment, systems, control systems and features, including a site plan drawing showing the general arrangement of the Project, and a single-line diagram(s) showing electrical arrangement of the equipment, inverters, unit/service transformers, interconnection transformer(s), metering, breakers, and disconnects (as applicable). To the extent applicable, Seller must include the designation system by which Seller identifies individual storage units.}

2. Site Description.

{SCE Note: Seller must provide a legal description of the site, including a site map.}

PART II. SCE DESIGNATION OF INTENDED USE.

I. Distribution Needs *{SCE Note: initially none of the Product should be allocated toward distribution needs}*

- (a) “Delivery Days” means *[Monday through Friday or Monday through Sunday]*, excluding “Additional Off-peak Days” as defined by NERC on such entity’s website at <http://www.nerc.com>.
- (b) “Delivery Hours” means *[Beginning Time HE ## to Ending Time HE ##]*.
- (c) “Operating Months” means *[Insert Particular Months]*.

Minimum Duration Per Dispatch	Maximum Duration Per Dispatch	Maximum Dispatches Per Resource ID Per Day	Maximum Dispatch Hours Per Resource ID Per Day	Maximum Dispatch Hours Per Resource ID Per Month	Maximum Dispatch Hours Per Term Year

II. Resource Adequacy Requirements *{SCE Note: initially all of the Product should be allocated to Resource Adequacy}*

- (a) “Delivery Days” means *[Monday through Friday or Monday through Sunday]*, excluding “Additional Off-peak Days” as defined by NERC on such entity’s website at <http://www.nerc.com>.
- (b) “Delivery Hours” means *[Beginning Time HE ## to Ending Time HE ##]*.
- (c) “Operating Months” means *[Insert Particular Months]*.

Minimum Duration Per Dispatch	Maximum Duration Per Dispatch	Maximum Dispatches Per Day	Maximum Dispatch Hours Per Day	Maximum Dispatch Hours Per Month	Maximum Dispatch Hours Per Term Year

End of Exhibit B

EXHIBIT B[-5]

{SCE Note: Delete number and remove all other Product-Specific Exhibit B's}

ENERGY EFFICIENCY (METER-BASED APPROACH)**PROJECT DESCRIPTION****PART II. GEOGRAPHIC AND SERVICE ACCOUNT ELIGIBILITY VERIFICATION.**

A Geographic and Service Account Eligibility Verification is required to determine whether a proposed Measure at a proposed Installation at a Customer Site meets the eligibility requirements of this Agreement.

PART II. PRE-INSTALLATION DESCRIPTION.

The Pre-Installation Description sets forth the pre-Project conditions necessary for determining the Expected Measured Monthly Energy Savings, the Expected Measured Annual Energy Savings, the Expected Measured Monthly Deferral Savings, the Expected Measured Annual Savings, and Expected Capacity Savings.

{SCE Note: Parties to fill-in this section.}

PART III. PROJECT AND MEASURES DESCRIPTION.

This section describes the Project and Measures Description for the Project that will improve baseline conditions at Customer Sites that, in the aggregate, will achieve each of the Expected Measured Energy Savings, Expected Measured Deferral Savings and Expected Capacity Savings.

{SCE Note: Parties to complete this section.}

Parties should provide a description that provides details regarding the Project and each individual Measure that will be used in the Project to achieve each of the Expected Measured Energy Savings, Expected Measured Deferral Savings, and Expected Capacity Savings. Such description may include:

- A discussion of the pre- and post- M&V energy and capacity savings*
- A discussion of how each Measure will save energy and capacity*
- A discussion of how each Measure will comply or exceed Title 20 or Title 24, if*

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The contents of this document are subject to restrictions on disclosure as set forth herein.

ID# [Number], [Seller's Name]

[RFO Name]

applicable

- *Solution codes for each Measure to be part of the Project, and if no solution code for a given Measure exists, Seller to request SCE to create a solution code for the Measure.*
- *Lighting measures should follow the Design Lights Consortium (DLC) Tech Spec for all LED lighting measures; all lighting measures should be UL or Edison Testing Labs (ETL) certified;*
- *Residential lighting needs to incorporate ENERGY STAR in addition to the DLC lists;*
- *For interior residential lighting, the lighting may be on the ENERGY STAR website and not the DLC.*
- *Description of any existing or future Non-IOU Fuel Source(s) or other demand reducing mechanisms and how the savings from those mechanisms will be distinct and separate from the savings resulting from the Measures*

{SCE Note: Parties to complete this table.}

Measure Description	End-Use Technology (e.g., Lighting, HVAC, Other)	Estimated Baseline Energy and Capacity Use	Estimated Post-Installation Energy and Capacity Use	Estimated Post-Installation Energy and Capacity Savings
		[#] kWh	[#] kWh	[#] kWh
		[#] kW	[#] kW	[#] kW
		[#] kWh	[#] kWh	[#] kWh
		[#] kW	[#] kW	[#] kW
		[#] kWh	[#] kWh	[#] kWh

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The contents of this document are subject to restrictions on disclosure as set forth herein.

ID# [Number], [Seller's Name]

[RFO Name]

		[#] kW	[#] kW	[#] kW
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PART IV. MEASUREMENT AND VERIFICATION PROTOCOL.

Seller shall create an M&V Plan for each Installation consistent with the following Measurement and Verification Protocol:

- (a) *[SCE Note: placeholder for generic measurement and verification plan specific to Measures to be used by Seller. Generic plan shall be attached as Attachment [n] to this Exhibit B.]*
- (b) *International Performance Measurement and Verification Protocol: Concepts and Options for Determining Energy and Water Savings, Volume 1, Efficiency Valuation Organization (January 2012) (or its successor), excluding Option D: "Calibrated Simulation." ("IPMVP").*
- (c) *Energy Efficiency Evaluation Protocol, California Public Utilities Commission (2006) (or its successor).*
- (d) *[SCE Note: placeholder for future SCE selection of documents, including Universal Methods Project relevant chapters, CalTRACK, SCE NMEC Procedures Manual, ASHRAE Guideline 14].*

In the event of any conflict between terms contained in this Agreement or any of the other documents identified in clauses (a)-(d) above, the conflict shall be resolved by the following priority of documents: (i) Agreement (including this Exhibit B), (ii) *[SCE Note: placeholder for generic measurement and verification plan specific to Measures to be used by Seller. Generic plan shall be attached as Attachment [n] to this Exhibit B.]*, (iii) Universal Methods Project (iv) SCE NMEC Procedures (v) CalTRACK (vi) IPMVP, and (vii) *Energy Efficiency Evaluation Protocol*.

Seller shall also measure and verify each of the Expected Measured Energy Savings, Expected Measured Deferral Savings, and Expected Capacity Savings by: *[SCE Note: insert specific details as to how measurement and verification will occur. For example:*

- *Identify the independent variables. For each independent variable, identify the source of data (e.g. government weather station), type (continuous or categorical), and data time interval (e.g. hourly, daily, monthly).*

- *Discuss the possible independent variables that were not included in the analysis, and reasons for their exclusion.*
- *Provide the raw data files in .csv format for the dependent and continuous independent variables, for the entire baseline training period.*
- *Document the baseline training period start and end dates; demonstrate coverage of weather data used in the baseline training period, in comparison with the normal weather conditions for that climate zone.*
- *Identify outliers, how they were determined, and how they were resolved; describe how data gaps were resolved, as well as any other steps taken to prepare the data.*
- *Identify non-routine adjustments occurring in baseline period, and how their impacts were resolved (e.g., eliminated period of data where NRE affected energy use and collected more data, etc.).*
- *Describe the mathematical form of the modeling algorithm, and the reasons why it was selected. Describe how the baseline model was developed using this algorithm (e.g., whether different forms of the algorithm were used for different periods of operation). All code and information for developing the model must be provided, to allow the administrator to follow the methodology and duplicate the model development.*
- *Include examples of peer reviewed studies*
- *Describe how the categorical independent variables were used to develop the baseline model.*
- *Report the baseline model's calculated metrics, using Equations 1 and 2 in Section 3.5.*

Criteria 1 ***NDBE < 0.005%***

Criteria 2 ***CV(RMSE) < 25%***

- *Report the savings uncertainty for the estimated or targeted project savings.*

Criteria 3 ***Savings uncertainty must be less than 50% at the 68% confidence level.***

- *Provide the baseline model predictions of energy use for each time interval of the baseline period, in .csv format.*
- *Once the baseline data is collected and an acceptable baseline model is developed, the M&V Plan must be documented.*

- *A checklist of M&V Plan contents described in previous sections is provided below. The M&V Plan must include:*
- *The selected baseline model, modeling algorithm, and modeling approach (use of bins, etc.).*
- *A full description of the baseline model equation, with coefficients. Complex models may be provided in open-source software form (e.g. R or Python). All code and information used to develop the model must be provided, to allow the administrator to follow the methodology and duplicate the model development.*
- *Plots that visualize model predictions with the data, such as scatter plots of consumption vs. independent variables, or plots of residuals, to supplement fitness statistics and modeling narratives.*
- *The baseline model NDBE, CV(RMSE), and R2.*
- *Estimated savings E_{save} and estimated savings uncertainty, ΔE_{save} .*
- *A description of baseline period NREs, their causes, their impacts on the baseline model, and how their impacts were accounted for in the baseline model development.*
- *A description of reporting period activities:*

What data will be collected, and what is its source? How will data be prepared and analyzed?

- *The reporting period start and end dates.*
- *How often savings reports will be provided (savings tracking frequency):*

The data to be provided (raw, prepared, and analyzed data).

- *How reporting period NREs will be identified, and their impacts accounted for, in the savings analysis.*

How normalized savings will be determined:

- *The selection of normalized weather conditions.*
- *The reporting period model development.*
- *Reporting the same model information as for the baseline model.]*

The M&V Protocol must include at the minimum the following information and be substantially in the following format:

I. Project Description

[Provide a general description of the project. This can be copied from an Energy Audit Report or similar document. Description should include contextual information, such as incentive program or project ID number, building type, size, systems and equipment, energy sources, and so on]

II. Energy Conservation Measures

[Add a table listing the ECMs and estimated savings in energy units and dollars. Include the total expected savings per metered energy source as a percentage of baseline annual use.]

[Add brief descriptions of each ECM.]

III. Measurement and Verification Procedures

[Describe how installed measures will be verified (simple observation, functional testing, etc.). Describe what program-specific information will be collected and describe how this information and the verification activities will be reported.]

IV. Measurement Boundary and Energy Meters

- (a) Affected Systems and Equipment. *[Describe all systems and equipment affected by the EE measures that are supplied energy through the meter from which the data is taken. Include figures and sketches as necessary.]*
- (b) Energy Meters. *[For each meter, indicate whether it is a utility- meter, or a meter installed by the owner. Provide meter number and account number for all utility meters.]*

Table 1: Meter List

Meter ID	Energy Source (elec., gas, etc.)	Meter Number (utility meters only)	Non-Utility Meter Type (e.g. BTU, vortex flow, etc.)	Meter Mfgr & Model No. (non-utility meters only)

ID# [Number], [Seller's Name]

[RFO Name]

[For each non-utility meter, in an attachment to the M&V Plan, provide manufacturer specifications describing model number, accuracy, manufacturer calibration requirements. For meters requiring periodic calibration, provide record of most recent calibration (or verification of calibration). Provide corrections to meter readings as determined through calibration requirements.]

V. Baseline Model Development

- (a) Energy Use (Dependent) Variables. *[Identify the energy use variables and their source of data (e.g. utility meter or non-utility meter), and measurement time interval (e.g. sub-hourly, hourly, monthly). Clarify complex situations with line diagrams where necessary (e.g. multiple chilled water loops in a building, measurement point locations for thermal energy data (flow, supply and return temps)]*
- (b) Independent Variables. *[Identify the independent variables and identify their source of data (e.g. government weather station designation, owner occupancy records, etc.), type (continuous or categorical), and measurement time interval (e.g. sub-hourly, hourly, monthly). Describe the logic for the inclusion of these variables in the analysis.]*

Table 2: Independent Variables			
Variable	Source of Data	Type	Time Interval

- (c) Independent Variables Not Included in the Analysis. *[Provide a discussion of possible independent variables that were considered but not included in the analysis and reasons for their exclusion.]*
- (d) Normalized Conditions. *[For the independent variables identified above, provide the following information for normalized conditions: source of data, type (continuous or categorical), and data interval (e.g. sub-hourly, hourly, daily, monthly).]*

Table 3: Independent Variables – Normalized Conditions			
Variable	Source of Data	Type	Time Interval

- (e) Baseline Training Period. *[Document the baseline model training period start and end dates and why these dates were selected.]*
- (f) Coverage Factors. *[Describe the calculations and results of the weather coverage factors for the baseline training period relative to the range of the selected normal conditions weather. For normal conditions not covered, describe whether savings will be claimed and if so, how they will be estimated.]*
- (g) Outliers. *[Identify outliers and how those are determined, describe how data gaps will be resolved]*
- (h) Baseline Period Non-Routine Adjustments. *[Identify NREs occurring in baseline period and how their impacts were resolved (e.g. eliminated period of data where NRE affected energy use and collected more data, etc.). Describe the analysis used, including measurements, models, and procedures, to calculate the baseline period non-routine adjustments. Discuss the potential bias in estimating the non-routine adjustments and methods to mitigate the bias.]*
- (i) Modeling Algorithm. *[Describe the mathematical form of the modeling algorithm, and the reasons why it was selected. Describe how the baseline model was developed using this algorithm (such as whether different forms of the algorithm used for different periods of operation). Describe how the categorical variables were used in the analysis. Describe why the analysis time interval was selected, and how the energy and independent variables were resampled to this time interval. If a proprietary algorithm is used, describe how this algorithm was validated.]*
- (j) Baseline Model Accuracy Metrics. *[Report the baseline model's calculated metrics NMBE, CV, and R2, and compare them to the acceptance criteria.]*
- (k) Estimated Savings and Uncertainty. *[Report the anticipated savings for the combined measures and the resulting estimated savings uncertainty using the ASHRAE Guideline 14 method for the anticipated project savings. Explain whether the estimated savings uncertainty meets the program's criteria.]*

VI. Normalized Savings Calculation

- (a) Reporting Period Data Collection. *[Similar to the baseline period data collection, describe the data to be collected and their sources. Note: reporting period will be one year duration.]*
- (b) Reporting Period. *[Document the planned reporting period start and end dates.]*
- (c) Reporting Period Modeling Algorithm. *[Describe the mathematical form of the reporting period modeling algorithm, and the reasons why it was selected. Describe how the reporting period model will be developed using this algorithm (such as whether different forms of the algorithm will be used for different periods of operation). Describe how the categorical variables will be used in the analysis. Describe why the analysis time interval was selected, and how the energy and independent variables will be resampled to this time interval. If a proprietary algorithm is used, describe how this algorithm was validated.]*
- (d) Reporting Period Model Accuracy Metrics. *[Report the reporting period model's calculated metrics NMBE, CV, and R2, and compare them to the acceptance criteria.]*
- (e) Non-Routine Adjustments. *[Describe how non-routine adjustments occurring in the installation and reporting period will be identified and how their impacts will be estimated. Describe the analysis used, including measurements, models, and procedures, to calculate the baseline period non-routine adjustments. Discuss the potential bias in estimating the non-routine adjustments and methods to mitigate the bias.]*

VII. Normalized Savings Determination

- (a) Normalized Savings. *[Describe how the normalized conditions will be used in the analysis, and how normalized savings will be determined. Describe how non-routine adjustments will be made in the analysis. Use equations where appropriate.]*
- (b) Normalized Savings Uncertainty. *[Describe how normalized savings uncertainty for the project will be determined.]*
- (c) Savings Tracking Frequency. *[Describe how often normalized savings reports will be provided, as well as the data to be provided (raw, prepared, and analyzed data) and the format in which it will be provided.]*

ID# [Number], [Seller's Name]

[RFO Name]

[Optional: Determine savings at intermediate period (monthly, quarterly), and report savings using graphs.]

***** End of EXHIBIT B *****

EXHIBIT B[-6]

{SCE Note: Delete number and remove all other Product-Specific Exhibit B's}
ENERGY EFFICIENCY (CUSTOMIZED CALCULATED APPROACH)

PROJECT DESCRIPTION**PART I. GEOGRAPHIC AND SERVICE ACCOUNT ELIGIBILITY VERIFICATION.**

A Geographic and Service Account Eligibility Verification is required to determine whether a proposed Measure at a proposed Installation at a Customer Site meets the eligibility requirements of this Agreement.

PART II. PROJECT AND MEASURES DESCRIPTION.

[SCE Note: Parties to complete this section.]

Parties should provide a description that provides as much detail as possible regarding the Project and each individual Measure that will be used in the Project to achieve each of the Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, Expected Winter On-Peak Energy Savings, and Expected Capacity Savings. Such description may include:

- A discussion of the pre- and post- M&V energy and capacity savings*
- A discussion of how each Measure will save energy and capacity*
- A discussion of how each Measure will save energy and capacity above Title 20, Title 24, or agreed-upon alternative benchmark*
- A discussion of how the savings were estimated*
- A discussion of the major assumptions in the savings estimation*
- A discussion of how the savings will be verified*
- Solution codes for each Measure to be part of the Project, and if no solution code for a given Measure exists, Seller to request SCE to create a solution code for the Measure.*

- Lighting measures should follow the Design Lights Consortium (DLC) Tech Spec for all LED lighting measures; all lighting measures should be UL or Edison Testing Labs (ETL) certified;*
- Residential lighting needs to incorporate ENERGY STAR in addition to the DLC lists;*

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The contents of this document are subject to restrictions on disclosure as set forth herein.

ID# [Number], [Seller's Name]

[RFO Name]

- For interior residential lighting, the lighting may be on the ENERGY STAR website and not the DLC.
- Description of any existing or future Non-IOU Fuel Source(s) or other demand reducing mechanisms and how the savings from those mechanisms will be distinct and separate from the savings resulting from the Measures

[SCE Note: Parties to complete this table.]

Measure Description	End-Use Technology (e.g., Lighting, HVAC, Other)	Estimated Baseline Energy and Capacity Use	Estimated Post-Installation Energy and Capacity Use	Estimated Post-Installation Energy and Capacity Savings
		[#] kWh	[#] kWh	[#] kWh
		[#] kW	[#] kW	[#] kW
		[#] kWh	[#] kWh	[#] kWh
		[#] kW	[#] kW	[#] kW
		[#] kWh	[#] kWh	[#] kWh
		[#] kW	[#] kW	[#] kW

PART III. MEASUREMENT AND VERIFICATION PROTOCOL.

The Evaluator shall conduct all Inspections and create an M&V Plan for each Installation consistent with the following Measurement and Verification Protocol. In addition, all Inspections shall be consistent with, as applicable, the:

- (a) [SCE Note: placeholder for generic measurement and verification plan specific to Measures to be used by Seller. Generic plan shall be attached as Attachment [n] to this

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The contents of this document are subject to restrictions on disclosure as set forth herein.

Exhibit B.]

- (b) *Customized Calculated Savings Guidelines for Non-Residential Programs*, Southern California Edison V.17. (or its successor) *[and the {RFO-Specific Addendum}]* (the “Customized Calculated Savings Guidelines”). *[SCE Note: include or delete reference to RFO-specific addendum as appropriate.]*
- (c) *International Performance Measurement and Verification Protocol: Concepts and Options for Determining Energy and Water Savings, Volume I*, Efficiency Valuation Organization (December 2014) (or its successor) (“IPMVP”).
- (d) *Energy Efficiency Evaluation Protocol*, California Public Utilities Commission (2006) (or its successor).

In the event of any conflict between terms contained in this Agreement or any of the other documents identified in clauses (a)-(d) above, the conflict shall be resolved by the following priority of documents: (i) Agreement (including this Exhibit B), (ii) Attachment [n] to this Exhibit B, (iii) Customized Calculated Savings Guidelines, (iv) IPMVP, and (v) *Energy Efficiency Evaluation Protocol*.

In establishing the Measurement Baseline for the Project and each Individual Measurement Baseline for each Installation for capacity use (expressed in kW), the Evaluator shall normalize its measurements taken at the time of the Pre-Installation Inspection to be representative of the capacity use at 2:00 p.m. to 5:00 p.m. Pacific Prevailing Time of the three warmest non-holiday weekdays in June, July, August, and September of the TMY3 Weather File at the location of the applicable Installation. For the avoidance of doubt, and with respect to each Individual Measurement Baseline for capacity use, the thirty-six (36) identified hours shall be averaged into a single kW value.

In establishing the Measurement Baseline for the Project and each Individual Measurement Baseline for each Installation for energy use (expressed in kWh), the Evaluator shall normalize its measurements taken at the time of the Pre-Installation Inspection to be representative of the energy use during three time periods: (i) 8:00 a.m. to 9:00 p.m. Pacific Prevailing Time of the three warmest non-holiday weekdays in June, July, August, and September (“Summer On-Peak Hours”) of the TMY3 Weather File at the location of the applicable Installation, (ii) 9:00 p.m. to 8:00 a.m. Pacific Prevailing Time of the three warmest non-holiday weekdays in June, July, August, and September (“Summer Off-Peak Hours”) of the TMY3 Weather File at the location of the applicable Installation, and (iii) 8:00 a.m. to 9:00 p.m. Pacific Prevailing Time of the three warmest non-holiday weekdays in October, November, December, January, February, March,

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The contents of this document are subject to restrictions on disclosure as set forth herein.

April and May (“Winter On-Peak Hours”) of the TMY3 Weather File at the location of the applicable Installation.

Expected Summer On-Peak Savings shall be based on measurements normalized to Summer On-Peak Hours; Expected Summer Off-Peak Savings shall be based on measurements normalized to Summer Off-Peak Hours; and Expected Winter On-Peak Savings shall be based on measurements normalized to Winter On-Peak Hours.

In determining Expected Capacity Savings, Expected Summer On-Peak Energy Savings, Expected Summer Off-Peak Energy Savings, and Expected Winter On-Peak Energy Savings, the Evaluator shall normalize its measurements taken at the time of the applicable Primary Post-Installation Inspection or Post-Installation Inspection to be representative of the same hours that were used to measure the Measurement Baseline and each Individual Measurement Baseline. In addition, in making such determinations, any capacity or energy savings amount shall be measured from the applicable Measurement Baseline or Individual Measurement Baseline.

The Evaluator shall also measure and verify each of the Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, Expected Winter On-Peak Energy Savings, and Expected Capacity Savings by: *[SCE Note: insert specific details as to how measurement and verification will occur. For example:*

- A description of the measurement and verification plan, including pre-and post-monitoring procedures, as well as procedures to ensure the persistence of savings for the full Delivery Period of the Agreement.*
- For each Measure, a description of the Measure intent and the operational verification procedures that will be used to verify the successful implementation of the Measure.*
- Data analysis procedures and algorithms, including a description of tools employed and how the M&V data will be used in the calculations.*
- Field monitoring data points, including specified interval information, the duration of measurement for each parameter, temperature set points, or weather information.*
- A description of baseline conditions, including energy demand independent variables (e.g., production rate, ambient temperature, occupancy, operational factors), Non-IOU Fuel Source(s), and outages during baseline periods.*

- *A description of any adjustments needed for any measurement, including adjustments to each of the Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, Expected Winter On-Peak Energy Savings, and Expected Capacity Savings, based on external factors (e.g., weather, seasonal usage, change in occupancy, etc.).*
- *A description of building characteristics, including building configuration, U-value of the building envelope, occupancy information, internal loads, and changes in occupancy or operations that may affect monitoring or savings persistence.*
- *A description of controls regarding data accuracy, including data system accuracy and sensor placement issues.*
- *Verification and quality assurance procedures including sensor calibration (e.g., for IPMVP Option A – justification of estimated values; for IPMVP Option D – software name, input/output data, measured data, and calibration).]*
- *A description of how the energy model was calibrated to existing kWh, kW, and therms from past utility billing history or a statement of why this was not performed.*

PART IV. PRE-INSTALLATION INSPECTION.

The Evaluator shall conduct the Pre-Installation Inspection consistent with this Measurement and Verification Protocol, the applicable M&V Plan and the timelines set forth in the Agreement.

The Pre-Installation Inspection Report, and data from the report, will be provided in a format mutually agreeable to by SCE and the Evaluator. At a minimum, the report shall include:

- (a) For each Installation, the Customer's Name, retail service account number, and address.
- (b) A determination of the actual energy use and capacity use of the equipment or process that is the subject of a Measure and the energy use and capacity use of such equipment or process as if such equipment or process satisfied Title 20 or Title 24 *[or other measurement baseline]*.
- (c) For each Installation that is part of the Project, a full description of such Customer's typical operations including the operation of any Non-IOU Fuel Source(s)

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The contents of this document are subject to restrictions on disclosure as set forth herein.

- (d) Equipment inventory, including nameplate data, location, condition (including photographs), and equipment operating procedures (e.g., schedules and set points, pressures, temperatures, etc.) that are associated with each Measure and with any Non-IOU Fuel Source(s)
- (e) A record of any person present during the Pre-Installation Inspection, and the role such individuals were taking.
- (f) A record of any unusual or abnormal conditions or events that occurred during the Pre-Installation Inspection and any actions taken in response thereto.
- (g) The Evaluator's statement, including supporting documentation, of whether the Pre-Installation Description is correct.
- (h) The Evaluator's statement, including supporting calculations and documentation, of the Measurement Baseline and the proposed measure(s) (including how it relates to each of the Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, Expected Winter On-Peak Energy Savings, and Expected Capacity Savings).
- (i) A statement regarding measurement accuracy and data uncertainty of measurement equipment.
- (j) Statement regarding any redundant, non-operational equipment for each Installation that is part of the Project. Savings from such units or any other equipment that does not contribute to each of the Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, Expected Winter On-Peak Energy Savings, and Expected Capacity Savings shall not be included in the savings estimate.

PART V. PRIMARY POST-INSTALLATION INSPECTION.

The Evaluator shall conduct each Primary Post-Installation Inspection consistent with this Measurement and Verification Protocol, the applicable M&V Plan. As part of those Inspections, among other things, the Evaluator shall determine whether: (i) the Installation has been completed and installed in accordance with the applicable M&V Plan; (ii) all Measures in the Installation are operating as planned and designed; (iii) the Installation reduced the capacity use at the Site; and (iv) the Installation will result (or has resulted, as applicable) in a reduction in the energy use at the Site.

Each Primary Post-Installation Inspection Report, and data from the report, will

be provided in a format mutually agreed to by SCE and the Evaluator. At a minimum, the report shall include:

- (a) For each Installation, the Customer's Name, retail service account number, and address.
- (b) For each Installation, a full description of each Customer's typical operations.
- (c) Equipment inventory, including nameplate data, location, condition (including photographs), and equipment operating procedures (e.g., schedules and set points, pressures, temperatures, etc.) that are associated with each Measure and with any Non-IOU Fuel Source(s).
- (d) A full description of each Measure installed as part of the Installation.
- (e) A record of any person present during the Primary Post-Installation Inspection, and the role such individuals were taking.
- (f) A record of any unusual or abnormal conditions or events that occurred during the Primary Post-Installation Inspection and any actions taken in response thereto.
- (g) The Evaluator's statement, and supporting documentation, as to whether each Measure in the Installation has been completed and installed in accordance with the applicable M&V Plan.
- (h) The Evaluator's statement, and supporting documentation, as to whether each Measure in the Installation is operating as planned and designed.
- (i) The Evaluator's statement, and supporting calculations and documentation, as to the amount the Installation reduced capacity use at the Site taking into account savings resulting from any Non-IOU Fuel Source(s).
- (j) The Evaluator's statement, and supporting calculations and documentation, as to the amount the Installation will result in a reduction in the energy use at the Site taking into account savings resulting from any Non-IOU Fuel Source(s).
- (k) A statement regarding measurement accuracy and data uncertainty of measurement equipment.
- (l) Statement regarding any redundant, non-operational equipment for each

Installation that is part of the Project. Savings from such units or any other equipment that does not contribute to each of the Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, Expected Winter On-Peak Energy Savings, and Expected Capacity Savings shall not be included in the savings estimate.

PART VI. PROJECT SUMMARY REPORT.

For the Project Summary Report, the Evaluator shall determine whether: (i) the Project has been completed and installed in accordance with the applicable M&V Plans; (ii) all Measures in each Installation of the Project are operating as planned and designed; (iii) the Project reduced the capacity use at the Sites in an amount equal to the Expected Capacity Savings; and (iv) the Project will result (or has resulted, as applicable) in a reduction in the energy use at the Sites in an amount equal to each of the Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, Expected Winter On-Peak Energy Savings, and Expected Capacity Savings.

The Evaluator shall prepare the Project Summary Report within the number of Business Days specified in the Agreement after the completion of any final Primary Post-Installation Inspection for the Project. The report, and data from the report, will be provided in a format mutually agreed to by SCE and the Evaluator. At a minimum, the report shall include:

- (a) For all Customers that are part of the Project, the Customer's Name, retail service account number, and address.
- (b) For all Customers that are part of the Project, a full description of each Customers' typical operations.
- (c) Equipment inventory, including nameplate data, location, condition (including photographs), and equipment operating procedures (e.g., schedules and set points, pressures, temperatures, etc.) that are associated with each Measure and any Non-IOU Fuel Source(s) at each Installation.
- (d) A full description of each Measure installed at each Installation as part of the Project.
- (e) The Evaluator's statement, including supporting documentation, as to whether each Measure at each Installation in the Project has been completed and installed in accordance with the applicable M&V Plan.
- (f) The Evaluator's statement, including supporting documentation, as to

whether each Measure at each Installation in the Project is operating as planned and designed.

- (g) The Evaluator's statement, including supporting calculations and documentation, as to whether the Project reduced the capacity use at the Sites in an amount equal to the Expected Capacity Savings taking into account and savings resulting from any Non-IOU Fuel Source(s).
- (h) The Evaluator's statement, including supporting calculations and documentation, as to whether the Project will result in a reduction in the energy use at the Sites in an amount equal to each of Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, Expected Winter On-Peak Energy Savings, and Expected Capacity Savings taking into account savings resulting from any Non-IOU Fuel Source(s).
- (i) A statement regarding measurement accuracy and data uncertainty of measurement equipment.
- (j) A statement regarding any redundant, non-operational equipment for each Installation that is part of the Project. Savings from such units or any other equipment that does not contribute to each of the Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, Expected Winter On-Peak Energy Savings, and Expected Capacity Savings shall not be included in the savings estimate.

PART VII. POST-INSTALLATION INSPECTION.

Each Post-Installation Inspection Report, and data from the report, will be provided in a format mutually agreed to by SCE and the Evaluator. At a minimum, the report shall include:

- (a) For each Installation that is part of the Project, the Customer's Name, retail service account number, and address.
- (b) For each Installation that is part of the Project, a full description of each Customer's typical operations.
- (c) Equipment inventory, including nameplate data, location, condition (including photographs), and equipment operating procedures (e.g., schedules and set points, pressures, temperatures, etc.) that are associated with each Measure and any Non-IOU Fuel Source(s) at each Installation.

- (d) A full description of each Measure installed in each Installation as part of the Project.
- (e) A record of any person present during the Post-Installation Inspection, and the role such individuals were taking.
- (f) A record of any unusual or abnormal conditions or events that occurred during the Post-Installation Inspection and any actions taken in response thereto.
- (g) The Evaluator's statement, including supporting documentation, as to whether each Measure in each Installation of the Project has been completed and installed in accordance with the applicable M&V Plan.
- (h) The Evaluator's statement, including supporting documentation, as to whether each Measure in each Installation of the Project is operating as planned and designed.
- (i) Taking into account actual capacity savings and savings resulting from any Non-IOU Fuel Source(s), the Evaluator's statement, including supporting calculations and documentation, as to whether the Project reduced the capacity use at the Sites in an amount equal to the Expected Capacity Savings.
- (j) Taking into account actual energy savings and savings resulting from any Non-IOU Fuel Source(s), the Evaluator's statement, including supporting calculations and documentation, as to whether the Project has resulted in a reduction in the energy use at the Sites in an amount equal to each of the Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, Expected Winter On-Peak Energy Savings, and Expected Capacity Savings.
- (k) A statement regarding measurement accuracy and data uncertainty of measurement equipment.
- (l) A statement regarding any redundant, non-operational equipment for each Installation that is part of the Project. Savings from such units or any other equipment that does not contribute to each of the Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, Expected Winter On-Peak Energy Savings, and Expected Capacity Savings shall not be included in the savings estimate.

*****End of Exhibit B*****

EXHIBIT C**PROJECT PROGRESS REPORT**

[SCE Note: Exhibit is subject to modification for technology specific differences]

From the Effective Date of this Agreement and continuing until the Initial Delivery Date, Seller will provide a monthly Project Progress Report containing, at a minimum, the information listed below, as applicable. In accordance with Section 4.06, the report must be sent via e-mail in the form of a single Adobe Acrobat file or facsimile to SCE's, on the fifth (5th) Business Day of each month.

1. An executive summary;
2. An updated Milestone Schedule
3. PERT or GANT chart showing schedule, percent completion, and percent change from previous report of major items and activities, including Critical Path Milestones, Permits, technical studies, financing, and major equipment purchase orders showing the start dates, and projected completion dates;
4. Description of general work status on:
 - a. Engineering;
 - b. Procurement;
 - c. Permitting (include status of any required regulatory determinations for approval of Federal New Source Review permitting exemptions, expedited permitting processes, and status of acquisition of required emission credits in terms of impact on the Project's permitting schedule, overall Project schedule, and ability of Project to meet Expected Initial Delivery Date);
 - d. Major construction activities in the prior month;
 - e. Testing;
 - f. Electrical interconnection status; and
 - g. Any other required interconnections.
5. Forecast activities for next month;
6. Potential issues affecting the Project.
7. Enumeration and schedule of any support or actions requested of SCE.
8. Pictures, in sufficient quantity and of appropriate detail, in order to document construction and the development of the project leading up to the delivery of the project on Initial Delivery Date.
9. For Projects comprised of an aggregation of customers, a monthly pipeline report in Excel format containing at a minimum the following items for each Customer or Recruited Account: Contract ID, customer name, customer address, customer service

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account number, A-bank substation, B-bank substation, recruitment stage (e.g. Recruit, Under Negotiation, Signed Contract, etc.), status (e.g. Planning/Survey, Installation-in-Progress, Installation Complete, Ready/Online, etc.), interconnection status (if applicable), GFID (if applicable), expected completion date, target online date, and capacity size.

10. For Energy Efficiency Projects, the monthly pipeline report shall also contain the Customer account number, service account address, meter number, approximate square footage of the buildings or facilities, general description of operations (including hours/days of operation), number of Measures to be installed, description of Measures, description of any Non IOU Fuel Source (including photovoltaic, energy storage, or participation in Net Energy Metering), and any corresponding incentives.

Seller must notify SCE in writing of its receipt of any of the following documents below, and make such documents available to SCE within two (2) Business Days after such receipt:

11. All material written commitments regarding construction work at the Project that could impact the completion schedule or Initial Delivery Date;
12. Executed work orders for construction of the Project;
13. Construction agreements;
14. Letters of intent;
15. Precedent agreements; and
16. Engineering assessments of the Project or any Storage Unit.

***** End of EXHIBIT C *****

EXHIBIT D MILESTONE SCHEDULE

Seller has provided dates for development, construction, commissioning, and testing of the Project, showing all significant elements and milestones, as applicable, such as permitting, procurement, financing, engineering, acceptance testing, Seller's Expected Initial Delivery Date, and proposed Delivery Period.

[SCE Note: This list is illustrative only. Seller to insert specific list based on technology and Project]

Line	Projected Completion Date	Milestone
1		Front End Engineering / Permits / Agreements
2		Submit Applicable Transmission Provider Interconnection Application
3		File a CEC Certification and Verification Application
4		Receive a Completed Interconnection System Impact Study (or equivalent)
5		Receive a Completed Interconnection Facilities Study (or equivalent)
6		Finalize Labor Agreement Negotiations
7		Execute a Transmission Provider Interconnection Agreement
8		Receive FERC Acceptance of Interconnection Agreement and Transmission Agreement(s)
9		Receive CEC Certification and Verification or APCD permit if applicable

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The contents of this document are subject to restrictions on disclosure as set forth herein.

Line	Projected Completion Date	Milestone
10		Obtain Control Of All Lands and Rights-Of-Way Comprising The Site
11		Receive CEC Full Notice To Proceed
12		Receive All Other Permits
13		Financing
14		Verify That Seller's Bank Has Received All Required Due Diligence Information
15		Complete Bank Financing
16		Engineering
17		Execute EPC Contract
18		Begin Existing Site Re-Engineering
19		Begin New Storage Unit Engineering Design
20		Lump Sum Estimate Preparation
21		Complete Existing Site Re-Engineering
22		Complete New Storage Unit Engineering Design
23		Construction – Initial Site Work
24		Begin Civil Tasks - CTG's
25		Begin Mechanical Tasks - U/G Piping
26		Begin Electrical Tasks - U/G Electrical
27		Construction

Line	Projected Completion Date	Milestone
28		Begin Construction of the Project - Erect Equipment
29		Civil Tasks - Balance of Plant
30		Mechanical Tasks - A/G Piping
31		Electrical Tasks - A/G Electrical
32		Erect Storage Unit
33		Commission Storage Unit
34		Complete Construction of the Project
35		Commissioning
36		Begin Start-Up Activities - BOP Systems
37		Conference with SCE Contract Manager regarding startup activities <i>{SCE Comment: Conference should occur no later than 150 days prior to the Commercial Operation Date.}</i>
38		Achieve Initial Operation
39		Establish Project NQC
40		Submit Supply Plan for Month of Expected Initial Delivery Date
41		Demonstrate Contract Capacity
42		Expected Initial Delivery Date

*** End of EXHIBIT D ***

EXHIBIT E

Notice

[SELLER'S NAME] ("Seller")	SOUTHERN CALIFORNIA EDISON COMPANY ("SCE")
All Notices are deemed provided in accordance with Section 14.02 if made to the address or facsimile numbers provided below:	Unless otherwise specified, all Notices are deemed provided in accordance with Section 14.02 if made to the address or facsimile numbers provided below:
Contract Administration: Attn: Phone: Facsimile:	Contract Administration: <u>In Front of the Meter Products</u> Attn: Director, Energy Contract Management Street: 2244 Walnut Grove Avenue City: Rosemead, California 91770 Phone: 626-302-3126 Email: Energycontracts@sce.com <u>Behind the Meter Distributed Generation/Distributed Generation & Storage</u> Attn: Contract Manager Customer Distributed Resource Products Street: 1515 Walnut Grove Avenue City: Rosemead, California 91770 Phone: 626-302-0362 Email: lcr.solar@sce.com <u>Demand Response</u> Attn: DR Contract Manager Demand Response Programs & Contracts Street: 1515 Walnut Grove Avenue City: Rosemead, California 91770 Phone: 626-302-0530 Email: daniel.cebillos@sce.com

[SELLER'S NAME] ("Seller")	SOUTHERN CALIFORNIA EDISON COMPANY ("SCE")
	<u>Energy Efficiency</u> Attn: Senior Manager of Customer Energy Efficiency Programs & Contracts Street: 1515 Walnut Grove Avenue City: Rosemead, California 91770 Phone: 626-302-0506 Email: DSM@sce.com
	Cybersecurity: E-mail: cybersecurity@sce.com
Reference Numbers: Duns: Federal Tax ID Number:	Reference Numbers: Duns:006908818 Federal Tax ID Number: 95-1240335
Collateral: Attn: Street: City: Phone: Email:	Collateral: Attn: Manager of Risk Operations & Collateral Management Street: 2244 Walnut Grove Avenue, G01 Quad 2B City: Rosemead, California 91770 Phone: 626-302-3464 Email: scecollateral@sce.com
Day-Ahead Operations: Attn: Phone: Facsimile: E-mail:	Day-Ahead Operations: Attn: Manager of Day-Ahead Ops. Scheduling Desk Phone: 626-307-4425 or 626-307-4420 Facsimile: 626-307-4413 E-mail: presched@sce.com

[SELLER'S NAME] ("Seller")	SOUTHERN CALIFORNIA EDISON COMPANY ("SCE")
Real-Time Scheduling: Attn: Phone: Facsimile: E-mail:	Real-Time (24/7 Operations Desk): Attn: Manager of Real-Time Ops. Operations Desk Phone: 626-307-4453 (Renewable/Non-Dispatchable) Phone: 626-307-4410 (Dispatchable) E-mail: realtime@sce.com
Outage Desk: Phone: E-mail:	Outage Desk (Normal Business Hours): Phone: 626-307-4425 E-mail: genoutages@sce.com
	Grid Control Center (LRCDs): Phone: 626-308-6288
Payment Invoices: Attn: Phone: Facsimile: E-mail:	Payment Invoices: <u>In Front of the Meter Projects</u> Attn: ECM - Contract Settlements Phone: 626-302-8908 or 626-302-3205 E-mail: PPFDPowerSettle@sce.com <u>Behind the Meter Projects</u> Attn: Accounts Payable Department Phone: 626-302-6501 E-mail: SCEinvoices@sce.com
ACH Routing Information: Financial Institution: [_____] <div> Branch: [_____] <div>Address: [_____]</div> <div>City, State, & Zip: [_____]</div> </div> Routing Number: [_____] <div>Account Number: [_____]</div>	ACH Routing Information: Financial Institution: Routing Number: Account Number:

[SELLER'S NAME] ("Seller")	SOUTHERN CALIFORNIA EDISON COMPANY ("SCE")
Wire Transfer: BNK: ABA: ACCT:	Wire Transfer: BNK: ABA: ACCT:
Provide Notice of Event of Default to Contract Administration With additional Notices of an Event of Default to: Attn: Phone: Facsimile: E-mail:	Provide Notice of Event of Default to Contract Administration With additional Notices of an Event of Default for all Projects, to: Attn: Director and Managing Attorney Law Dept., Commercial Transactions Section Southern California Edison Co. Street: 2244 Walnut Grove, Ave. City: Rosemead, California 91770 Email: PPLegalNotice@sce.com And for Behind the Meter Projects, to: Attn: Principal Manager Purchasing GO-3, 3rd Floor Street: 2131 Walnut Grove Ave. City: Rosemead, California 91770 Phone: 626-302-5357
Lender: Attn: Phone: Facsimile: E-mail:	

*** End of EXHIBIT E ***

EXHIBIT F**FORM OF CONSENT TO COLLATERAL ASSIGNMENT AGREEMENT**

This Consent to Collateral Assignment Agreement (this “Consent”) is entered into among (i) Southern California Edison Company, a California corporation (“SCE”), (ii) [Name of Seller], a [Legal Status of Seller] (the “Project Company”), and (iii) [Name of Collateral Agent], a [Legal Status of Collateral Agent], as Collateral Agent for the secured parties under the Financing Documents referred to below (such secured parties together with their successors permitted under this Consent in such capacity, the “Secured Parties”, and, such agent, together with its successors in such capacity, the “Collateral Agent”). SCE, Project Company and Collateral Agent are hereinafter sometimes referred to individually as a “Party” and jointly as the “Parties”. Capitalized terms used but not otherwise defined in this Consent shall have the meanings ascribed to them in the Agreement (as defined below).

RECITALS

The Parties enter into this Consent with reference to the following facts:

- A. Project Company and SCE have entered into that certain Energy Resource Purchase and Sale Agreement, dated as of [Date] [List all amendments as contemplated by Section 3.4] (“Agreement”), pursuant to which Project Company will develop, construct, commission, test and operate the Project, as defined in the Agreement (the “Project”) and sell the Product to SCE, and SCE will purchase the Product from Project Company;
- B. As collateral for Project Company’s obligations under the Agreement, Project Company has agreed to provide to SCE certain collateral, which may include Performance Assurance and Security Interests and other collateral described in the Agreement (collectively, the “Agreement Collateral”);
- C. Project Company has entered into that certain [Insert description of financing arrangements with Lender], dated as of [Date], among Project Company, the Lenders party thereto and the Collateral Agent (the “Financing Agreement”), pursuant to which, among other things, the Lenders have extended commitments to make loans to Project Company;
- D. As collateral security for Project Company’s obligations under the Financing Agreement and related agreements (collectively, the “Financing Documents”), Project Company has,

among other things, assigned all of its right, title and interest in, to and under the Agreement and Project's Company's owners have pledged their ownership interest in Project Company (collectively, the "Assigned Interest") to the Collateral Agent pursuant to the Financing Documents; and

- E. It is a requirement under the Financing Agreement and the Agreement that SCE and the other Parties hereto shall have executed and delivered this Consent.

AGREEMENT

In consideration of the foregoing, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound, the Parties hereto hereby agree as follows:

SECTION 1. CONSENT TO ASSIGNMENT, ETC.

1.1 Consent and Agreement.

SCE hereby acknowledges:

- (a) notice of and consents to the assignment as collateral security to Collateral Agent, for the benefit of the Secured Parties, of the Assigned Interest; and
- (b) the right (but not the obligation) of Collateral Agent in the exercise of its rights and remedies under the Financing Documents, to make all demands, give all notices, take all actions and exercise all rights of Project Company permitted under the Agreement (subject to SCE's rights and defenses under the Agreement and the terms of this Consent) and accepts any such exercise; provided, however, that, insofar as the Collateral Agent exercises any such rights under Agreement or makes any claims with respect to payments or other obligations under the Agreement, the terms and conditions of the Agreement applicable to such exercise of rights or claims shall apply to Collateral Agent to the same extent as to Project Company.

1.2 Project Company's Acknowledgement.

Each of Project Company and Collateral Agent hereby acknowledges and agrees that SCE is authorized to act in accordance with Collateral Agent's instructions, and that SCE shall bear no liability to Project Company or Collateral Agent in connection therewith, including any liability for failing to act in accordance with Project Company's instructions.

1.3 Right to Cure.

If Project Company defaults in the performance of any of its obligations under the Agreement, or upon the occurrence or non-occurrence of any event or condition under the Agreement which would immediately or with the passage of any applicable grace period or the giving of notice, or both, enable SCE to terminate or suspend its performance under the Agreement (an “Agreement Default”), SCE will not terminate or suspend its performance under the Agreement until it first gives written notice of such Agreement Default to Collateral Agent and affords Collateral Agent the right to cure such Agreement Default within the applicable cure period under the Agreement, which cure period shall run concurrently with that afforded Project Company under the Agreement. In addition, if Collateral Agent gives SCE written notice prior to the expiration of the applicable cure period under the Agreement of Collateral Agent’s intention to cure such Agreement Default (which notice shall include a reasonable description of the time during which it anticipates to cure such Agreement Default) and is diligently proceeding to cure such Agreement Default, notwithstanding the applicable cure period under the Agreement, Collateral Agent shall have a period of sixty (60) days (or, if such Agreement Default is for failure by the Project Company to pay an amount to SCE which is due and payable under the Agreement other than to provide Agreement Collateral, thirty (30) days, or, if such Agreement Default is for failure by Project Company to provide Agreement Collateral, [__ (__)] Business Days) from the Collateral Agent’s receipt of the notice of such Agreement Default from SCE to cure such Agreement Default; provided, however, that (a) if possession of the Project is necessary to cure any such non-monetary Agreement Default and Collateral Agent has commenced foreclosure proceedings within sixty (60) days after notice of the Agreement Default and is diligently pursuing such foreclosure proceedings, Collateral Agent will be allowed a reasonable time, not to exceed one hundred eighty (180) days after the notice of the Agreement Default, to complete such proceedings and cure such Agreement Default, and (b) if Collateral Agent is prohibited from curing any such Agreement Default by any process, stay or injunction issued by any Governmental Authority or pursuant to any bankruptcy or insolvency proceeding or other similar proceeding involving Project Company, then the time periods specified herein for curing an Agreement Default shall be extended for the period of such prohibition, so long as Collateral Agent has diligently pursued removal of such process, stay or injunction. Collateral Agent shall provide SCE with reports concerning the status of efforts to cure an Agreement Default upon SCE’s reasonable request.

1.4 Substitute Owner.

Subject to Section 1.7, the Parties agree that if Collateral Agent notifies (such notice, a

“Financing Document Default Notice”) SCE that an event of default has occurred and is continuing under the Financing Documents (a “Financing Document Event of Default”) then, upon a judicial foreclosure sale, non-judicial foreclosure sale, deed in lieu of foreclosure or other transfer following a Financing Document Event of Default, Collateral Agent (or its designee) shall be substituted for Project Company (the “Substitute Owner”) under the Agreement, and, subject to Sections 1.7(b) and 1.7(c) below, SCE and Substitute Owner will recognize each other as counterparties under the Agreement and will continue to perform their respective obligations (including those obligations accruing to SCE and the Project Company prior to the existence of the Substitute Owner) under the Agreement in favor of each other in accordance with the terms thereof; provided, however, that before SCE is required to recognize the Substitute Owner, the Substitute Owner must have demonstrated to SCE’s reasonable satisfaction that the Substitute Owner has financial qualifications and operating experience [TBD] (a “Permitted Transferee”). For purposes of the foregoing, SCE shall be entitled to assume that any such purported exercise of rights by Collateral Agent that results in substitution of a Substitute Owner under the Agreement is in accordance with the Financing Documents without independent investigation thereof but shall have the right to require that the Collateral Agent and its designee (if applicable) provide reasonable evidence demonstrating the same.

1.5 Replacement Agreements.

Subject to Section 1.7, if the Agreement is terminated, rejected or otherwise invalidated as a result of any bankruptcy, insolvency, reorganization or similar proceeding affecting Project Company, its owner(s) or guarantor(s), and if Collateral Agent or its designee directly or indirectly takes possession of, or title to, the Project (including possession by a receiver or title by foreclosure or deed in lieu of foreclosure) (“Replacement Owner”), SCE shall, and Collateral Agent shall cause Replacement Owner to, enter into a new agreement with one another for the balance of the obligations under the Agreement remaining to be performed having terms substantially the same as the terms of the Agreement with respect to the remaining Term (“Replacement Agreement”); provided, that before SCE is required to enter into a Replacement Agreement, the Replacement Owner must have demonstrated to SCE’s reasonable satisfaction that the Replacement Owner satisfies the requirements of a Permitted Transferee. For purposes of the foregoing, SCE is entitled to assume that any such purported exercise of rights by Collateral Agent that results in a Replacement Owner is in accordance with the Financing Documents without independent investigation thereof but shall have the right to require that the Collateral Agent and its designee (if applicable) provide reasonable evidence demonstrating the same. Notwithstanding the execution and delivery of a Replacement Agreement, to the extent SCE is, or was otherwise prior to its termination as described in this Section 1.5, entitled under

the Agreement, SCE may suspend performance of its obligations under such Replacement Agreement, unless and until all Agreement Defaults of Project Company under the Agreement or Replacement Agreement have been cured.

1.6 Transfer.

Subject to Section 1.7, a Substitute Owner or a Replacement Owner may assign all of its interest in the Project and the Agreement and a Replacement Agreement to a natural person, corporation, trust, business trust, joint venture, joint stock company, association, company, limited liability company, partnership, Governmental Authority or other entity (a “Person”) to which the Project is transferred; provided, however, that the proposed transferee shall have demonstrated to SCE’s reasonable satisfaction that such proposed transferee satisfies the requirements of a Permitted Transferee.

1.7 Assumption of Obligations.

(a) Transferee. Any transferee under Section 1.6 shall expressly assume in a writing reasonably satisfactory to SCE all of the obligations of Project Company, Substitute Owner or Replacement Owner under the Agreement or Replacement Agreement, as applicable, including posting and collateral assignment of the Agreement Collateral. Upon such assignment and the cure of any outstanding Agreement Default, and payment of all other amounts due and payable to SCE in respect of the Agreement or such Replacement Agreement, the transferor shall be released from any further liability under the Agreement or Replacement Agreement, as applicable.

(b) Substitute Owner. Subject to Section 1.7(c), any Substitute Owner pursuant to Section 1.4 shall be required to perform Project Company’s obligations under the Agreement, including posting and collateral assignment of the Agreement Collateral; provided, however, that the obligations of such Substitute Owner shall be no more than those of Project Company under the Agreement.

(c) No Liability. SCE acknowledges and agrees that neither Collateral Agent nor any Secured Party shall have any liability or obligation under the Agreement as a result of this Consent (except to the extent Collateral Agent or a Secured Party is a Substitute Owner or Replacement Owner) nor shall Collateral Agent or any other Secured Party be obligated or required to (i) perform any of Project Company’s obligations under the Agreement, except as provided in Sections 1.7(a) and 1.7(b) and to the extent Collateral Agent or a Secured Party is a Substitute Owner or Replacement Owner, or (ii) take any action to collect or enforce any claim for payment assigned under the Financing Documents. If Collateral Agent becomes a

Substitute Owner pursuant to Section 1.4 or enters into a Replacement Agreement, Collateral Agent shall not have any personal liability to SCE under the Agreement or Replacement Agreement and the sole recourse of SCE in seeking enforcement of such obligations against Collateral Agent shall be to the aggregate interest of the Secured Parties in the Project; provided, however, that such limited recourse shall not limit SCE's right to seek equitable or injunctive relief against Collateral Agent, or SCE's rights with respect to any offset rights expressly allowed under the Agreement, a Replacement Agreement or the Agreement Collateral.

1.8 Delivery of Notices.

SCE shall deliver to Collateral Agent, concurrently with the delivery thereof to Project Company, a copy of each notice, request or demand given by SCE to Project Company pursuant to the Agreement relating to (a) an Agreement Default, (b) any claim regarding Force Majeure by SCE under the Agreement, (c) any notice of dispute under the Agreement, (d) any notice of intent to terminate or any termination notice, and (e) any matter that would require the consent of Collateral Agent pursuant to Section 1.11 or any other provision of this Consent. Collateral Agent acknowledges that delivery of such notice, request and demand shall satisfy SCE's obligation to give Collateral Agent a notice of Agreement Default under Section 1.3. Collateral Agent shall deliver to SCE, concurrently with delivery thereof to Project Company, a copy of each notice, request or demand given by Collateral Agent to Project Company pursuant to the Financing Documents relating to a default by Project Company under the Financing Documents.

1.9 Confirmations.

SCE will, as and when reasonably requested by Collateral Agent from time to time, confirm in writing matters relating to the Agreement (including the performance of same by Project Company); provided, however, that such confirmation may be limited to matters of which SCE is aware as of the time the confirmation is given and such confirmations shall be without prejudice to any rights of SCE under the Agreement as between SCE and Project Company.

1.10 Exclusivity of Dealings.

Except as provided in Sections 1.3, 1.4, 1.8, 1.9 and 2.1, unless and until SCE receives a Financing Document Default Notice, SCE shall deal exclusively with Project Company in connection with the performance of SCE's obligations under the Agreement. From and after such time as SCE receives a Financing Document Default Notice and until a Substitute Owner is

substituted for Project Company pursuant to Section 1.4, a Replacement Agreement is entered into or the Agreement is transferred to a Person to whom the Project is transferred pursuant to Section 1.6, SCE shall, until Collateral Agent confirms to SCE in writing that all obligations under the Financing Documents are no longer outstanding, deal exclusively with Collateral Agent in connection with the performance of SCE's obligations under the Agreement, and SCE may irrevocably rely on instructions provided by Collateral Agent in accordance therewith to the exclusion of those provided by any other Person.

1.11 No Amendments.

To the extent permitted by applicable Laws, SCE agrees that it will not, without the prior written consent of Collateral Agent (not to be unreasonably withheld, delayed or conditioned) (a) enter into any material supplement, restatement, novation, extension, amendment or modification of the Agreement (b) terminate or suspend its performance under the Agreement (except in accordance with Section 1.3) or (c) consent to or accept any termination or cancellation of the Agreement by Project Company.

SECTION 2. PAYMENTS UNDER THE AGREEMENT

2.1 Payments.

Unless and until SCE receives written notice to the contrary from Collateral Agent, SCE will make all payments to be made by it to Project Company under or by reason of the Agreement directly to Project Company. SCE, Project Company, and Collateral Agent acknowledge that SCE will be deemed to be in compliance with the payment terms of the Agreement to the extent that SCE makes payments in accordance with Collateral Agent's instructions.

2.2 No Offset, Etc.

All payments required to be made by SCE under the Agreement shall be made without any offset, recoupment, abatement, withholding, reduction or defense whatsoever, other than that expressly allowed by the terms of the Agreement.

SECTION 3. REPRESENTATIONS AND WARRANTIES OF SCE

SCE makes the following representations and warranties as of the date hereof in favor of Collateral Agent:

3.1 Organization.

SCE is a corporation duly organized and validly existing under the laws of the state of its incorporation, and is duly qualified, authorized to do business and in good standing in every jurisdiction in which it owns or leases real property or in which the nature of its business requires it to be so qualified, except where the failure to so qualify would not have a material adverse effect on its financial condition, its ability to own its properties or its ability to transact its business. SCE has all requisite power and authority, corporate and otherwise, to enter into and to perform its obligations hereunder and under the Agreement, and to carry out the terms hereof and thereof and the transactions contemplated hereby and thereby.

3.2 Authorization.

The execution, delivery and performance by SCE of this Consent and the Agreement have been duly authorized by all necessary corporate or other action on the part of SCE and do not require any approval or consent of any holder (or any trustee for any holder) of any indebtedness or other obligation of SCE which, if not obtained, will prevent SCE from performing its obligations hereunder or under the Agreement except approvals or consents which have previously been obtained and which are in full force and effect.

3.3 Execution and Delivery; Binding Agreements.

Each of this Consent and the Agreement is in full force and effect, have been duly executed and delivered on behalf of SCE by the appropriate officers of SCE, and constitute the legal, valid and binding obligation of SCE, enforceable against SCE in accordance with its terms, except as the enforceability thereof may be limited by (a) bankruptcy, insolvency, reorganization, moratorium or other similar laws of general application affecting the enforcement of creditors' rights generally and (b) general equitable principles (whether considered in a proceeding in equity or at law).

3.4 No Default or Amendment.

Except as set forth in Schedule A attached hereto: (a) Neither SCE nor, to SCE's actual knowledge, Project Company, is in default of any of its obligations under the Agreement; (b) SCE and, to SCE's actual knowledge, Project Company, has complied with all conditions precedent to the effectiveness of its obligations under the Agreement; (c) to SCE's actual

knowledge, no event or condition exists which would either immediately or with the passage of any applicable grace period or giving of notice, or both, enable either SCE or Project Company to terminate or suspend its obligations under the Agreement; and (d) the Agreement has not been amended, modified or supplemented in any manner except as set forth herein and in the recitals hereto.

3.5 No Previous Assignments.

SCE has no notice of, and has not consented to, any previous assignment by Project Company of all or any part of its rights under the Agreement, except as previously disclosed in writing and consented to by SCE.

SECTION 4. REPRESENTATIONS AND WARRANTIES OF PROJECT COMPANY

Project Company makes the following representations and warranties as of the date hereof in favor of the Collateral Agent and SCE:

4.1 Organization.

Project Company is a [Legal Status of Seller] duly organized and validly existing under the laws of the state of its organization, and is duly qualified, authorized to do business and in good standing in every jurisdiction in which it owns or leases real property or in which the nature of its business requires it to be so qualified, except where the failure to so qualify would not have a material adverse effect on its financial condition, its ability to own its properties or its ability to transact its business. Project Company has all requisite power and authority, corporate and otherwise, to enter into and to perform its obligations hereunder and under the Agreement, and to carry out the terms hereof and thereof and the transactions contemplated hereby and thereby.

4.2 Authorization.

The execution, delivery and performance of this Consent by Project Company, and Project Company's assignment of its right, title and interest in, to and under the Agreement to the Collateral Agent pursuant to the Financing Documents, have been duly authorized by all necessary corporate or other action on the part of Project Company.

4.3 Execution and Delivery; Binding Agreement.

This Consent is in full force and effect, has been duly executed and delivered on behalf of Project Company by the appropriate officers of Project Company, and constitutes the legal, valid and binding obligation of Project Company, enforceable against Project Company in accordance with its terms, except as the enforceability thereof may be limited by (a) bankruptcy, insolvency, reorganization, moratorium or other similar laws of general application affecting the enforcement of creditors' rights generally and (b) general equitable principles (whether considered in a proceeding in equity or at law).

4.4 No Default or Amendment.

Except as set forth in Schedule B attached hereto: (a) neither Project Company nor, to Project Company's actual knowledge, SCE, is in default of any of its obligations thereunder; (b) Project Company and, to Project Company's actual knowledge, SCE, has complied with all conditions precedent to the effectiveness of its obligations under the Agreement; (c) to Project Company's actual knowledge, no event or condition exists which would either immediately or with the passage of any applicable grace period or giving of notice, or both, enable either SCE or Project Company to terminate or suspend its obligations under the Agreement; and (d) the Agreement has not been amended, modified or supplemented in any manner except as set forth herein and in the recitals hereto.

4.5 No Previous Assignments.

Project Company has not previously assigned all or any part of its rights under the Agreement.

SECTION 5. REPRESENTATIONS AND WARRANTIES OF COLLATERAL AGENT

Collateral Agent makes the following representations and warranties as of the date hereof in favor of SCE and Project Company:

5.1 Authorization.

The execution, delivery and performance of this Consent by Collateral Agent have been duly authorized by all necessary corporate or other action on the part of Collateral Agent and Secured Parties.

5.2 Execution and Delivery; Binding Agreement.

This Consent is in full force and effect, has been duly executed and delivered on behalf of Collateral Agent by the appropriate officers of Collateral Agent, and constitutes the legal, valid and binding obligation of Collateral Agent as Collateral Agent for the Secured Parties, enforceable against Collateral Agent (and the Secured Parties to the extent applicable) in accordance with its terms, except as the enforceability thereof may be limited by (a) bankruptcy, insolvency, reorganization, moratorium or other similar laws of general application affecting the enforcement of creditors' rights generally and (b) general equitable principles (whether considered in a proceeding in equity or at law).

SECTION 6. MISCELLANEOUS

6.1 Notices.

All notices and other communications hereunder shall be in writing, shall be deemed given upon receipt thereof by the Party or Parties to whom such notice is addressed, shall refer on their face to the Agreement (although failure to so refer shall not render any such notice or communication ineffective), shall be sent by first class mail, by personal delivery or by a nationally recognized courier service, and shall be directed (a) if to SCE or Project Company, in accordance with [Notice Section of the Agreement] of the Agreement, (b) if to Collateral Agent, to [Collateral Agent Name], [Collateral Agent Address], Attn: [Collateral Agent Contact Information], Telephone: [___], Fax: [___], and (c) to such other address or addressee as any such Party may designate by notice given pursuant hereto.

6.2 Governing Law; Submission to Jurisdiction.

(a) THIS CONSENT SHALL BE CONSTRUED IN ACCORDANCE WITH, AND THIS CONSENT AND ALL MATTERS ARISING OUT OF THIS CONSENT AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY, THE LAW OF THE STATE OF CALIFORNIA WITHOUT REGARD TO ANY CONFLICTS OF LAWS PROVISIONS THEREOF THAT WOULD RESULT IN THE APPLICATION OF THE LAW OF ANOTHER JURISDICTION. [This Section will be modified, if necessary, to match the Governing Law Section of the Agreement.]

(b) All disputes, claims or controversies arising out of, relating to, concerning or pertaining to the terms of this Consent shall be governed by the dispute resolution provisions of the Agreement. Subject to the foregoing, any legal action or proceeding with respect to this Consent and any action for enforcement of any judgment in respect thereof may be brought in the courts of the State of California or of the United States of America for the Central District of

California, and, by execution and delivery of this Consent, each Party hereby accepts for itself and in respect of its property, generally and unconditionally, the non-exclusive jurisdiction of the aforesaid courts and appellate courts from any appeal thereof. Each Party further irrevocably consents to the service of process out of any of the aforementioned courts in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to its notice address provided pursuant to Section 6.1 hereof. Each Party hereby irrevocably waives any objection which it may now or hereafter have to the laying of venue of any of the aforesaid actions or proceedings arising out of or in connection with this Consent brought in the courts referred to above and hereby further irrevocably waives and agrees not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum. Nothing herein shall affect the right of any Party to serve process in any other manner permitted by law.

6.3 Headings Descriptive.

The headings of the several sections and subsections of this Consent are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Consent.

6.4 Severability.

In case any provision in or obligation under this Consent shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

6.5 Amendment, Waiver.

Neither this Consent nor any of the terms hereof may (a) be terminated, amended, supplemented or modified, except by an instrument in writing signed by SCE, Project Company and Collateral Agent or (b) waived, except by an instrument in writing signed by the waiving Party.

6.6 Termination.

Each Party's obligations hereunder are absolute and unconditional, and no Party has any right, and shall have no right, to terminate this Consent or to be released, relieved or discharged from any obligation or liability hereunder until SCE has been notified by Collateral Agent that all of

the obligations under the Financing Documents shall have been satisfied in full (other than contingent indemnification obligations) or, with respect to the Agreement or any Replacement Agreement, its obligations under such Agreement or Replacement Agreement have been fully performed.

6.7 Successors and Assigns.

This Consent shall be binding upon each Party and its successors and assigns permitted under and in accordance with this Consent, and shall inure to the benefit of the other Parties and their respective successors and assignee permitted under and in accordance with this Consent. Each reference to a Person herein shall include such Person's successors and assigns permitted under and in accordance with this Consent.

6.8 Further Assurances.

SCE hereby agrees to execute and deliver all such instruments and take all such action as may be necessary to effectuate fully the purposes of this Consent.

6.9 Waiver of Trial by Jury.

TO THE EXTENT PERMITTED BY APPLICABLE LAWS, THE PARTIES HEREBY IRREVOCABLY WAIVE ALL RIGHT OF TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR IN CONNECTION WITH THIS CONSENT OR ANY MATTER ARISING HEREUNDER. EACH PARTY FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

6.10 Entire Agreement.

This Consent and any agreement, document or instrument attached hereto or referred to herein integrate all the terms and conditions mentioned herein or incidental hereto and supersede all oral negotiations and prior writings in respect to the subject matter hereof. In the event of any conflict between the terms, conditions and provisions of this Consent and any such agreement, document or instrument, the terms, conditions and provisions of this Consent shall prevail.

6.11 Effective Date.

This Consent shall be deemed effective as of the date upon which the last Party executes this Consent.

6.12 Counterparts; Electronic Signatures.

This Consent may be executed in one or more counterparts, each of which will be deemed to be an original of this Consent and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Consent and of signature pages by facsimile transmission, Portable Document Format (i.e., PDF), or by other electronic means shall constitute effective execution and delivery of this Consent as to the Parties and may be used in lieu of the original Consent for all purposes.

[Remainder of Page Left Intentionally Blank.]

ID# [Number], [Seller's Name]

[RFO Name]

IN WITNESS WHEREOF, the Parties hereto have caused this Consent to be duly executed and delivered by their duly authorized officers on the dates indicated below their respective signatures.

<p>[NAME OF PROJECT COMPANY], [Legal Status of Project Company].</p>		<p>SOUTHERN CALIFORNIA EDISON COMPANY, a California corporation.</p>
<p>By:</p> <p>_____</p> <p>[Name] [Title]</p> <p>Date: _____</p>		<p>By:</p> <p>_____</p> <p>[Name] [Title]</p> <p>Date: _____</p>
<p>[NAME OF COLLATERAL AGENT], [Legal Status of Collateral Agent].</p> <p>By:</p> <p>_____</p> <p>[Name] [Title]</p> <p>Date: _____</p>		

SCHEDULE A

[Describe any disclosures relevant to representations and warranties made in Section 3.4]

SCHEDULE B

[Describe any disclosures relevant to representations and warranties made in Section 4.4]

EXHIBIT G

FORM OF LETTER OF CREDIT

IRREVOCABLE NONTRANSFERABLE STANDBY LETTER OF CREDIT

Bank Reference Number: _____

Issuance Date:

Issuing Bank:

[insert bank name and address]

Applicant:

[insert applicant name and address]

Beneficiary:

Southern California Edison Company

2244 Walnut Grove Avenue

GO#1, Quad 2B

Rosemead, CA 91770

Attn: Manager of Risk Operations and Collateral Management

Available Amount: [insert amount and spell out]

Expiration Date: [insert date]

Ladies and Gentlemen:

_____ (the
“Bank”) hereby establishes this Irrevocable Nontransferable Standby Letter of Credit (“Letter of
Credit”) in favor of Southern California Edison Company, a California corporation (the
“Beneficiary”), for the account of _____, a _____ corporation, also known as ID#
_____ (the “Applicant”), for the amount stated above (the “Available Amount”), effective
immediately.

This Letter of Credit shall be of no further force or effect at 5:00 p.m., California time on the
expiration date stated above or, if such day is not a Business Day (as hereinafter defined), on the
next Business Day (as may be extended pursuant to the terms of this Letter of Credit) (the

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The contents of this document are subject to restrictions on disclosure as set forth herein.

“Expiration Date”).

For the purpose hereof, “Business Day” shall mean any day other than:

1. A Saturday or a Sunday,
2. A day on which banking institutions in the city of Los Angeles, California, are required or authorized by Law to remain closed, or
3. A day on which the payment system of the Federal Reserve System is not operational.

It is a condition of this Letter of Credit that the Expiration Date shall be automatically extended without amendment for one (1) year from the Expiration Date hereof or any future Expiration Date unless at least sixty (60) days prior to such Expiration Date, we send notice to you by certified mail or hand delivered courier, at the address stated below, that we elect not to extend this Letter of Credit for any such additional period.

Subject to the terms and conditions herein, funds under this Letter of Credit are available to Beneficiary by complying presentation on or before 5:00 p.m. California time, on or before the Expiration Date of the following:

1. A copy of this Letter of Credit and all amendments;
2. A copy of the Drawing Certificate in the form of Attachment “A” attached hereto and which forms an integral part hereof, duly completed and bearing the signature of an authorized representative of the Beneficiary signing as such; and
3. A copy of the Sight Draft in the form of Attachment “B” attached hereto and which forms an integral part hereof, duly completed and bearing the signature of an authorized representative of the Beneficiary.

Drawings may also be presented by facsimile transmission (“Fax”) to fax number [insert number] under telephone pre-advice to [insert number] or alternatively to [insert number]; provided that such Fax presentation is received on or before the Expiration Date on this instrument in accordance with the terms and conditions of this Letter of Credit. It is understood that any such Fax presentation shall be considered the sole operative instrument of drawing. In the event of presentation by Fax, the original documents should not also be presented.

Partial drawing of funds shall be permitted under this Letter of Credit, and this Letter of Credit shall remain in full force and effect with respect to any continuing balance; provided, the Available Amount shall be reduced by the amount of each such drawing.

This Letter of Credit is not transferable or assignable. Any purported transfer or assignment shall

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The contents of this document are subject to restrictions on disclosure as set forth herein.

be void and of no force or effect.

All correspondence and any drawings (other than those made by facsimile) hereunder are to be directed to [Bank address/contact].

All notices to Beneficiary shall be in writing and are required to be sent by certified letter, overnight courier, or delivered in person to: Southern California Edison Company, Manager of Risk Operations and Collateral Management, 2244 Walnut Grove Avenue, GO1 Quad 2A, Rosemead, California 91770. Only notices to Beneficiary meeting the requirements of this paragraph shall be considered valid. Any notice to Beneficiary which is not in accordance with this paragraph shall be void and of no force or effect.

Banking charges shall be the sole responsibility of the Applicant.

This Letter of Credit sets forth in full our obligations and such obligations shall not in any way be modified, amended, amplified or limited by reference to any documents, instruments or agreements referred to herein, except only the attachment referred to herein; and any such reference shall not be deemed to incorporate by reference any document, instrument or agreement except for such attachment. Except in the case of an increase in the Available Amount or extension of the Expiration Date, this Letter of Credit may not be amended or modified without the Beneficiary's prior written consent.

The Bank engages with the Beneficiary that Beneficiary's drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored if presented to the Bank on or before the Expiration Date.

Except so far as otherwise stated, this Letter of Credit is subject to the International Standby Practices ISP98 (also known as ICC Publication No. 590), or revision currently in effect (the "ISP"). As to matters not covered by the ISP, the laws of the State of California, without regard to the principles of conflicts of laws thereunder, shall govern all matters with respect to this Letter of Credit.

AUTHORIZED SIGNATURE for Bank

By

Name: [print name]

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The contents of this document are subject to restrictions on disclosure as set forth herein.

Title: [print title]

ATTACHMENT A

DRAWING CERTIFICATE

TO [ISSUING BANK NAME & ADDRESS]

IRREVOCABLE NONTRANSFERABLE STANDBY LETTER OF CREDIT

REFERENCE NUMBER: _____

DATE: _____

Southern California Edison Company (the "Beneficiary"), demands *[Issuing Bank Name]* (the "Bank") payment to the order of the Beneficiary the amount of U.S. \$_____ (_____ U.S. Dollars), drawn under the Letter of Credit referenced above (the "Letter of Credit"), for the following reason(s) [check applicable provision]:

[]A. An Event of Default, as defined in that certain *[insert agreement name]* between *[insert counterparty name]* or its successor (the "Counterparty") and Beneficiary, dated as of *[Date of Execution]* (as may be amended from time to time) (the "Agreement") with respect to the Counterparty has occurred and is continuing.

[]B. The Letter of Credit will expire in fewer than twenty (20) Business Days (as defined in the Agreement) from the date hereof, and the Counterparty or its successor has not provided Beneficiary alternative financial security acceptable to Beneficiary.

[]C. The Beneficiary is entitled to retain all or part of the Development Security (as defined in the Agreement).

Unless otherwise provided herein, capitalized terms which are used and not defined herein shall have the meaning given each such term in the Letter of Credit.

Authorized Signature for Beneficiary:

SOUTHERN CALIFORNIA EDISON COMPANY

By:

Name: [print name]

Title: [print title]

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The contents of this document are subject to restrictions on disclosure as set forth herein.

ATTACHMENT B

SIGHT DRAFT

[INSERT DATE]

TO:

[ISSUING BANK NAME & ADDRESS]

PAY AT SIGHT TO THE ORDER OF SOUTHERN CALIFORNIA EDISON COMPANY (THE "BENEFICIARY") THE AMOUNT OF USD [INSERT AMOUNT] DRAWN UNDER [ISSUING BANK NAME] IRREVOCABLE NON-TRANSFERABLE STANDBY LETTER OF CREDIT NUMBER [INSERT NUMBER] ISSUED ON [INSERT DATE].

FUNDS PAID PURSUANT TO THE PROVISIONS OF THE LETTER OF CREDIT SHALL BE WIRE TRANSFERRED TO THE BENEFICIARY IN ACCORDANCE WITH THE FOLLOWING INSTRUCTIONS:

[INSERT WIRING INSTRUCTION]

AUTHORIZED SIGNATURE
SOUTHERN CALIFORNIA EDISON COMPANY

NAME: [PRINT NAME]

TITLE: [PRINT TITLE]

EXHIBIT H
OPERATIONAL NOTICE FORMS
OUTAGE SCHEDULE REPORT

Actual Outage Schedule Reports submitted under this Agreement should be provided in Excel.

DATE OF UPDATE	
RESOURCE NAME	

Replicate for each Storage Unit

Scheduled
Outages

Start Date	HE	End Date	HE	MW Available

ID# [Number], [Seller's Name]

[RFO Name]

AVAILABILITY NOTICE

Operating Day: _____

Station: _____ Issued By: _____

Unit: _____ Issued At: _____

Unit 100% Available No Restrictions: _____

Stored Energy Level: _____

Hour Ending	Available Capacity to Discharge	Available Capacity to Charge	Minimum Output	AGC Available	AGC Min Limit	AGC Max Limit	Storage Capacity Available to Charge	Storage Capacity Available to Discharge	Comments
	(MW)	(MW)	(MW) (non AGC)	YES/NO	(MW)	(MW)	(MWh)	(MWh)	
1:00									
2:00									
3:00									
4:00									
5:00									
6:00									
7:00									
8:00									
9:00									
10:00									
11:00									
12:00									
13:00									
14:00									

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The contents of this document are subject to restrictions on disclosure as set forth herein.

ID# [Number], [Seller's Name]

[RFO Name]

15:00									
16:00									
17:00									
18:00									
19:00									
20:00									
21:00									
22:00									
23:00									
0:00									

Comments: _____

SELF-SCHEDULE REQUEST

2017 SCE/EPM SCE Outage Desk: 626-302-3400

Tolling Agreement Self-Schedule Request

--

CAISO ID:

Requested Timing:		Date	Hour
Start		1/1/2018	HE8
End		1/1/2018	HE19

Ancillary Services Available? No

	Pmax	Pmin	
Capacity Available:	10	1	MW

Will the self-schedule conform to all RDT Parameters? Yes

Total Fuel Burn During Run: MMBtu

Comments/Description:

Associated OMS # (if applicable): [illegible]

[RFO Name]

[illegible]

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Appendix G.1 - Page 215

EXHIBIT I/-1/

{SCE Note: Delete number and remove all other Product-Specific Exhibit C's}

IN FRONT OF THE METER ENERGY STORAGE**TESTING PROTOCOLS****INITIAL COMMERCIAL OPERATION,
CONTRACT CAPACITY & ANCILLARY SERVICES, AND LRCD CAPACITY &
ENERGY CAPACITY VERIFICATION TESTS**

[SCE Note: Protocols may need to be adjusted based on storage process technology]

Storage Unit

This Exhibit I sets forth the protocols for (i) the Initial Commercial Operation Test that the Storage Unit must successfully complete in order to achieve Commercial Operation and which sets the level of Contract Capacity for such Storage Unit, (ii) the Contract Capacity & Ancillary Services Test, and (iii) the LRCD Capacity & Energy Capacity Verification Test. The Initial Commercial Operation Test, Contract Capacity & Ancillary Services Tests, and the LRCD Capacity & Energy Capacity Verification test are sometimes referred to in this Exhibit I individually as a “Test” and jointly as the “Tests.”

PART I. GENERAL.

The Initial Commercial Operation Test, the Contract Capacity & Ancillary Services Test, and the LRCD Capacity & Energy Capacity Verification Tests shall be conducted in accordance with Prudent Electrical Practices and the provisions of this Exhibit I.

PART II. REQUIREMENTS APPLICABLE TO ALL TESTS.

A. Test Elements. The Test shall include the following test elements (unless SCE otherwise agrees in writing in its sole discretion):

- Electrical output at P_{MAX} and/or Maximum Discharging Capacity
- Electrical input at P_{MIN} and/or Maximum Charging Capacity
- At 100% SEP, the amount of energy discharged at a rate of P_{MAX} and/or Maximum Discharging Capacity

- At 0% SEP, the amount of energy charged at a rate of PMIN and/or Maximum Charging Capacity
- B. Parameters. During any Test, at a minimum, the following parameters shall be measured and recorded simultaneously for each Storage Unit at least every one (1) minute:

- (1) Time;
- (2) Net electrical energy output to the Delivery Point (kWh);
- (3) Net electrical energy input from the Delivery Point (kWh);
- (4) Active power at the Delivery Point (kW);
- (5) Reactive power at the Delivery Point (kVAR);
- (6) Stored Energy Level (MWh); and
- (7) *[SCE Note: Any other parameter specific to the storage process technology.]*

During any Test, at a minimum, the following parameters shall be measured and recorded simultaneously for each Storage Unit at least every thirty (30) minutes:

- (1) Relative humidity (%);
 - (2) Barometric pressure (inches Hg) near the horizontal centerline of the Storage Unit; and
 - (3) Temperature (°F).
- C. Test Showing. Seller must demonstrate to SCE's reasonable satisfaction, that the Storage Unit:
- (1) successfully started in *[SCE Note: TBD based on storage process technology and operating restrictions set forth in Exhibit B]*;
 - (2) operated for at least *[SCE Note: TBD based on storage process technology and operating restrictions set forth in Exhibit B]* at the Expected Contract Capacity or Discharging Capacity;

- (3) operated for at least *[SCE Note: TBD based on storage process technology and operating restrictions set forth in Exhibit B]* at Charging Capacity;
- (4) has a Storage Capacity of an amount that is at least equal to the Expected Contract Energy Capacity; and
- (5) Can deliver energy to the Interconnection Point for *[four (4) consecutive hours] [____() consecutive hours]* at a rate equal to the Contract Capacity (as established under Part III.E. of this Exhibit I). *[SCE Note: TBD based on storage process technology and operating restrictions set forth in Exhibit B]*

D. Test Conditions.

- (i) At all times during a Test, the Storage Unit, including all auxiliary equipment, shall be operated in compliance with the Test Plan, Prudent Electrical Practices and all operating protocols recommended, required or established by the manufacturer for operation at PMAX and PMIN.
- (ii) SCE in its sole discretion may elect to shorten the run periods or waive a particular portion of a Test at any time. Such election or waiver during one Test does not shorten any run period or waive any portion of any subsequent Test.
- (iii) Abnormal Conditions. If abnormal operating conditions occur during a Test, SCE may postpone or reschedule all or part of such Test in its reasonable discretion in accordance with Part II.F. or Part II.G., below.
- (iv) Applicable Laws and Permits. The Storage Unit shall be operated in compliance with all Applicable Laws and Permits, including those governing safety, noise, air and water emissions during any Test.
- (v) Instrumentation and Metering. Seller shall provide all instrumentation, metering and data collection equipment required to perform the Test. Seller shall calibrate or cause to be calibrated all such instrumentation, metering and data collection equipment no more than three (3) months prior to the date of the Test. Calibration shall be traceable to National Institute of Standards and Technology (NIST) standards from an International Organization for Standardization (ISO) 17025 accredited laboratory. All electrical metering for the Tests shall utilize the Storage Unit's CAISO metering equipment or other metering deemed acceptable by SCE in its sole discretion. These electrical meters shall be calibrated to

CAISO standards. Copies of all calibration certificates shall be provided to SCE at least five (5) Business Days prior to the Test.

Permanently installed instruments shall include but not be limited to revenue metering devices located in the switchyard where the Project is located. Whenever possible, all data will be accessed through the Storage Unit's control system.

- E. Test Records. Seller shall provide all records associated with Part II.A. through C. no later than four (4) Business Days following completion of a Test. The records shall include copies of the raw data taken during the Test (in Microsoft Excel format or equivalent).
- F. Incomplete Test. If any Test is not completed in accordance herewith, SCE may in its sole discretion: (i) accept the Test results up to the time the Test stopped (other than in the case such Test is an Initial Commercial Operation Test); (ii) require that the portion of the Test not completed, be completed within a reasonable specified time period; or (iii) require that the Test be entirely repeated. Notwithstanding the above, if Seller is unable to complete a Test due to a Seller's Force Majeure or the actions or inactions of SCE or the CAISO, Seller shall be permitted to reconduct such Test as a Seller Initiated Test under Section 5.03(c)(iii) on dates and at times reasonably acceptable to SCE.
- G. Retest. After the successful completion of a Test, Seller has the right, for any reason, to conduct a maximum of two (2) "Retests" at Seller's sole expense including cost of charging the Storage Unit(s). For the avoidance of doubt, the limitation on retesting set forth in the preceding sentence applies only to an Initial Commercial Operation Test, Contract Capacity & Ancillary Services Test, or LRCD Capacity & Energy Capacity Verification Test.

If the test records and data provided by Seller to SCE in accordance with Part II.E. are not in accord with the records and notes of the SCE representative who attended such Test on SCE's behalf, SCE may require the Test to be repeated or conducted by SCE or a testing firm of SCE's choice and attended by Seller's representatives at Seller's expense.

The records from any Retest shall be used to determine Storage Unit performance as of the date of the original Test being repeated.

- H. Final Report. Within fifteen (15) Business Days after the completion of a Test (including a Retest), Seller shall prepare and submit to SCE a written report of the Test. At a minimum, the report shall include:
- (1) a record of the personnel present during all or any part of the Test, whether serving in an operating, testing, monitoring or other such participatory role;
 - (2) Time and date of all tests;
 - (3) Ambient conditions (temperature, pressure, and humidity) during each test;
 - (4) a record of any unusual or abnormal conditions or events that occurred during the Test and any actions taken in response thereto;
 - (5) the measured Test data for each aspect of the Test;
 - (6) the level of Contract Capacity, Charging Capacity, Discharging Capacity, Storage Capacity, Round Trip Efficiency Factor, Idle Loss, and Ramp Rate determined by the Test, including supporting calculations; and
 - (7) Seller's statement of either Seller's acceptance of the Test or Seller's rejection of the Test results and reason(s) therefore.

Within ten (10) Business Days after receipt of such report, SCE shall notify Seller in writing of either SCE's acceptance of the Test results or SCE's rejection of the Test and reason(s) therefore.

If SCE rejects the results of any Test or Retest, or Seller rejects the results of the first Initial Commercial Operation Test, such Test shall be repeated in accordance with Part II.G.

- I. Operating Personnel. During any Test, the same operating personnel shall operate the Storage Unit that Seller contemplates will operate the Storage Unit during the Delivery Period.
- J. SCE Representative. SCE shall be entitled to have at least two (2) representatives from SCE and one (1) independent third party witness present to witness each Test and shall be allowed unrestricted access to the area from where the plant is being controlled (e.g., plant control room), and unrestricted access to inspect the

instrumentation necessary for Test data acquisition prior to commencement of any Test. SCE shall be responsible for all costs, expenses and fees payable or reimbursable to the representative and the third party, if any.

PART III. INITIAL COMMERCIAL OPERATION TEST.

- A. Test Plan. Tests 1, 2, 3, 4 depicted in Part VI of this Exhibit I shall be conducted as follows:
- i. Non-Tolling In Front of the Meter Energy Storage Projects without an Energy Put Option and for which the Product includes Local Resource Constrained Day dispatch rights: Tests 1 and 2.
 - ii. Non-Tolling In Front of the Meter Energy Storage Projects with an Energy Put Option and Tolling In Front of the Meter Energy Storage Projects: Tests 1, 2, 3, and 4. If the Contract Capacity determined from Test 1 is equal to the Expected Contract Capacity and Discharge Capacity specified in Exhibit B, SCE may (but is not obligated to) waive the requirement of conducting Test 2. If Test 2 is waived, the measurements from Test 1 shall be used to calculate the parameters listed in Step 5 of Test 2.
- B. Test Duration. The Initial Commercial Operation Test shall take place on five (5) consecutive days unless SCE determines in its sole discretion that more or less time is needed.
- C. Test Dates. Seller shall provide SCE with seven (7) Business Days' Notice of Seller's proposed dates for the Initial Commercial Operation Test. SCE shall confirm the dates in writing prior to the first date of the Test.
- Seller may, but is not required to, schedule the Initial Commercial Operation Test to occur during any test performed by or for the EPC Contractor.
- D. Costs. The Initial Commercial Operation Test is a Seller Initiated Test.
- E. Determination of Contract Capacity. The Contract Capacity shall be calculated as defined in Test 1 of this Exhibit.

PART IV. CONTRACT CAPACITY & ANCILLARY SERVICES TEST

- A. Test Plan. Tests 2 and 4 depicted in Part VI of this Exhibit I shall be conducted.

- B. Instrumentation and Metering. The Parties shall use the same instrumentation and metering as was used in the Initial Commercial Operation Test, unless the Parties otherwise agree in writing.
- C. Test Duration. Each Contract Capacity & Ancillary Services Test shall take place on three (3) consecutive days unless SCE determines in its sole discretion that more or less time is needed.
- D. Test Dates. Seller is responsible for scheduling each Contract Capacity & Ancillary Services Test on days that are acceptable to SCE and that fall between June 1 and September 30 of the Calendar Year in which the Test is required. The date of any such Test shall be confirmed in writing by SCE to Seller prior to the date of the Test. The Parties should attempt but are not required to schedule such Test on days that SCE will or is likely to dispatch the Storage Unit.
- E. Costs. Responsibility for costs and allocation of income for a Contract Capacity & Ancillary Services Test is as set forth in Section 5.03(c) of Attachment 1.
- F. No Adjustment to Contract Capacity. Notwithstanding any other provision in the Agreement, Contract Capacity shall not be adjusted to conform to the results of any Contract Capacity & Ancillary Services Test.

PART V. LRCD CAPACITY & ENERGY CAPACITY VERIFICATION TEST

- A. Test Plan. Test 2 depicted in Part VI of this Exhibit I shall be conducted.
- B. Instrumentation and Metering. The Parties shall use the same instrumentation and metering as was used in the Initial Commercial Operation Test, unless the Parties otherwise agree in writing.
- C. Test Duration. Each LRCD Capacity & Energy Capacity Verification Test shall take place on three (3) consecutive days unless SCE determines in its sole discretion that more or less time is needed.
- D. Test Dates. Seller is responsible for scheduling LRCD Capacity & Energy Capacity Verification Tests on days that are acceptable to SCE and that fall between April 1st and June 30 of the Calendar Year in which the Test is required. The date of any such Test shall be confirmed in writing by SCE to Seller prior to the date of the Test.

- E. Costs. Responsibility for costs and allocation of income for a LRCD Capacity & Energy Capacity Verification Tests is as set forth in Section 5.03(c) of Attachment 1.
- F. No Adjustment to Contract Capacity. Notwithstanding any other provision in the Agreement, Contract Capacity shall not be adjusted to conform to the results of any LRCD Capacity & Energy Capacity Verification Tests.

PART VI. TEST PLANS.

Any Test shall be performed according to the provisions of this Exhibit I, and the test plan (“Test Plan”) below.

A. Test 1 – Contract Capacity Determination.

STEP 1: Test begins when the Storage Unit has reached 0% SEP

STEP 2: Within 15 minutes following the completion of Step 1, begin charging the Storage Unit at its maximum capacity but not exceeding its Charging Capacity

- Measure: time, active and reactive power, charge energy and Stored Energy Level
- Step 2 ends when the Storage Unit output can no longer maintain the requested capacity or when 100% SEP is reached

STEP 3: Within 15 minutes following the completion of Step 2, begin discharging the Storage Unit at its maximum capacity but not exceeding its Discharging Capacity

- Measure: time, active and reactive power, discharge energy and Stored Energy Level
- Step 3 ends when the Storage Unit output can no longer maintain the requested capacity or when 0% SEP is reached

STEP 4: Repeat step 2 and 3 one more time

STEP 5: Calculate the Contract Capacity as follow:

- Average the discharge energy obtained in step 3 for the two discharge tests performed (refer as the averaged discharge energy in this section)

- Divide the averaged discharged energy by four (4) hours *[SCE Note: Revise for storage product with duration different than four hours]*
- The smaller of the calculated value above or the Expected Contract Capacity is the Contract Capacity

STEP 6:

- Report the Contract Capacity

B. Test 2 - Charging Capacity, Discharging Capacity, Storage Capacity, and Round Trip Efficiency Factor verification.

STEP 1: Test begins when the Storage Unit has reached 0% SEP.

STEP 2: Within 15 minutes following the completion of Step 1, begin charging the Storage Unit at its Charging Capacity

- Measure: time, active and reactive power, charge energy and Stored Energy Level
- Step 2 ends when the Storage Unit output can no longer maintain its Charging Capacity or when 100% SEP is reached

STEP 3: Within 15 minutes following the completion of Step 2, begin discharging the Storage Unit at Contract Capacity

- Step 3 ends when the Storage Unit output can no longer maintain its Contract Capacity or when 0% SEP is reached
- Measure: time, active and reactive power, discharge energy and Stored Energy Level

STEP 4: Repeat step 2 and 3 one more time

STEP 5: Calculate the Charging Capacity, Discharging Capacity, Storage Capacity, and Round Trip Efficiency Factor verification as follow:

- Average the charge energy obtained in step 2 for the two charge tests performed (refer as averaged charge energy in this section)
- Average the charge duration obtained in step 2 for the two charge tests performed (refer as averaged charge duration in this section)

- Average the discharge energy obtained in step 3 for the two discharge tests performed (refer as averaged discharge energy in this section)
- Average the discharge duration obtained in step 3 for the two discharge tests performed (refer as averaged discharge duration in this section)
- The Round Trip Efficiency Factor is the averaged discharged energy divided by the averaged charge energy
- The Storage Capacity is the averaged discharged energy
- The Charging Capacity is the averaged charge energy divided by the average charge duration
- The Discharging Capacity is the averaged discharge energy divided by the average discharge duration

STEP 6: Report the Charging Capacity, Discharging Capacity, Storage Capacity, and Round Trip Efficiency Factor.

C. Test 3 - Idle Loss Documentation.

STEP 1: Test begins when the Storage Unit has reached 0% SEP.

STEP 2: Within 15 minutes following the completion of Step 1, begin charging the Storage Unit at its Charging Capacity

- Measure: time, active and reactive power, charge energy and Stored Energy Level
- Step 2 ends when the Storage Unit output can no longer maintain its Charging Capacity or when 100% SEP is reached

STEP 3: Do not charge or discharge the Storage Unit for 24h

- Measure: time and Stored Energy Level
- Step 3 ends after 24 hours

STEP 4: Begin discharging the Storage Unit at its Contract Capacity

- Step 4 ends when the Storage Unit output can no longer maintain the requested capacity or when 0% SEP is reached

- Measure: time, active and reactive power, discharge energy and Stored Energy Level

STEP 5: Calculate the Idle Loss as follow:

- The 24 hour idle loss, expressed in percentage, is the discharge energy captured in Step 4 divided by the Storage Capacity times one hundred (100)

STEP 6: Report the Idle Loss

D. Test 4 - Ramp Rates Verification.

STEP 1: Test begins when the Storage Unit is within 40% to 60% SEP.

STEP 2: Command the Storage Unit to charge at its Charging Capacity

- Measure: time and active and reactive power
- Step 2 ends when the Storage Unit output has reached its Charging Capacity

STEP 3: Hold the Storage Unit at its Charging Capacity for five (5) min

- Measure: time and active and reactive power
- Step 3 ends after five (5) minutes

STEP 4: Command the Storage Unit to discharge at its Contract Capacity

- Measure: time and active and reactive power
- Step 4 ends when the Storage Unit output has reached its Contract Capacity

STEP 5: Hold the Storage Unit at its Contract Capacity for five (5) min

- Measure: time and active and reactive power
- Step 5 ends after five (5) minutes

STEP 6: Command the Storage Unit to charge at its Charging Capacity

- Measure: time and active and reactive power
- Step 6 ends when the Storage Unit output has reached its Charging Capacity

STEP 7: Hold the Storage Unit at its Charging Capacity for five (5) min

- Measure: time and active and reactive power
- Step 7 ends after five (5) minutes

STEP 8: Command the Storage Unit to go to zero (0) power output

- Measure: time and active and reactive power
- Step 8 ends when the Storage Unit output has reached zero (0) power output

STEP 9: Hold the Storage Unit at zero (0) power output for five (5) min

- Measure: time and active and reactive power
- Step 9 ends after five (5) minutes

STEP 10: Command the Storage Unit to discharge at its Contract Capacity

- Measure: time and active and reactive power
- Step 10 ends when the Storage Unit output has reached its Contract Capacity

STEP 11: Hold the Storage Unit at its Contract Capacity for five (5) min

- Measure: time and active and reactive power
- Step 11 ends after five (5) minutes

STEP 12: Calculate the charging Ramp Rate, discharging Ramp Rate, positive Ramp Rate, and negative Ramp Rate as follow:

- The charging Ramp Rate is the Charging Capacity divided by the duration of Step 2
- The discharging Ramp Rate is the Contract Capacity divided by the duration of Step 10
- The negative Ramp Rate is the sum of the Charging Capacity and the Contract Capacity divided by the duration of Step 4

- The positive Ramp Rate is the sum of the Charging Capacity and the Contract Capacity divided by the duration of Step 6

STEP 13: Report the charging Ramp Rate, discharging Ramp Rate, the positive and negative Ramp Rate

*** End of EXHIBIT I ***

ID# [Number], [Seller's Name]

[RFO Name]

EXHIBIT J VARIABLE CHARGES

Variable O&M Charge, Variable Asset Replacement Charge Information				
	VARC Tiers	Lower Boundary (% of BET, exclusive)	Upper Boundary (% of BET, exclusive)	
	VARC Tier 1	100%	[X]	
	VARC Tier 2	[X]	*0%	
	Year	Variable O&M Charge (\$/MWh)	VARC Tier 1 Charge (\$/MWh)	VARC Tier 2 Charge (\$/MWh)
Base year (CPI Factor is equal to 1):	[X]	[X]	[X]	[X]
Escalation by CPI Factor starting base year plus one:		[Yes or No]	[Yes or No]	[Yes or No]
Expected Initial Delivery Date and Contract Year Start Date	Calendar Year End Date	Variable O&M Charge (\$/MWh)	VARC Tier 1 Charge (\$/MWh)	VARC Tier 2 Charge (\$/MWh)
[01/01/2000]	[12/31/2000]	[X]	[X]	[X]
[01/01/2001]	[12/31/2001]	[X]	[X]	[X]
[01/01/2002]	[12/31/2002]	[X]	[X]	[X]
[01/01/2003]	[12/31/2003]	[X]	[X]	[X]
[01/01/2004]	[12/31/2004]	[X]	[X]	[X]
[01/01/2005]	[12/31/2005]	[X]	[X]	[X]
[01/01/2006]	[12/31/2006]	[X]	[X]	[X]
[01/01/2007]	[12/31/2007]	[X]	[X]	[X]
[01/01/2008]	[12/31/2008]	[X]	[X]	[X]
[01/01/2009]	[12/31/2009]	[X]	[X]	[X]
[01/01/2010]	[12/31/2010]	[X]	[X]	[X]
[01/01/2011]	[12/31/2011]	[X]	[X]	[X]

*** End of EXHIBIT J ***

EXHIBIT K[-3/]***{SCE Note: Delete number and remove all other Product-Specific Exhibit P's}*****IN FRONT OF THE METER DISTRIBUTED GENERATION*****Seller's Estimate of Lost Output***

Lost Output, as used in Section 6.06, that is limited to Lost Output Events described in subsections (a), (b) or (d) of the definition of Lost Output Event, shall be estimated by Seller in accordance with the procedures described in this Exhibit K. Lost Output as a consequence of Lost Output Events described in Subsection (c) of the definition of Lost Output Event shall be determined by SCE in accordance with the definition of Curtailment Lost Output and shall not be included in the Lost Output Workbook defined in this Exhibit K.

Seller shall (1) collect the measurement data and perform the engineering calculations specified below in one (1) or more Microsoft Excel Workbooks (the “Lost Output Workbook”) provided in a form and naming convention approved by SCE and (2) electronically send the Lost Output Workbook to an address provided by SCE.

SCE shall have the right to verify all data by inspecting measurement instruments and reviewing Generating Facility Operating records.

Seller shall update the Lost Output Workbook each month and shall include the latest revision of the Lost Output Workbook with its monthly Lost Output Report.

1. Log of Lost Output Events.

The log of Lost Output Events must be created on a single, dedicated worksheet that is arranged with:

- (a) One (1) column for a unique Lost Output Event number;
- (b) One (1) column for the Term Year number;
- (c) One (1) column for the start date;
- (d) One (1) column for the start time;
- (e) One (1) column for the end date;
- (f) One (1) column for the end time;
- (g) One (1) column for the duration;

- (h) One (1) column for the cause;
- (i) One (1) column for the total of Metered Amounts during all of the Settlement Intervals of the Lost Output Event, recorded as set forth in Item 4(i) in this Exhibit K;
- (j) One (1) column for the total of the Lost Output *preliminary* results during all of the Settlement Intervals of the Lost Output Event, calculated as set forth in Item 4(m) in this Exhibit K;
- (k) One (1) column for the total of the Lost Output *final* results during all of the Settlement Intervals of the Lost Output Event, calculated as set forth in Item 4(n) in this Exhibit K; and
- (l) One (1) row for each Lost Output Event.

2. Generating Facility Energy Yield Curve.

Seller shall create a table to estimate the Generating Facility's Metered Amounts, in kWhs, as a function of the recorded plane of array insolation, in kWh per square meter, at the Site as described in Exhibit K (the "Generating Facility Energy Yield Curve") on a single dedicated worksheet that is arranged with:

- (a) One (1) column for an item number;
- (b) One (1) column for the plane of array insolation;
- (c) One (1) column for the manufacturer's estimate of the electric energy that can be produced by a single Inverter Block Unit at each increment of plane of array insolation;
- (d) Multiple columns for an energy yield curve which estimates the electric energy that could be produced by the entire Generating Facility at each plane of array insolation increment and number of in service Inverter Block Units calculated by:
 - (i) Multiplying the Inverter Block Unit manufacturer's estimate of the electric energy that will be produced by a single unit, set forth in Item 2(c);
 - (ii) Times the total number of in service Inverter Block Units; and then
 - (iii) Adjusting the results for the estimated impacts of one (1) Inverter Block Unit on another and for electric losses within the Generating Facility;

- (e) Multiple columns for each Term Year energy yield curve which includes a simple average of all Metered Amount data points, set forth in Item 3(f), at each plane of array insolation increment and number of in service Inverter Block Units; and
- (f) One (1) row for each watt-hour per square meter of plane of array insolation.

Seller shall also create a single chart which plots all of energy yield curves set forth in Item 2(d) and Item 2(e) of this Exhibit K on the Generating Facility Energy Yield Curve worksheet.

3. Plane of Array Insolation Data Collection.

Seller shall record Settlement Interval plane of array insolation, in watt-hours per square meter, and Metered Amounts in the Settlement Interval in the Lost Output Workbook on individual Term Year worksheets.

Each Term Year worksheet must be arranged with:

- (a) One (1) column for an item number;
- (b) One (1) column for the date;
- (c) One (1) column for the beginning time;
- (d) One (1) column for the weekday;
- (e) One (1) column for each recorded plane of array insolation measurement;
- (f) One (1) column for each Metered Amounts quantity;
- (g) One (1) column for a forecast of Metered Amounts determined by:
 - (i) Multiplying the recorded plane of array insolation measurement set forth in Item 3(e) of this Exhibit K;
 - (ii) Times the appropriate value in the Generating Facility Energy Yield Curve, set forth in Item 2(e) of this Exhibit K, for the first Term Year;
- (h) One (1) column for the number of Inverter Block Units in service; and
- (i) One (1) row for each Settlement Interval period.

4. Detailed Estimate of Lost Output.

Seller's detailed estimate of the Lost Output amounts during the Delivery Period shall be presented on a single worksheet organized as follows:

- (a) One column for an item number;
- (b) One (1) column for the Lost Output Event number;
- (c) One (1) column for the state date;
- (d) One (1) column for the start time;
- (e) One (1) column for the end date;
- (f) One (1) column for the end time;
- (g) One (1) column for the weekday;
- (h) One (1) column for the plane of array insolation;
- (i) One (1) column for Metered Amounts;
- (j) One (1) column for the number of Inverter Block Units in service.
- (k) One (1) column for a preliminary estimate of the Metered Amounts that would have been produced by the Generating Facility, but for the Lost Output Event:
 - (i) Multiplying the plane of array insolation:
 - (ii) Times the appropriate initial energy yield curve as follows:
 - (1) For the first eleven (11) months of the first Term Year the appropriate initial energy yield curve must be the energy yield curve set forth in Item 2(d) of this Exhibit K;
 - (2) For the first eleven (11) months of any Term Year, other than the first Term Year, the appropriate initial energy yield curve must be the energy yield curve set forth in Item 2(e) of this Exhibit K for the previous Term Year;
- (l) One (1) column for a final estimate of the Metered Amounts that would have been produced by the Generating Facility, but for the Lost Output Event calculated by:
 - (i) Multiplying the plane of array insolation;

- (ii) Times the final energy yield curve from Item 2(e) of this Exhibit K for the Term Year being calculated;
- (m) One (1) column for the preliminary estimate of Lost Output calculated by:
 - (i) Subtracting the actual Metered Amount quantities set forth in Item 4(i) of this Exhibit K;
 - (ii) From the preliminary estimate of the Metered Amounts that would have been produced by the Generating Facility, but for the Lost Output Event, calculated in Item 4(k); and
- (n) One (1) column for the final estimate of Lost Output calculated by
 - (i) Subtracting the actual Metered Amount quantities set forth in Item 4(i) of this Exhibit K;
 - (ii) From the estimate of Metered Amounts that would have been produced by the Generating Facility, but for the Lost Output Event, calculated in Item 4(l) of this Exhibit K; and
- (o) One (1) row for each Settlement Interval.

5. Generating Facility Performance Factor Calculation.

Seller shall calculate a Generating Facility performance factor value for each calendar month and each Term Year on a dedicated worksheet organized with three tables.

- (a) The first table must contain the monthly Metered Amount totals and must consist of:
 - (i) One (1) column for the month number;
 - (ii) One (1) column for the month name;
 - (iii) One (1) column for the year number;
 - (iv) One (1) column for the monthly Metered Amount totals for each Term Year from the plane of array insolation data collection worksheet column set forth in Item 3(f) of this Exhibit K; and
 - (v) One (1) row for each month;

- (b) The second table must contain the monthly totals of forecasted Metered Amount and must consist of:
 - (i) One (1) column for the month number;
 - (ii) One (1) column for the month name;
 - (iii) One (1) column for the year number;
 - (iv) One (1) column for the monthly totals of forecasted Metered Amount for each Term Year from the plane of array insolation data collection worksheet column set forth in Item 3(g) of this Exhibit K; and
 - (v) One (1) row for each month; and
 - (c) The third table must contain monthly performance factors and must consist of:
 - (i) One (1) column for the month number;
 - (ii) One (1) column for the month name;
 - (iii) One (1) column for the year number;
 - (iv) One (1) column for a monthly Generating Facility performance factor result and a Term Year Generating Facility performance factor results calculated by:
 - (1) Dividing the appropriate value in the first table;
 - (2) By the appropriate value in the second table;
 - (v) One (1) row for each month; and
 - (vi) One (1) row for the Term Year Generating Facility performance factor results.
6. Periodic Review of Lost Output Calculation.
- From time to time, SCE may review the variation in the Lost Output preliminary and final results to determine if other variables, including temperature, precipitation, solar altitude or azimuth angles or other parameters measured pursuant to Exhibit L, should be incorporated into the Lost Output calculations.
7. Assignment of Lost Output Estimate to an Independent Consultant.

The Parties can by mutual agreement elect to have the estimate of Lost Output prepared by an independent consultant.

*** End of EXHIBIT K ***

EXHIBIT L[-2]***{SCE Note: Delete number and remove all other Product-Specific Exhibit O's}*****IN FRONT OF THE METER DISTRIBUTED GENERATION*****Meteorological Station Specifications***

Pursuant to Section 5.02(f), Seller shall install and maintain a minimum of one (1) stand-alone meteorological equipment station for each one (1) square mile (or portion thereof) of the Site. Each station shall be equipped with instruments and equipment that meet or exceed those specifications set forth in the CAISO's PIRP/EIRP protocol and are compatible with the requirements of SCE. SCE and Seller acknowledge that SCE may update this Exhibit L from time to time in order to accommodate industry standards, the CAISO PIRP/EIRP protocol and the needs of SCE.

SCE and Seller shall develop the technical specifications for meteorological stations, which will meet these basic requirements.

Seller shall maintain the meteorological station in accordance with Prudent Electrical Practices and equipment specifications. Seller shall perform annual calibrations of all instruments. In addition, any solar irradiance sensor must be cleaned weekly or after storm events, following manufacturers recommended cleaning procedures.

PART I. EQUIPMENT STATIONS.

(a) Each equipment station shall be comprised of the following:

- (i) One (1) heated wind sensor and direction sensor;
- (ii) One (1) shielded and aspirated air temperature sensor;
- (iii) One (1) relative humidity sensor;
- (iv) One (1) barometric pressure sensor (with DCP sensor);

- (i) One (1) secondary standard thermopile pyranometer for each collector plane orientation in the Site with the sensor(s) oriented at the same inclination and aspect as the collector plane(s);
{SCE Note: For fixed tilt Solar projects}

A minimum of one thermopile pyranometer for each inverter block mounted in a representative location on an associated tracker. Such thermopile pyranometers shall include either:

- (1) One (1) secondary standard thermopile pyranometer mounted on a tracker associated with each inverter block, or
- (2) For each equipment station, at least one (1) secondary standard thermopile pyranometer mounted on a tracker associated with an inverter block near the equipment station, and for the thermopile pyranometers associated with the remaining balance of inverter blocks, first class and second class thermopile pyranometers may be installed only if they are calibrated and adjusted in accordance with Section 5.02(f) of the Agreement;
{SCE Note: For tracking Solar projects}

- (vi) One (1) total global radiation sensor horizontal to the ground plane (only 1 such sensor shall be required under this Agreement); and
 - (vii) One (1) diffuse radiation sensor (only 1 such sensor shall be required under this Agreement).
- (b) In addition, Seller shall report:
- (i) Solar altitude angle;
 - (ii) Solar azimuth angle;
 - (iii) Precipitation;
 - (iv) Individual tracking assembly angle set points; and
 - (v) The actual tracking assembly angles.
- (c) All sensors shall be set at a height location representing the height from ground level of the solar collection point, for example, two (2) meters above ground level.

PART II. ATTRIBUTES OF METEOROLOGICAL STATION LOCATIONS.

The station location(s) should be unencumbered by any shadow or equipment. The station tower is to be placed in front of the solar collectors on the southern side of the Site.

PART III. COMMUNICATION.

Seller shall communicate meteorological data to SCE via a system consistent with SCE's employed methods at the time of installation. The equipment installed will need to be approved by SCE.

PART IV. EQUIPMENT REQUIREMENTS.

SCE currently requires equipment with quality levels, compatibility and functional specifications that meet or exceed those of the equipment set forth below in this Item 5. Any equipment different from that listed below must have the approval of SCE before installation at the Site.

(a) MET System.

- (i) GroundWork Zenith or equivalent including following modules and functions:
 - Data acquisition system including Campbell Scientific CR1000X datalogger or equivalent with 72 MB Flash memory and 2GB memory card for data logging and storage.
 - Uninterruptible power supply including solar photovoltaic module and UL 508A listed power enclosure with Campbell Scientific CH200 charging regulator or equivalent and battery.
 - Array-mounted enclosure with terminal blocks for landing tracker-mounted thermopile pyranometer wiring.
- (ii) GroundWork Orbit or equivalent, including the following modules and functions:
 - Array-mounted enclosure with terminal blocks for landing thermopile pyranometer cables at each inverter block without an associated MET system.

(b) Sensors.

- (i) Tower-mounted Lufft WS500 all-in-one weather sensor or equivalent with the following specifications:
 - Wind speed (m/s) and direction (°): accuracy +/- 0.3 m/s with 0.1 m/s resolution, <3° RMSE >1.0 m/s with 0.1° resolution.

- Ambient air temperature (°C): accuracy +/- 0.2°C with 0.1°C resolution.
 - Barometric Pressure (hPa): accuracy +/- 0.5 mbar with 1 mbar resolution.
 - Relative Humidity (%): accuracy +/- 2% with 0.1% resolution.
- (ii) Tower-mounted TE525 tipping bucket rain gauge or equivalent with accuracy +/- 1% (up to 2.54 mm/hr) and 0.254 mm resolution.
- (iii) Tower-mounted Delta-T SPN1 Sunshine Pyranometer or equivalent for site diffuse horizontal irradiance with accuracy +/-5% (daily integral) with 0.6 W/m² resolution.
- (iv) Tower-mounted Hukseflux SR30 or equivalent secondary standard thermopile pyranometer with heating and ventilation for site global horizontal irradiance.
- (v) Array-mounted Hukseflux SR30 or equivalent secondary standard thermopile pyranometer with heating and ventilation for site plane of array irradiance.
- (c) Powering.
- Power enclosure with 115 VAC integration and backup uninterruptible power supply with a minimum of five (5) days of autonomy in the event of AC power loss.
- (d) Communication.
- (i) Data served via Modbus or DNP3 over Ethernet, Fiber optic, or RS485
- (ii) Output variables mapped according to a standardized, well-documented data map.

*** End of EXHIBIT L ***

EXHIBIT M[-3/]*{SCE Note: Delete number and remove all other Product-Specific Exhibit M's}***BEHIND THE METER DISTRIBUTED GENERATION****DATA VALIDATION RULES**

Check	Purpose
Time Check of Meter Reading Device/system	Check for time drift of meter reading device/system outside standard
Meter ID Check	Check for the following: <ul style="list-style-type: none">• Meter ID reported correctly• Meter has not been changed out• Data is being reported for correct meter
Time Check of Meter	Check for time drift of meter clock outside standard
Pulse Overflow Check	Check for the following: <ul style="list-style-type: none">• Improper scaling factor in meter• Improperly sized transformer• Hardware problem
Test Mode Check	Check that data collected when meter was in test mode represents test production rather than actual production

Sum Check	<p>Check for the following in combination meter/recorder installations:</p> <ul style="list-style-type: none">• Crossed channels between meter & recorder• Pulse relay problems <p>Check for the following in all installations:</p> <ul style="list-style-type: none">• Invalid PT & CT ratios• Invalid meter constants
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*** End of EXHIBIT M ***

PUBLIC APPENDIX G.2

Redline of 2019 *Pro Forma* Renewable Power Purchase Agreement



SOUTHERN CALIFORNIA
EDISON

An EDISON INTERNATIONAL Company

[RFO NAME]

PRO FORMA

~~DISTRIBUTED~~ ENERGY RESOURCE PURCHASE AND SALE AGREEMENT

between

SOUTHERN CALIFORNIA EDISON COMPANY

and

[SELLER]

(ID# *[Number]*)

STANDARD CONTRACT TERMS AND CONDITIONS THAT MAY NOT BE MODIFIED
FOR RESOURCES ELIGIBLE FOR RPS PER THE CPUC D. 08-04-009, D.08-08-028, D.10-
03-021 AND D.11-01-025 ARE SHOWN IN GREEN SHADED TEXT.

TERMS THAT ARE BOXED AND SHADED IN LIGHT YELLOW ARE EITHER
SCE NOTES OR GENERATING FACILITY-TYPE SPECIFIC COMMENTS THAT
SHOULD BE REMOVED OR ACCEPTED, AS APPLICABLE.

*[SCE Note: provisions exclusive to Distribution Deferral projects are in green type, italics and
brackets.]*

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EXHIBIT

**{NOTE: SOME EXHIBITS MAY BE INAPPLICABLE AND MAY BE DELETED
FROM THE EXECUTED CONTRACT.}**

EXHIBIT A DEFINITIONS

EXHIBIT B PROJECT DESCRIPTION

EXHIBIT C PROJECT PROGRESS REPORT

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EXHIBIT H OPERATIONAL NOTICE FORMS

EXHIBIT I TESTING PROTOCOLS

EXHIBIT J VARIABLE CHARGES

EXHIBIT K SELLER'S ESTIMATE OF LOST OUTPUT

EXHIBIT L METEOROLOGICAL STATION SPECIFICATIONS

EXHIBIT M DATA VALIDATION RULES

~~DISTRIBUTED~~ ENERGY RESOURCE PURCHASE AND SALE AGREEMENT

between

SOUTHERN CALIFORNIA EDISON COMPANY

and

[SELLER'S NAME]**(ID# [Number])**

This ~~Distributed~~ Energy Resource Purchase and Sale Agreement, together with its attachments and exhibits (as amended, restated, extended, renewed, modified or supplemented from time to time, collectively, the "Agreement") is made and entered into as of this [] day of [Month], [Year] ("Effective Date") by **SOUTHERN CALIFORNIA EDISON COMPANY**, a California corporation ("SCE"), and **[SELLER]**, a [Seller's business registration] ("Seller"). SCE and Seller are sometimes referred to herein individually as a "Party" and jointly as the "Parties".

RECITALS

- A. SCE is an investor-owned electric utility serving customers in central and southern California.
- B. Seller is willing to sell and deliver exclusively to SCE, and SCE is willing to purchase, the Product under the terms and conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of these recitals and the agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows.

ARTICLE 1. PURCHASE AND SALE OF PRODUCT**1.01 Product.**

- (a) During the Delivery Period, Seller shall deliver and sell, and SCE shall purchase and receive, the Product. Seller shall not substitute or purchase any portion of the Product from any resource other than the Project, or from the market, for delivery hereunder.

ID# [Number], [Seller's Name]

[RFO Name]

- (b) The applicable Product is that set forth in Option [____] {SCE Note: Insert Option A-E}:

OPTION A: IN FRONT OF THE METER ENERGY STORAGE

OPTION A-1: NON-TOLLING

Seller [shall] [shall not] {SCE Note: Select the correct option based on whether Seller bid an RA-Only or RA with Put offer}, for any Calendar Year, have the option of including the Capacity, Energy, Ancillary Services ~~Capacity~~, and ~~Associated~~ Ancillary Services ~~Energy~~ Capacity from the Project (the “Energy Put Option”).

Any portion of the Delivery Period for which Seller has exercised an Energy Put Option (if applicable) is a “Put Period.” Any portion of the Delivery Period for which Seller has not exercised an Energy Put Option is an “RA Period.”

The “Product” consists of:

- (i) during Put Periods, and not RA Periods, any and all Energy, ~~net of Station Use as measured from the CAISO Approved Meter~~, Capacity, Ancillary Services, Ancillary Services Capacity, or any other benefits generated by, associated with, or attributable to the Project (except as a result of a Non-SCE Dispatch);
- (ii) ~~During~~ during RA Periods, and not Put Periods, Local Resource Constrained Day dispatch rights as set forth in Section 1.09 of Attachment 1;
- (iii) during both Put Periods and RA Periods, any and all Capacity Attributes generated by, associated with or attributable to the Project throughout the Delivery Period.

Seller may exercise its Energy Put Option, if applicable, by delivering Notice of such exercise to SCE:

- (iv) _____ for the first Calendar Year, following the last to occur of the following:

- (A) _____ A decision of the CPUC meeting the requirements of “CPUC Approval” has been issued (even if such decision has not yet become final and non-appealable);

(B) Seller and T&D Provider have executed an interconnection agreement that can meet the Contract Capacity for the Project;

(C) Seller has delivered Notice to Buyer (1) that Seller has secured construction financing required for the Project or (2) that Seller is able to complete construction of the Project without obtaining financing; and

(D) Construction of the Project has begun;

and, in any case, at least one year (and no more than two years) before the Expected Initial Delivery Date as of the Effective Date; provided that if the last to occur of such conditions occurs less than one year before the Expected Initial Delivery Date, then Seller may provide such Notice within sixty (60) days after the date the last condition was satisfied; and *{SCE Note: If Expected Initial Delivery Date is within one year of the Effective Date, Agreement will specify election for first Calendar Year; provided SCE may require that the Energy Put Option not be exercised if the Expected Initial Delivery Date is within six (6) months of the Effective Date},*

~~(iv)~~(v) for all other Calendar Years, at least one year (and no more than two years) before the start of such Calendar Year.

OPTION A-2: TOLLING

The “Product” consists of (i) any and all Energy as measured from the CAISO Approved Meter, Capacity, Ancillary Services, Ancillary Services Capacity, or any other benefits generated by, associated with, or attributable to the Project (except as a result of a Non-SCE Dispatch) and (ii) any and all Capacity Attributes generated by, associated with or attributable to the Project throughout the Delivery Period.

OPTION B: IN FRONT OF THE METER DISTRIBUTED GENERATION

The “Product” consists of any and all Energy, net of Station Use *[and Site Host Load] {SCE Note: for Excess-Sales only}*, Green Attributes *[associated with Qualified Amounts] {SCE Note: for Excess-Sales only}*, and Capacity Attributes, generated by, associated with or attributable to the Project throughout the Delivery Period.

OPTION C: BEHIND THE METER DISTRIBUTED GENERATION

The “Product” consists of (i) any and all Expected Energy Savings *[and Expected Deferral Savings]* associated with the electric energy produced by the Project and delivered to Customers served by the Project, and (ii) any and all Capacity Attributes generated by, associated with or attributable to the Project. The Product does not include Green Attributes. *{SCE Note: Add in Deferral Savings for Deferral RFOs}*

OPTION D: DEMAND RESPONSE

The “Product” consists of (i) the ability to reduce all or a portion of the electrical consumption of the Participating Accounts through the use of all or a portion of the Project, within the parameters set forth in the table below (the “Event Parameters”), during the Delivery Days, Delivery Hours and Operating Months and (ii) any and all Capacity Attributes generated by, associated with, or attributable to the Project.

Minimum Duration Per Dispatch	Maximum Duration Per Dispatch	Maximum Dispatches Per Resource ID Per Day	Maximum Dispatch Hours Per Resource ID Per Day	Maximum Dispatch Hours Per Resource ID Per Month	Maximum Dispatch Hours Per Resource ID Per Term Year
[Bid]	[Bid]	[Bid]	[Bid]	[Bid]	[Bid]

The Delivery Days, Delivery Hours, and Operating Months during the Delivery Period are:

- (x) “Delivery Days” means *[Seller bid, Monday through Friday or Monday through Sunday]*, excluding “Additional Off-peak Days” as defined by NERC on such entity’s website at <http://www.nerc.com>.
- (y) “Delivery Hours” means *[Seller bid, Beginning Time HE ## to Ending Time HE ##]*.
- (z) “Operating Months” means *[Seller bid of calendar months during the Delivery Period that contain Contract Capacity as provided in Section 1.03 of Attachment 1]*.

OPTION E: ENERGY EFFICIENCY

The “Product” consists of (i) the improved energy efficiency and energy and capacity savings resulting from the Project in accordance with the terms and conditions of this Agreement and (ii) any and all Capacity Attributes generated by, associated with, or attributable to the Project.

The Product shall be measured and compensated using: {SCE Note: Select the measurement/compensation approach to be used}

☐ Meter-Based Approach

☐ Customized Calculated Approach

1.02 Project.

The Project is as set forth in Section 1.02 of Attachment 1.

If the Project is Behind the Meter, its Customers shall be the following: *{SCE Note: Select the Customer Type to be served by the Project}*

☐ Residential Customers and Small Commercial Customers

A “Residential Customer” is a Customer which is a Single-Family Accommodation or Multifamily Accommodation Customer using Domestic Service, including Recreational Vehicle Parks, Residential Hotels, and Mobile Home Parks, and includes Electric Vehicle charging for Customers using Domestic Service if separately metered, as such capitalized terms are defined in Rule 1 of the SCE Tariff.

A “Small Commercial Customer” is a Customer who is not a Residential Customer and has a monthly maximum demand of 20 kW or less.

☐ Commercial and Industrial Customers

A “Commercial and Industrial Customer” is a Customer who is not a Residential Customer and has a monthly maximum demand of greater than 20 kW.

1.03 Contracted Amount.

The Contracted Amount is set forth in Section 1.03 of Attachment 1.

1.04 Price.

The Product Price is set forth in Section 1.04 of Attachment 1.

1.05 Exclusive Rights.

- (a) During the Delivery Period, SCE shall have exclusive rights to the Product and all benefits derived therefrom, including the exclusive right to use, market, allocate, designate, award, report or sell the Product, and the right to all revenues generated therefrom. SCE's rights hereunder shall also include any other rights, and be subject to any other conditions, listed in Section 1.05 of Attachment 1.
- (b) Seller will not sell, assign, attribute, claim, or otherwise transfer the Product to any party other than SCE pursuant to this Agreement (except for, in the case of Behind the Meter Projects only, any energy or capacity savings or reductions received by the Customer as a result of the installation of the Project at the Customer's Site).
- (c) If SCE re-sells all or a portion of the Product or any associated rights acquired under this Agreement ("Resold Product"), Seller agrees to (and, if applicable, agrees to cause the Project's SC to):
 - (i) Follow SCE's instructions and the CAISO Tariff with respect to providing such Resold Product to subsequent purchasers of such Resold Product.
 - (ii) Take all commercially reasonable actions and execute any and all documents or instruments reasonably necessary to allow such subsequent purchasers to use such Resold Product.

Seller acknowledges and agrees that if SCE incurs any liability to any purchaser of such Resold Product due to the failure of Seller or the Project's SC to comply with the terms of this Agreement, and Seller would have had liability to SCE under this Agreement for such failure had SCE not sold the Resold Product, then Seller shall be liable to SCE under this Agreement, including pursuant to this Section 1.05, for the amounts for which it would have been liable to SCE had such Resold Product not been sold.

1.06 Resource Adequacy Provisions.

If the Product includes Capacity Attributes:

- (a) Seller shall, on a timely basis, submit, or cause the Project's SC to submit, (if SCE is not acting as the Project's SC), Annual Supply Plans and Monthly

Supply Plans in accordance with the CAISO Tariff, and any other decisions or orders of the CPUC associated with providing the Capacity Attributes under this Agreement, to identify and confirm the Expected Capacity Attributes provided to SCE for each ~~day of each Showing Month so that the total amount of Expected Capacity Attributes identified and confirmed for each day of such Showing Month equals the Expected Capacity Attributes for such day of such Showing Month.~~ Showing Month.

- (b) Seller shall or shall cause the Project's SC to submit (if SCE is not acting as the Project's SC) written notification to SCE, no later than fifteen (15) Business Days before the applicable RA Compliance Showing deadlines for each Showing Month, that SCE will be credited with the Expected Capacity Attributes for each ~~day of such Showing Month in the Project's Supply Plan so that the credited Expected Capacity Attributes for each day of the Showing Month equals the Expected Capacity Attributes for such day of such Showing Month.~~
- (c) Seller shall (i) execute all other documents or instruments necessary, and provide all information otherwise needed, for the Product to be shown on Supply Plans and RA Compliance Showings and to be used to satisfy RA Compliance Obligations, including providing information with respect to the amount of Flexible Capacity and Inflexible Capacity available to be included in any applicable Supply Plan and RA Compliance Showing and (ii) execute all documents or instruments necessary and provide any information requested by SCE related to the Project that is required to be provided to the CAISO or CPUC in order for SCE to comply with Applicable Laws.
- (d) At SCE's request, the Parties shall execute such documents and instruments, and Seller shall cooperate and cause the Project's SC to cooperate (and, in the case of Behind the Meter Projects, shall cause Customers associated with the Project to cooperate) with SCE with respect to any testing or measurements that may be reasonably required to effect recognition and transfer of Capacity Attributes, if any, to SCE.
- (e) The Parties shall use commercially reasonable efforts to cause the Resource ID and the benefitting load serving entity SC identification number to be included in all applicable Supply Plans and to communicate changes in such information to each other promptly throughout the Delivery Period.
- (f) If any change by the CAISO, CPUC or other Governmental Authority occurs that defines new or re-defines existing:
 - (i) Local Capacity Areas ~~results, resulting~~ in a decrease or increase in the amount of Capacity Attributes related to a Local Capacity Area

provided hereunder there will be no change in payments made pursuant to this Agreement;

- (ii) Flexible RAR, Capacity Attributes related to Flexible RAR, or attributes of the Project related to Flexible RAR, ~~results~~resulting in a decrease or increase in the amount of Capacity Attributes related to Flexible RAR provided hereunder there will be no change in payments made pursuant to this Agreement;
 - (iii) Local Capacity Areas~~results~~ resulting in the Project subsequently qualifying for a Local Capacity Area, the Capacity Attributes will change to include all Resource Adequacy Benefits related to such Local Capacity Area; and
 - (iv) Flexible RAR, Capacity Attributes related to Flexible RAR, or attributes related to Flexible RAR~~results~~ resulting in the Project, or a portion of the Project which did not previously qualify to satisfy Flexible RAR, subsequently qualifying to satisfy Flexible RAR, the Capacity Attributes will change to include all Capacity Attributes related to Flexible RAR, including any Capacity Attributes related to Flexible RAR with respect to any portion of the Project which previously was not able to satisfy Flexible RAR.
- (g) Seller shall perform any other obligations set forth in Section 1.06 of Attachment 1.

1.07 Additional Product Delivery Obligations.

Additional provisions, if any, related to the delivery of the Product are forth in Sections 1.07, and following, of Article 1 of Attachment 1.

ARTICLE 2. TERM AND DELIVERY PERIOD

2.01 Term.

The “Term” of this Agreement shall commence upon the Effective Date, and shall continue until the expiration of the Delivery Period.

2.02 Delivery Period.

The “Delivery Period” or “Delivery Term” shall commence at 12:01 a.m. on the Initial Delivery Date, and shall continue until the earlier of: midnight on the date that is [number of years] years after the Initial Delivery Date or the date that this Agreement is otherwise terminated in accordance with its terms.

2.03 Expected Initial Delivery Date.

The Expected Initial Delivery Date is [Date] {SCE Note: must be the first day of a calendar month}.

2.04 Initial Delivery Date.

- (a) The “Initial Delivery Date” shall be no earlier than the Expected Initial Delivery Date and shall be the first day of the first month after all of the conditions listed in this Section 2.04(a) and in Section 2.04 of Attachment 1 have been satisfied for the Project:
- (i) Seller has completed, to SCE’s satisfaction, Seller’s obligations set forth in Section 4.01;
 - (ii) Seller has installed and placed in operation all equipment and systems required under Section 5.02;
 - (iii) Seller has provided at least three (3) Business Days’ Notice to SCE that it will achieve the Initial Delivery Date;
 - (iv) Seller has paid to SCE the full amount of the Excess Network Upgrade Costs, if applicable;
 - (v) Seller has deposited with SCE the applicable Performance Assurance amounts as set forth in Section 7.02(a);
 - (vi) Seller has executed and delivered to SCE all documents or instruments required under or requested pursuant to Article 7;
 - (vii) Seller has delivered to SCE all insurance documents required under Section 14.07; and
 - (viii) SCE shall have obtained or waived CPUC Approval.

The Parties agree that, in order for Seller to achieve the Initial Delivery Date, the Parties may have to perform certain of their Delivery Period obligations in advance of the Initial Delivery Date, including providing Outage Schedules and Supply Plans; and establishing an NQC for the Project prior to the applicable Monthly Supply Plan and RA Compliance Showing deadline for the month beginning on the Initial Delivery Date. The Parties shall cooperate with each other in order for SCE to be able to utilize the Product beginning on the Initial Delivery Date.

- (b) If (x) Seller and SCE mutually agree that Initial Delivery Date will not occur on or before the Expected Initial Delivery Date or Initial Delivery Deadline, as applicable; or (y) the Initial Delivery Date will not occur due to any termination of this Agreement as a result of an Event of Default by Seller occurring on or before the Expected Initial Delivery Date or Initial Delivery Deadline, as applicable, SCE shall be entitled to:
- (i) The entire Development Security, including the right to draw on and retain for its sole benefit any Letter of Credit and the proceeds thereof, as well as any cash posted as Development Security and interest accrued thereon; and
 - (ii) Terminate this Agreement.

If SCE terminates this Agreement pursuant to this Section 2.04(b), any amount of Development Security that Seller has not yet posted with SCE will be immediately due and payable by Seller to SCE.

Neither Party shall have liability for damages for failure to deliver or purchase the Product after the effective date of termination under this Section 2.04(b) and the Forward Settlement Amount will be zero dollars (\$0).

2.05 Initial Delivery Deadline.

Seller must achieve the Initial Delivery Date by the Expected Initial Delivery Date (as the same may be extended pursuant to Sections 2.06 and 8.03(a)). Notwithstanding anything in this Agreement to the contrary, Seller must achieve the Initial Delivery Date by *[Insert date that is ninety (90) days after the Expected Initial Delivery Date]* (the “Initial Delivery Deadline”).

2.06 Daily Delay Liquidated Damages to Extend Expected Initial Delivery Date.

Seller may extend the Expected Initial Delivery Date by paying to SCE liquidated damages in an amount equal to two percent (2%) of the Development Security per day for each day (or portion thereof) from and including the original Expected Initial Delivery Date to and excluding the actual date that the Project achieves the Initial Delivery Date (“Daily Delay Liquidated Damages”).

To extend the Expected Initial Delivery Date, Seller must, no later than 6:00 a.m. on the third Business Day immediately prior to the first day of the proposed Expected Initial Delivery Date extension, provide SCE with Notice of its election to extend the Expected Initial Delivery Date along with Seller’s estimate of the duration of the extension and its payment of Daily Delay Liquidated Damages for the full estimated Expected Initial

Delivery Date extension period. This process shall apply to the original Expected Initial Delivery Date extension period and any subsequent extensions.

The Daily Delay Liquidated Damages payments applicable to days included in any Expected Initial Delivery Date extension are nonrefundable (subject to the next paragraph of this Section 2.06) and are in addition to, and not a part of, the Development Security.

Seller will be entitled to a refund (without interest) of any estimated Daily Delay Liquidated Damages payments paid by Seller which exceed the amount required to cover the number of days by which the Expected Initial Delivery Date was actually extended.

Seller may not extend the Expected Initial Delivery Date beyond the Initial Delivery Deadline by the payment of Daily Delay Liquidated Damages.

2.07 CPUC Approval.

Within ninety (90) days after the Effective Date, SCE shall file with the CPUC the appropriate request for CPUC Approval. SCE shall expeditiously seek CPUC Approval, including promptly responding to any requests for information related to the request for CPUC Approval. As requested by SCE, Seller shall use commercially reasonable efforts to support SCE in obtaining CPUC Approval. SCE has no obligation to seek rehearing or to appeal a CPUC decision which fails to approve this Agreement or which contains findings required for CPUC Approval with conditions or modifications unacceptable to SCE.

Either Party has the right to terminate this Agreement on Notice, which will be effective five (5) Business Days after such Notice is given, if (i) CPUC Approval has not been obtained or waived by SCE in its sole discretion within three hundred sixty-five (365) days after SCE files its request for CPUC Approval and (ii) a Notice of termination is given on or before the date CPUC Approval is obtained.

Failure to obtain CPUC Approval in accordance with this Section 2.07 will not be deemed to be a failure of Seller to install the Project or a failure of SCE to purchase or receive the Product, and will not be or cause an Event of Default by either Party.

ARTICLE 3. BILLING AND PAYMENTS

3.01 Invoicing Process.

By the Invoice Date, the Invoicing Party shall issue an invoice for the payment obligations, if any, incurred hereunder during the previous Invoice Calculation Period together with all supporting documentation and calculations reasonably necessary to

evidence all amounts charged thereunder.

An invoice can only be adjusted or amended after it was originally rendered within the time frames set forth in Section 3.03.

If an invoice required to be rendered by Seller is not rendered ~~by Seller~~, or if SCE is incapable of rendering an invoice due to the actions or inactions of Seller, within ~~twenty-four (24)~~twelve (12) months after the close of an Invoice Calculation Period, ~~the Seller's~~ right to any payment for that Invoice Calculation Period under this Agreement is waived.

3.02 Timeliness of Payment.

Payments under this Agreement will be made no later than the applicable Payment Date for each invoice by ACH or similar method, or by other mutually agreeable methods, to the account designated by the Party to which payment is owed. Any payment made after such Payment Date shall include an Interest Payment.

The Parties acknowledge that data necessary to calculate certain payment obligations of SCE and Seller under this Agreement may not be available at the time the Invoicing Party issues the invoice with respect to a particular month. Any such payment obligations, including related documentation supporting such obligations, shall be included in a subsequent invoice on or before the last Business Day of the month following the month that is the later of (x) one hundred and twenty (120) days following the last day of the calendar month to which the data relates or (y) thirty (30) days after the relevant CAISO final settlement data is available.

3.03 Disputes and Adjustments of Invoices.

If Seller or SCE determines that a calculation is incorrect, Seller or SCE, as the case may be, shall promptly recompute the amounts for the period of the inaccuracy based upon a correction of data and any payment affected by the adjustment or correction.

Any amount due will be made as an adjustment to the next invoice that is calculated after Seller's or SCE's recomputation using corrected measurements.

If the recomputation results in a net amount owed to SCE after applying any amounts owing to Seller as shown on the next invoice, any such amount owing to SCE will at SCE's discretion be netted against amounts owed to Seller in any subsequent invoice or separately invoiced to Seller, in which case Seller must pay the amount owing to SCE within five (5) days after receipt of that invoice.

A Party will be deemed to have waived any such payment adjustments, if such Party does not provide Notice of such payment adjustment within twelve (12) months after

the Invoice Date for the invoice containing the error. Adjustment payments for meter inaccuracy will not bear interest.

3.04 Netting Rights.

SCE reserves the right to net amounts that would otherwise be due to Seller under this Agreement in payment of any amounts:

- (a) Owing to SCE by Seller arising out of, or related to, this Agreement; or
- (b) Owed to SCE by Seller arising out of, or related to, any other SCE agreement, tariff, obligation or liability.

Nothing in this Section 3.04 shall limit SCE's rights under applicable tariffs, other agreements or Applicable Laws.

3.05 Compensation.

Seller shall be compensated according to the provisions set forth in Article 3 of Attachment 1.

3.06 Federal Tax Incentives Price Reduction.

- (a) If at any time prior to the end of the Term, any person or entity, including Seller, Seller's Lender, Seller's upstream parent, or any Seller's Affiliate, realizes any economic or monetary benefit from Federal Tax Credit Legislation with respect to the Project ("Economic Benefit"), the Product Price shall be reduced according to the applicable Tax Credit Percentage available to Seller, as set forth in the table below (the "Reduced Price Percent"), pursuant to the process in Section 3.06(b). *{SCE Note: any such price amendment may need to take into account the nature of the project and any applicable escalated prices, price shaping or other variable pricing structures ~~into account.~~}*
- (b) Seller shall provide Notice to SCE within seven (7) days after realizing any Economic Benefit. The Product Price shall be deemed to be automatically ~~be~~ amended to reflect the product of the Product Price multiplied by the applicable Reduced Price Percent
 - (i) with immediate effect, if the Economic Benefit is realized on or before the Initial Delivery Date; or
 - (ii) effective as of the first day of the first full month after realization, if the Economic Benefit is realized after the Initial Delivery Date.
- (c) For purposes of determining when an Economic Benefit is realized under

Section 3.06(b), realization will have been deemed to have occurred upon the earliest occurrence of any of the following: (i) the closing of any Tax Equity Financing by Seller, Seller's upstream parent or any Seller's Affiliate, (ii) the transfer of any income tax credits generated as a result of Federal Tax Credit Legislation, (iii) the use of any income tax credits on the federal income tax return (on the date such return is filed) of any entity, or (iv) the date upon which Seller realizes an Economic Benefit not otherwise listed in this Section 3.06(c).

Tax Credit Percentage	Reduced Price Percent
30% or greater	90%
25% - 29.99%	92%
20% - 24.99%	93%
15% - 19.99%	95%
10% - 14.99%	97%
5% - 9.99%	98%

ARTICLE 4. DESIGN AND CONSTRUCTION OF PROJECT

4.01 Seller's Obligations.

At no cost to SCE, Seller shall perform the following obligations, and any additional obligations listed in Section 4.01 of Attachment 1:

- (a) Design, construct, install, or refurbish the Project;
- (b) Obtain (or, in the case of Behind the Meter Projects, cause the applicable Customer(s) to obtain) all Permits for the Project on or before the Expected Initial Delivery Date;
- (c) Complete all environmental impact assessments, statements, or studies required pursuant to Applicable Laws, including obtaining public review and certification of any final documents relating to any environmental impact assessment or studies; and
- (d) Provide to SCE, prior to commencement of any construction activities on the Site, a report from an independent engineer (acceptable to both SCE and

Seller) certifying that Seller has a written plan for the safe construction and operation of the Project in accordance with Prudent Electrical Practices.

4.02 Inspection Rights.

SCE shall have the right at any time during the Term to enter onto the Site(s) to inspect the Project and otherwise inspect or audit Seller's EPC Contracts and its books and records in order to verify Seller's compliance with the Milestone Schedule, the Critical Path Milestone Schedule, and other obligations under this Agreement. ~~For In Front of the Meter Projects, SCE may take these actions~~ Such inspection or audit shall be conducted during normal business hours on any Business Day. ~~For Behind~~ for In Front of the Meter Projects, ~~SCE may take these actions and~~ during agreed upon hours (to be coordinated by Seller with SCE and the affected Customer(s)), with five (5) Business Days' prior notice to Seller for Behind the Meter Projects.

Seller shall, or shall cause its EPC Contractors or Customers to, provide SCE with access to the Site(s) and all applicable documents and records:

- (a) in order to permit SCE to determine whether:
 - (i) Seller has obtained, maintained, and complied with all Permits, and that such Permits do not contain Permit Requirements that might restrict SCE's ability to utilize the Product as provided for in this Agreement (including, as applicable, SCE's ability to charge, discharge, or store energy in the Project or Dispatch the Project as provided for in this Agreement);
 - (ii) All contracts described in Section 4.05(a), and all other contracts or arrangements necessary to interconnect the Project (including transmission arrangements as contemplated in Section 5.01, contracts or arrangements to deliver electric energy for purposes of charging any Storage ~~Units~~ Unit associated with the Project, and contracts or arrangements for electrical service, water supply and waste disposal) have been entered into and become effective on a timely basis and Seller is not in default thereunder; and
- (b) for any other purpose reasonably connected with this Agreement or the exercise of any and all rights of SCE under Applicable Laws or the SCE Tariff schedules and rules on file with the CPUC.

When at the Site(s), SCE, its authorized agents, employees and inspectors shall adhere to safety and security procedures as may reasonably be required by Seller, provided Seller has provided such procedures to SCE in writing in advance.

4.03 Changes in Operational Characteristics.

- (a) Seller shall provide to SCE Notice of any changes in the operational characteristics of the Project for SCE's review as far in advance as practicable, but in no event less than thirty (30) days before the changes are to be made. Seller acknowledges that provision of Notice under this Section 4.03(a) is for SCE's information only and that by receiving such Notice, SCE makes no representation as to the economic or technical feasibility, operational capacity or reliability of any changes in the operational characteristics of the Project.
- (b) Seller shall provide Notice to SCE within five (5) Business Days after a change in the status of any of the following:
 - (i) Seller's exact and complete name, form of organization, direct or indirect ownership and state of incorporation or organization, or address of Seller's principal place of business; and
 - (ii) Seller's financing, including the sources of equity investments and debt financings.

No Notice provided pursuant to this Section 4.03(b) constitutes or substitutes for any consent required pursuant to Sections 14.04(a)-(d).

4.04 EPC Contractor.

Seller shall provide SCE with Notice of the name and address of Seller's EPC Contractor on the later of the Effective Date or the fifth (5th) Business Day after Seller enters into a contract with an EPC Contractor.

4.05 Provision of Information.

During the Term, Seller shall provide SCE copies of the following, and any additional items listed in Section 4.05 of Attachment 1:

- (a) Within ten (10) Business Days after receipt thereof:
 - (i) any Interconnection Study or the interconnection agreement tendered to Seller by the T&D Provider;
 - (ii) any agreements with providers of engineering, procurement, or construction services for the Project and any amendments thereto, including any EPC Contract (which may be redacted by Seller to eliminate any portions reasonably believed by Seller to contain confidential information);

- (iii) Any documents, information, or records related to the Project or the Generating Facility(ies) (including documents, information or records of an Affiliate or Customer) that relate to Seller's obligations under this Agreement, including any documents, information, or records needed to measure the Product;
 - (iv) Any documents, information, or records relating to Seller's Evaluator and Seller's Evaluator's work; and
 - (v) any final reports, studies, or assessments done for Seller by an independent engineer in the normal course of business and not in anticipation of litigation; provided that Seller may redact any such reports, studies, or assessments to exclude confidential pricing information;
- (b) within ten (10) Business Days of Seller's receipt of Notice from SCE requesting the same, Internal Revenue Service tax Form W-9 and California tax Form 590 (or their equivalentequivalents), completed with Seller's information, and any other documentation necessary for SCE to comply with its tax reporting or withholding obligations with respect to Seller; and
- (c) No later than twenty (20) days after each semi-annual period ending on June 30th and December 31st, a report listing all women, minority, disabled veteran, lesbian, gay, bisexual and/or transgender business enterprises, as more particularly set forth in CPUC General Order 156 ("Diverse Business Enterprises") that supplied goods or services to Seller during such period, including any certifications or other documentation of such Diverse Business Enterprises' status as such and the aggregate amount paid to Diverse Business Enterprises during such period. SCE has the right to disclose to the CPUC all such information provided by Seller pursuant to this Section 4.05(c).

4.06 Monthly Project Progress Report.

No later than the tenth (10th) day of each month while the Project has not yet met its Initial Delivery Date, or within five (5) days after SCE's request, Seller shall deliver to SCE a progress report, substantially in the form set forth in Exhibit C ("Project Progress Report"), describing its progress, including projected time to completion of any milestones. Seller shall include in any Project Progress Report a list of all letters, notices, applications, approvals, authorizations and filings referring or relating to Permits, and shall provide any such documents as may be reasonably requested by SCE. In addition, Seller shall advise SCE, as soon as reasonably practicable, of any problems or issues of which Seller is aware which could materially impact its ability to meet the Milestone Schedule set forth in Exhibit D ("Milestone Schedule") or achieve each Critical Path Development Milestone by the applicable deadline.

A report delivered pursuant to this Section 4.06 shall not constitute Notice for any purpose under this Agreement, including with respect to any fact, circumstance, request, issue, dispute or matter included in such report.

4.07 Critical Path Development Milestones.

Seller shall achieve each Critical Path Development Milestone on or before the applicable deadline for achieving such Critical Path Development Milestone specified below. Seller shall provide to SCE, on or before the applicable deadline to achieve each Critical Path Development Milestone, evidence that the Critical Path Development Milestone has been achieved. Seller shall also provide any additional evidence reasonably requested by SCE that the Critical Path Development Milestone has been achieved.

Critical Path Development Milestone	Deadline to achieve Critical Path Development Milestone
IN FRONT OF THE METER PROJECTS <i>{SCE Note: Delete all other Product-specific Milestones}</i>	
Receive a completed Phase I Interconnection Study, as defined in the CAISO Tariff (or equivalent) that can meet the Contract Capacity of the Project	<i>[SCE Note: insert date that is 18 months prior to Expected Initial Delivery Date]</i>
File for Obtain all material Permits for required to initiate construction of the Project needed to meet the Contract Capacity	<i>[SCE Note: insert date 12 months prior to Expected Initial Delivery Date]</i>
Receive a completed Phase II Interconnection Study, as defined in the CAISO Tariff (or equivalent) that can meet the Contract Capacity of the Project	<i>[SCE Note: insert date 12 months prior to Expected Initial Delivery Date]</i>
Execute an interconnection agreement with T&D Provider that can meet the Contract Capacity for the Project	<i>[SCE Note: insert date that is 9 months prior to Expected Initial Delivery Date]</i>
Execute purchase order for <i>[the battery system, inverter(s) and transformer(s)/TBD major equipment]</i> {SCE Note: Select battery systems, etc. for Energy Storage Projects & fill in appropriate equipment for Distributed Generation Projects} needed to construct the Project at a size equal to the Contract Capacity	<i>[SCE Note: insert date that is 6 months prior to Expected Initial Delivery Date]</i>

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Obtain all material Permits for the Project needed to meet the Contract Capacity	[SCE Note: insert date that is 1 month prior to Expected Initial Delivery Date]
BEHIND THE METER DISTRIBUTED GENERATION/DISTRIBUTED GENERATION & STORAGE/DEMAND RESPONSE <i>{SCE Note: Delete all other Product-specific Milestones}</i>	
Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) to install Generating Facility(ies) and the completed applications for interconnection with the Distribution Provider that would be eligible under this Agreement to be included in the Project with capacity that is equal to 25% of Expected Capacity Savings	<i>[SCE Note: insert date that is 15 months prior to Expected Initial Delivery Date]</i>
Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) to install Generating Facility(ies) and the completed applications for interconnection with the Distribution Provider that would be eligible under this Agreement to be included in the Project with capacity that is equal to 50% of Expected Capacity Savings	<i>[SCE Note: insert date that is 13 months prior to Expected Initial Delivery Date]</i>
Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) to install Generating Facility(ies) and the completed applications for interconnection with the Distribution Provider that would be eligible under this Agreement to be included in the Project with capacity that is equal to 75% of Expected Capacity Savings	<i>[SCE Note: insert date that is 11 months prior to Expected Initial Delivery Date]</i>
Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) to install Generating Facility(ies) and the completed applications for interconnection with the Distribution Provider that would be eligible under this Agreement to be included in the Project with capacity that is equal to 100% of Expected Capacity Savings	<i>[SCE Note: insert date that is 9 months prior to Expected Initial Delivery Date]</i>
File for all material Permits and execute the purchase order(s) for the <i>[SCE Note: TBD major equipment]</i> needed to construct the Project at a size equal to 25% or more of the Expected Capacity Savings	<i>[SCE Note: insert date 14 months prior to Expected Initial Delivery Date]</i>
File for all material Permits and execute the purchase order(s) for the <i>[SCE Note: TBD major equipment]</i> needed to construct the Project at a size equal to 50% or more of the Expected Capacity Savings	<i>[SCE Note: insert date 12 months prior to Expected Initial Delivery Date]</i>
File for all material Permits and execute the purchase order(s) for the <i>[SCE Note: TBD major equipment]</i> needed to construct the	<i>[SCE Note: insert date that is 10 months prior</i>

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[RFO Name]

Project at a size equal to 75% or more of the Expected Capacity Savings	<i>to Expected Initial Delivery Date]</i>
File for all material Permits and execute the purchase order(s) for the <i>[SCE Note: TBD major equipment]</i> needed to construct the Project at a size equal to 100% or more of the Expected Capacity Savings	<i>[SCE Note: insert date that is 8 months prior to Expected Initial Delivery Date]</i>
25% or more of Expected Capacity Savings has been installed, provided a copy of the un-conditional Permission to Operate (PTO) letter from SCE, and SCE has accepted the Post-Installation Report which verified the project was installed in accordance with <u>Exhibit B</u> and is operational	<i>[SCE Note: insert date that is 9 months prior to Expected Initial Delivery Date]</i>
50% or more of Expected Capacity Savings has been installed, provided a copy of the un-conditional Permission to Operate (PTO) letter from SCE, and SCE has accepted the Post-Installation Report which verified the project was installed in accordance with <u>Exhibit B</u> and is operational	<i>[SCE Note: insert date that is 7 months prior to Expected Initial Delivery Date]</i>
75% or more of Expected Capacity Savings has been installed, provided a copy of the un-conditional Permission to Operate (PTO) letter from SCE, and SCE has accepted the Post-Installation Report which verified the project was installed in accordance with <u>Exhibit B</u> and is operational	<i>[SCE Note: insert date that is 5 months prior to Expected Initial Delivery Date]</i>
DEMAND RESPONSE	
<i>{SCE Note: Delete all other Product-specific Milestones}</i>	
Provide redacted copies of existing and enforceable contracts between Seller and Customers that would be eligible under this Agreement to be included in the Product representing capacity that is equal to 25% of Contract Capacity	<i>[SCE Note: insert date that is 15 months prior to Expected Initial Delivery Date]</i>
Provide redacted copies of existing and enforceable contracts between Seller and Customers that would be eligible under this Agreement to be included in the Product representing capacity that is equal to 50% of Contract Capacity	<i>[SCE Note: insert date that is 13 months prior to Expected Initial Delivery Date]</i>
Provide redacted copies of existing and enforceable contracts between Seller and Customers that would be eligible under this Agreement to be included in the Product representing capacity that is equal to 75% of Contract Capacity	<i>[SCE Note: insert date that is 11 months prior to Expected Initial Delivery Date]</i>
Provide redacted copies of existing and enforceable contracts between Seller and Customers that would be eligible under this Agreement to be included in the Product representing capacity that is equal to 100% of Contract Capacity	<i>[SCE Note: insert date that is 9 months prior to Expected Initial Delivery Date]</i>

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[RFO Name]

Submit completed applications for interconnection with the Distribution Provider for each Storage Unit needed to meet the Minimum Energy Storage Capacity	[SCE Note: insert date that is 9 months prior to Expected Initial Delivery Date]
File for all material Permits for each Storage Unit needed to meet the Minimum Energy Storage Capacity	[SCE Note: insert date that is 8 months prior to Expected Initial Delivery Date]
Sign purchase order for [SCE Note: TBD Major Equipment] needed to construct the Project at a size equal to the Minimum Energy Storage Capacity	[SCE Note: insert date that is 7 months prior to Expected Initial Delivery Date]
Execute an interconnection agreement with Distribution Provider for each Storage Unit in the Project needed to meet the Minimum Energy Storage Capacity	[SCE Note: insert date that is 7 months prior to Expected Initial Delivery Date]
Obtain all material Permits for each Storage Unit needed to meet the Minimum Energy Storage Capacity	[SCE Note: insert date that is 1 month prior to Expected Initial Delivery Date]
ENERGY EFFICIENCY <u>(METER BASED APPROACH)</u>	
{SCE Note: Delete all other Product-specific Milestones}	
Engagement of, and performance of preliminary audits (including technical feasibility) at locations of Customer(s) who qualify for inclusion under this Agreement that have a combined load for the prior year that is reasonably capable of meeting or exceeding the Expected Measured Energy Savings and Expected Measured Deferral Savings	[SCE Note: insert date that is 24 months prior to the Expected Initial Delivery Date]
Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) that would be eligible under this Agreement to be included in the Project representing a combined load for the prior year that is reasonably capable of meeting or exceeding 25% of the Expected Measured Energy Savings and Expected Measured Deferral Savings	[SCE Note: insert date that is 18 months prior to the Expected Initial Delivery Date]
Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) that would be eligible under this Agreement to be included in the Project representing a combined load for the prior year that is reasonably capable of meeting or exceeding 50% of the Expected Measured Energy Savings and Expected Measured Deferral Savings	[SCE Note: insert date that is 16 months prior to the Expected Initial Delivery Date]

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[RFO Name]

File for all Permits for Measures needed to meet the Expected Measured Energy Savings and Expected Measured Deferral Savings	[SCE Note: insert date that is 14 months prior to the Expected Initial Delivery Date]
Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) that would be eligible under this Agreement to be included in the Project representing a combined load for the prior year that is reasonably capable of meeting or exceeding 75% of the Expected Measured Energy Savings and Expected Measured Deferral Savings	[SCE Note: insert date that is 14 months prior to the Expected Initial Delivery Date]
Commenced construction at locations of Customer(s) that would be eligible under this Agreement to be included in the Project who qualify for inclusion under this Agreement that have a combined load for the prior year that is reasonably capable of meeting or exceeding the Expected Measured Energy Savings and Expected Measured Deferral Savings	[SCE Note: insert date that is 12 months prior to the Expected Initial Delivery Date]
Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) that would be eligible under this Agreement to be included in the Project representing a combined load for the prior year that is reasonably capable of meeting or exceeding 100% of the Expected Measured Energy Savings and Expected Measured Deferral Savings	[SCE Note: insert date that is 12 months prior to the Expected Initial Delivery Date]
Obtain all Permits for Measures needed to meet the Expected Measured Energy Savings and Expected Measured Deferral Savings	[SCE Note: insert date that is 1 month prior to the Expected Initial Delivery Date]
<u>ENERGY EFFICIENCY (CUSTOMIZED CALCULATED APPROACH)</u>	
<u>{SCE Note: Delete all other Product-specific Milestones}</u>	
<u>Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) that would be eligible under this Agreement to be included in the Project representing a combined load for the prior year that is projected to be capable of meeting or exceeding 25% of each of the Expected Capacity Savings, Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, and Expected Winter On-Peak Energy Savings</u>	<u>[SCE Note: insert date that is 18 months prior to the Expected Initial Delivery Date]</u>
<u>Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) that would be eligible under this Agreement to be included in the Project representing a combined load for the prior year that is projected to be capable of meeting or exceeding 50% of each of the Expected Capacity Savings, Expected Summer Off-Peak Energy Savings, Expected Summer</u>	<u>[SCE Note: insert date that is 15 months prior to the Expected Initial Delivery Date]</u>

<u>On-Peak Energy Savings, and Expected Winter On-Peak Energy Savings</u>	
<u>Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) that would be eligible under this Agreement to be included in the Project representing a combined load for the prior year that is projected to be capable of meeting or exceeding 75% of each of the Expected Capacity Savings, Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, and Expected Winter On-Peak Energy Savings</u>	<u>[SCE Note: insert date that is 12 months prior to the Expected Initial Delivery Date]</u>
<u>Provide redacted copies of existing and enforceable contracts between Seller and Customer(s) that would be eligible under this Agreement to be included in the Project representing a combined load for the prior year that is projected to be capable of meeting or exceeding 100% of each of the Expected Capacity Savings, Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, and Expected Winter On-Peak Energy Savings</u>	<u>[SCE Note: insert date that is 10 months prior to the Expected Initial Delivery Date]</u>

If Seller fails to achieve a Critical Path Development Milestone on or before the applicable deadline Seller may cure such failure; provided, that

- (a) Within ten (10) Business Days after any such failure, Seller either (i) completes the Critical Path Development Milestone or (ii) submits to SCE (A) a written description of the reason for the failure, (B) the date Seller expects it will achieve completion of the missed Critical Path Development Milestone (“CPD Milestone Extension Date”), and (C) a written recovery plan for completing all necessary work to achieve completion of the missed Critical Path Development Milestone, the remaining Critical Path Development Milestones, and the Initial Delivery Date by the Expected Initial Delivery Date (the “Recovery Plan”). The Recovery Plan shall also include an updated milestone schedule with revised dates for each remaining Critical Path Development Milestone, which updated milestone schedule shall be subject to acceptance by SCE, in its reasonable discretion.
- (b) Seller shall commence the work contemplated by the Recovery Plan within five (5) days after submitting such Recovery Plan to SCE.
- (c) Seller shall be solely responsible for any costs or expenses incurred by Seller as a result of the formulation and implementation of the Recovery Plan.
- (d) If Seller fails in any material respect, as reasonably determined by SCE, to: (i) meet the requirements of the Recovery Plan; (ii) make sufficient progress in

effecting the Recovery Plan; or (iii) achieve completion of the missed Critical Path Development Milestone by the CPD Milestone Extension Date, such failure shall not be subject to a further attempt to cure.

- (e) Seller may cure a failure under this Section 4.07 only once during the Term.

Nothing in this Section 4.07 shall be construed to: (x) relieve Seller of its obligations under this Agreement; (y) modify the deadlines for achieving the remaining Critical Path Development Milestones (except for the one-time update to the milestone schedule pursuant to Section 4.07(a) above and the missed Critical Path Development Milestone which Seller is attempting to cure under this Section 4.07); or (z) relieve Seller of its obligation to timely achieve the Initial Delivery Date by the Expected Initial Delivery Date.

~~ARTICLE 5. — INTERCONNECTION; METERING; TESTING~~

ARTICLE 5. INTERCONNECTION; METERING; TESTING

5.01 Transmission and Interconnection.

- (a) Interconnection Studies.

Seller shall be responsible for all fees and costs associated with interconnecting the Project to the T&D Provider's electric system, including (if applicable) the following:

- (i) Funding for any apparatus, modifications, and upgrades to the T&D Provider's electric system, the CAISO Controlled Grid or, if applicable, Affected System (as defined in the CAISO Tariff) that are required at or beyond the Interconnection Point to accommodate the Project's output ("Network Upgrades") (any refund of such fees and costs will be consistent with the CAISO Tariff);
- (ii) All costs (including interconnection costs and transmission losses) arising from, relating to or associated with transmission of electric energy from the Project to the T&D Provider's system or the CAISO Controlled Grid.

Seller shall also perform any additional obligations listed in Section 5.01 of Attachment 1.

- (b) Interconnection Queue Position.

Seller shall not withdraw any Interconnection Queue Position related to the Project or assign or transfer that Interconnection Queue Position to any entity

or for the benefit of any other agreement other than this Agreement without SCE's prior written consent.

5.02 Metering, Communications, Dispatch, and Telemetry.

Metering, communications, dispatch, and telemetry requirements for the Project are as set forth in Section 5.02 of Attachment 1.

5.03 Testing.

Testing requirements for Project are as set forth in Section 5.03 of Attachment 1.

5.04 Certification.

CEC and CAISO certification requirements for In Front of the Meter projects are set forth in Section 5.04 of Attachment 1.

5.05 Cyber Security Precautions.

Seller shall implement reasonable administrative, technical, and physical safeguards, including any specific safeguards specified from time to time by SCE, to protect the security and integrity of SCE's systems.

A "Security Incident" is:

- (a) Unless expressly authorized under this Agreement, any use, reproduction, distribution, transfer, disposition, disclosure, possession, memory input, alteration, erasure, damage, breach in the security, or other activity by a person or party other than SCE of
 - (i) Seller's ~~information system~~computing systems or equipment, including those that ~~contains~~contain information about SCE's systems or ~~provides~~provide information to SCE's systems, or
 - (ii) SCE's computing systems or equipment, if caused by the action or inaction of Seller; or
- (b) ~~Or any~~Any unauthorized access to, interception of, disclosure or acquisition of such information.

Any reasonably suspected or confirmed Security Incident must be reported to SCE via email to the ~~Cybersecurity~~Cybersecurity email listed in Exhibit E, immediately upon Seller's awareness of the event. Notification shall include the nature of the event, date and time of the event, suspected amount and type of information exposed and steps being taken to investigate the circumstances of the exposure. Seller shall cooperate and

assist SCE in the investigation, analysis and resolution of Security Incidents- affecting SCE's systems. Seller shall provide SCE with details of the investigation and final disposition of the Security Incident relevant to the services provided to SCE or which may impact the confidentiality, integrity or availability of those services or of SCE information.

SELLER'S-In addition to the above, Seller shall: (x) regularly scan systems for vulnerabilities, (y) rank all vulnerabilities and promptly remediate detected vulnerabilities ranked as critical, high or moderate, and (z) use commercially reasonable efforts to identify any critical, high or moderate vulnerabilities, risks or threats that could potentially impact SCE, and shall notify SCE in writing within one (1) Business Day after such identification. If Seller determines that it cannot remediate any such potential or detected vulnerabilities, risk or threats within 30 days after identifying any such potential or detected vulnerabilities, risks, or threats, it shall promptly notify SCE in writing. Seller's notification shall provide detailed information describing the controls used to mitigate these vulnerabilities, risks or threats.

ARTICLE 6. OPERATION, MAINTENANCE AND REPAIR OBLIGATIONS

6.01 Seller's Operation and Record Keeping Obligations.

- (a) Seller shall maintain all Permits, licenses, certifications and approvals necessary for the operation and maintenance of the Project, and shall operate the Project in accordance with Prudent Electrical Practices, Applicable Laws, Permit Requirements, and Industry Standards.
- (b) Seller shall maintain all records applicable to the Project, including those set forth in Section 6.01 of Attachment 1. Information maintained pursuant to this Section 6.01(b) shall be retained throughout the Delivery Period and for four (4) years thereafter, and made available or provided to SCE within fifteen (15) days after SCE's request.
- (c) SCE or the CAISO may require Seller, at Seller's expense, to demonstrate to SCE's reasonable satisfaction the correct calibration and operation of any Protective Apparatus required as part of the Project any time SCE or the CAISO has reason to believe that the Protective Apparatus may impair the integrity of the T&D Provider's electric system or the CAISO Controlled Grid.
- (d) DERs Monitoring.
 - (i) The Parties acknowledge that, during the Term, DERMS may progress in a manner that allows SCE to exercise greater access to real-time monitoring of grid assets, including Distributed Energy Resources, consistent with interconnection facilities requirements

("DERs Monitoring"). If such DERMS become available during the Term, Seller agrees to implement DERs to DERMS interfacing equipment to the Project to allow for such DERs Monitoring.

- (ii) Once the DERMS become available within SCE's service territory, as determined by SCE, Seller agrees to change the Project to allow SCE to implement DERs Monitoring, including the installation of any necessary telemetry or equipment required for such DERs Monitoring ("DER Upgrade"). Prior to the purchase and installation of any equipment for the implementation of DERs Monitoring, Seller shall (A) consult with SCE regarding all proposed installation plans and equipment modifications and (B) obtain SCE approval of any such proposed installation plans and equipment modifications.
- (iii) Subject to this Section 6.01(d), Seller shall not be responsible for any out-of-pocket expenses in order to make any DER Upgrade. If Seller reasonably anticipates that it will incur out-of-pocket expenses to effectuate any DER Upgrade required by SCE, Seller shall provide Notice to SCE of such anticipated out-of-pocket expenses. SCE will have sixty (60) days to evaluate such Notice (during which time period Seller shall not be obligated to take any actions to implement the DER Upgrade) and shall, within such time, either:
 - (A) Agree to reimburse Seller for all or some portion of such costs (such SCE-agreed upon costs, the "Accepted DER Costs"). If SCE agrees to reimburse Seller for the Accepted DER Costs, then Seller shall install and implement such DER Upgrade covered by the Accepted DER Costs and SCE shall reimburse Seller for Seller's actual costs to effect the DER Upgrade, not to exceed the Accepted DER Costs; or
 - (B) Waive Seller's obligation to implement such DER Upgrade, or any part thereof for which SCE has not agreed to reimburse Seller.

Notwithstanding the foregoing, to the extent that this Agreement (other than pursuant to this Section 6.01(d)), the CAISO Tariff, Applicable Laws, Seller's interconnection agreement, or SCE, in its capacity as participating transmission or distribution owner, requires Seller to make a DER Upgrade, Seller shall implement such DER Upgrade and shall bear the entire cost of any such DER Upgrades.

- (iv) Notwithstanding the foregoing, this Section 6.01(d) shall not be applicable to Projects consisting solely of Energy Efficiency measures.
- (e) Seller shall perform any additional obligations set forth in Section 6.01 of Attachment 1.

6.02 Seller's Maintenance and Repair Obligations.

- (a) Seller shall inspect, maintain, repair and, if necessary, replace, the Project, and any component or portion thereof, in accordance with applicable Industry Standards and take all actions necessary in order to provide the Product to SCE in accordance with the terms of this Agreement. Seller shall maintain, and deliver to SCE upon request, maintenance and repair records of the Project. Notwithstanding the foregoing, this Section 6.02(a) shall not be applicable to Projects consisting solely of Energy Efficiency measures.
- (b) Seller shall inspect, maintain and repair any SCADA, DERMS and telemetry equipment associated with the Project. Seller will promptly notify SCE of any malfunction, outage or other condition affecting such equipment that could impair the ability of the Project to respond to Dispatch instructions or SCE's ability to monitor the Project by telephoning Real-Time Scheduling at the telephone number(s) listed in Exhibit E, and by entering outage information as required by the CAISO Tariff, both within ten (10) minutes after the commencement of the event. Seller shall promptly prepare and provide to SCE, using the Outage Management System Web Client or email to Real-Time Scheduling as instructed by SCE, all reports related to such event that SCE may reasonably require for purposes of compliance with Applicable Laws.
- (c) If a Party observes non-responsive system communication from the other Party, such Party will promptly contact the other Party by telephoning Real-Time Scheduling at the telephone number(s) listed in Exhibit E. If SCE issues a Dispatch Instruction while system communication is known to be non-responsive, SCE will exercise good faith reasonable efforts to notify Seller of the Dispatch Instruction by telephoning Real-Time Scheduling at Seller's telephone number(s) listed in Exhibit E.
- (d) Seller shall perform any additional obligations set forth in Section 6.02 of Attachment 1.

6.03 Additional Operation, Maintenance and Repair Requirements.

Additional operation, maintenance and repair requirements are set forth in Section 6.03, and following, of Article 6 of Attachment 1.

ARTICLE 7. CREDIT AND COLLATERAL**7.01 Development Security.****(a) Amount.**

Seller shall post and thereafter maintain Development Security equal to {SCE Note: Development Security will be calculated based on RFPQ Instructions.}.

(b) Posting Requirements.

Seller shall post the Development Security in accordance with the following terms and conditions:

- (i) Seller shall post one-half of the Development Security within five (5) Business Days following the Effective Date, with the remainder to be posted no later than five (5) Business Days after CPUC Approval is obtained or waived by SCE in its sole discretion;
- (ii) The Development Security must be in the form of cash or a Letter of Credit; and
- (iii) The Development Security and any interest accrued thereon in accordance with Section 7.03(a) shall be held by SCE as security for Seller achieving the Initial Delivery Date on or before the Expected Initial Delivery Date [and demonstrating that the Project is capable of providing the Contracted Amount in accordance with the terms of this Agreement] {SCE Note: include bracketed language for non-distribution deferral projects where Seller is permitted to achieve the Initial Delivery Date, with a corresponding payment of Development Security, even though it has not demonstrated that the Project is capable of providing 100% of the Contracted Amount}.

(c) Return of Development Security.

If no Event of Default with respect to Seller has occurred and is continuing, and no Early Termination Date has occurred or been designated as the result of an Event of Default with respect to Seller, then:

- (i) As soon as reasonably practicable after the Initial Delivery Date, SCE shall return to Seller the Development Security including any interest accrued thereon pursuant to Section 7.03(a), less, if applicable, any amount of Development Security retained pursuant to this Agreement.

- (ii) As soon as reasonably practicable after the termination of this Agreement by either Party pursuant to Sections 2.07, 8.03(a), or 10.05, SCE shall return to Seller the full Development Security; provided, a termination under Article 8 only entitles Seller to a return of the Development Security if the termination is based on a Force Majeure that prevents the Initial Delivery Date from occurring on or before the Initial Delivery Deadline.

Seller may, with SCE's consent, authorize SCE to retain cash or Letter(s) of Credit initially posted as Development Security as Performance Assurance posted under Section 7.02.

7.02 Performance Assurance.

(a) Amount.

At all times during the Delivery Period, Seller shall post and thereafter maintain Performance Assurance in an amount equal to {SCE
Note: Performance Assurance will be calculated based on RFP Instructions.}

(b) Posting Requirements.

Seller shall post the Performance Assurance in accordance with the following terms and conditions:

- (i) Seller shall post all of the Performance Assurance on or before the Initial Delivery Date;
- (ii) Performance Assurance must be in the form of cash or a Letter of Credit; and
- (iii) The Performance Assurance and any interest accrued thereon in accordance with Section 7.03(a) shall be held by SCE as security for Seller's performance of its obligations under this Agreement.

(c) Return of Performance Assurance.

SCE shall return to Seller the unused portion of the Performance Assurance, including any interest accrued thereon pursuant to Section 7.03(a), as soon as reasonably practicable after (i) the Delivery Period has ended; and (ii) Seller has satisfied all monetary obligations which survive termination of this Agreement.

7.03 Administration of Project Security.

(a) Cash.

- (i) SCE shall calculate and pay to Seller an Interest Payment on any Project Security posted in cash, concurrently with the return of such Project Security to Seller in accordance with the terms of this Agreement.
- (ii) On or after the occurrence of an Event of Default with respect to the Seller or an Early Termination Date as a result of an Event of Default with respect to the Seller, SCE shall retain any Interest Payment as additional Project Security until the obligations of the Seller under this Agreement have been satisfied in the case of an Early Termination Date or for so long as such Event of Default is continuing in the case of an Event of Default; provided that, any Interest Payment amount that is held by SCE as an additional Project Security amount shall not accrue interest in accordance with Section 7.03(a)(i).
- (iii) SCE shall have the right to sell, pledge, rehypothecate, assign, invest, use, commingle or otherwise use in its business any cash that it holds as Project Security hereunder, free from any claim or right of any nature whatsoever of Seller, including any equity or right of redemption by Seller.

(b) Letters of Credit.

- (i) Each Letter of Credit shall be maintained for the benefit of SCE.
- (ii) Seller shall:
 - (A) renew or cause the renewal of each outstanding Letter of Credit no less than ~~sixty (60)~~thirty (30) days before its expiration;
 - (B) if the issuer of an outstanding Letter of Credit has indicated its intent not to renew such Letter of Credit, provide alternative Project Security no less than twenty (20) Business Days prior to its expiration; and
 - (C) if the issuer of a Letter of Credit fails to honor SCE's properly documented request to draw on an outstanding Letter of Credit, provide substitute Project Security within three (3) Business Days after such refusal.

- (iii) Upon the occurrence of a Letter of Credit Default, Seller shall provide to SCE alternative Project Security on or before the third (3rd) Business Day after the occurrence thereof (or the fifth (5th) Business Day after the occurrence thereof if only clause (a) under the definition of Letter of Credit Default applies).
 - (iv) Upon or at any time after the occurrence and continuation of an Event of Default by Seller, SCE may draw on the entire undrawn portion of any outstanding Letter of Credit upon submission to the issuer of such Letter of Credit of one or more certificates specifying that such Event of Default has occurred and is continuing. In addition, SCE will have the right to draw on the Letter of Credit for any of the reasons set forth in such Letter of Credit or its accompanying draw certificate.
 - (v) Cash proceeds received by SCE from drawing upon the Letter of Credit shall be deemed Project Security for Seller's obligations to SCE, and SCE shall have the rights and remedies set forth in this Agreement with respect to such cash proceeds.
 - (vi) In all cases, all costs associated with a Letter of Credit, including the costs and expenses of establishing, renewing, substituting, canceling, and changing the amount of a Letter of Credit shall be borne by Seller.
- (c) Liability Following Application of Collateral. Notwithstanding SCE's use of cash collateral or receipt of cash proceeds of a drawing under the Letter of Credit, Seller shall remain liable for:
- (i) Any failure to provide or maintain the required Project Security if, following such application, the remaining Project Security is less than the amount required hereunder (including failure to replenish cash collateral or a Letter of Credit to the full Project Security amount in the event that SCE uses the cash collateral or draws against the Letter of Credit for any reason other than to satisfy a Termination Payment); or
 - (ii) Any amounts owing to SCE that remain unpaid after the application of the amounts drawn by SCE.

7.04 Grant of Security Interest.

To secure its performance of its obligations under this Agreement, and until released as provided herein, Seller hereby grants to SCE a present and continuing first-priority security interest ("Security Interest") in, and lien on (and right of setoff against), and

assignment of the Project Security and any and all proceeds resulting therefrom or from the liquidation thereof, whether now or hereafter held by, on behalf of, or for the benefit of SCE.

7.05 Remedies.

- (a) Upon or any time after the occurrence or deemed occurrence and during the continuation of an Event of Default or an Early Termination Date, SCE, if it is the Non-Defaulting Party, may do any one or more of the following:
 - (i) exercise any of its rights and remedies with respect to the Project Security, including any such rights and remedies under Applicable Laws;
 - (ii) exercise any of its rights of setoff against any and all property of Seller in the possession of SCE or its agent;
 - (iii) draw on any outstanding Letter of Credit issued for its benefit; and
 - (iv) liquidate any Project Security then held by or for the benefit of SCE free from any claim or right of any nature whatsoever of Seller, including any equity or right of purchase or redemption by Seller.
- (b) SCE shall apply the proceeds of the collateral realized upon the exercise of any such rights or remedies to reduce Seller's obligations under this Agreement, subject to SCE's obligation to return any surplus proceeds remaining after such obligations are satisfied in full.
- (c) SCE shall be under no obligation to prioritize the order with respect to which it exercises any one or more rights and remedies available hereunder. Seller shall in all events remain liable to SCE for any amount payable by Seller in respect of any of its obligations remaining unpaid after any such liquidation, application and set off.

7.06 Credit and Collateral Covenants.

- (a) Seller shall, from time to time as requested by SCE, take such actions and execute, acknowledge, record, register, deliver and file such notices, statements, instruments and other documents as may be necessary or advisable to perfect the Security Interest.
- (b) During any period during which Seller is a Defaulting Party, Seller shall not:
 - (i) Declare or pay any dividend, or make any other distribution or payment, on account of any equity interest in Seller; or

- (ii) Otherwise make any distribution or payment to any Affiliate of Seller.
- (c) If Seller is a Special Purpose Entity, then:
 - (i) Seller shall not cause or permit the stock, equity ownership interest in Seller or assets of Seller to be pledged or assigned as collateral or otherwise to any party other than Lender under a Collateral Assignment Agreement.
 - (ii) Seller shall not hold any material assets, become liable for any material obligations or engage in any material business activities other than the development, construction and operation of the Project.
 - (iii) Seller shall not own, form or acquire, or otherwise conduct any of its activities through, any direct or indirect subsidiary.

7.07 California Commercial Code Waiver.

This Agreement sets forth the entirety of the agreement of the Parties regarding credit, collateral, financial assurances and adequate assurances. Except as expressly set forth in this Agreement, including in Article 7 and Article 10, neither Party:

- (a) has or will have any obligation to post margin, provide letters of credit, pay deposits, make any other prepayments or provide any other financial assurances, in any form whatsoever, or
- (b) will have reasonable grounds for insecurity with respect to the creditworthiness of a Party that is complying with the relevant provisions of Article 7 and Article 10; and all implied rights relating to financial assurances arising from Section 2609 of the California Commercial Code or case law applying similar doctrines, are hereby waived.

7.08 Financial Information.

Each Party, if requested by the other Party, shall deliver the following financial statements, which in all cases must be for the most recent accounting period and prepared in accordance with GAAP or IFRS:

- (a) Within one hundred twenty (120) days following the end of each fiscal year, a copy of its annual report containing audited (or unaudited, if Seller does not otherwise prepared audited financial statements) consolidated financial statements (income statement, balance sheet, statement of cash flows and statement of retained earnings and all accompanying notes) for such fiscal year, setting forth in each case, in comparative form, the figures for the previous year for the Party; and

- (b) Within sixty (60) days after the end of each of its first three fiscal quarters of each fiscal year, a copy of its quarterly report containing unaudited consolidated financial statements (income statement, balance sheet, statement of cash flows and statement of retained earnings and all accompanying notes) for such fiscal quarter and the portion of the fiscal year through the end of such quarter, setting forth in each case, in comparative form, the figures for the previous year for the Party.

In each case, the financial statements specified above must be certified in accordance with all Applicable Laws, including all applicable SEC rules and regulations, if such Party is an SEC reporting company, or certified by the chief financial officer, controller, treasurer or any assistant treasurer of a Party, or any employee of a Party designated by any of the foregoing, as being fairly stated in all material respects (subject to normal year-end audit adjustments) if such Party is not an SEC reporting company.

A Party shall be deemed to have met the requirements of this Section 7.08 if its financial statements are publicly available electronically on its or the SEC's website.

Unavailability of financial statements required hereunder due to a delay in preparation or certification shall not be an Event of Default so long as the producing Party diligently pursues the preparation, certification and delivery of such statements.

ARTICLE 8. FORCE MAJEURE

8.01 No Default for Force Majeure.

Neither Party will be considered to be in default in the performance of any of its obligations set forth in this Agreement when and to the extent failure of performance is caused by Force Majeure; provided, a failure to make payments when due that accrued prior to the Force Majeure event shall not be excused.

8.02 Force Majeure Claim.

If, because of a Force Majeure, either Party is unable to perform its obligations under this Agreement, such Party (the "Claiming Party") shall be excused from whatever performance is affected by the Force Majeure only to the extent so affected; provided:

- (a) the Claiming Party, no more than fourteen (14) days after the initial occurrence of the claimed Force Majeure, gives the other Party Notice describing the particulars of the occurrence;
- (b) the Claiming Party must provide timely evidence reasonably sufficient to establish that the occurrence constitutes a Force Majeure as defined in this Agreement;

- (c) the suspension of performance is of no greater scope and of no longer duration than is required by the Force Majeure; and
- (d) as soon as the Claiming Party is able to resume performance of its obligations under this Agreement, it shall do so and shall promptly give the other Party Notice of this resumption.

8.03 Termination.

- (a) If the Initial Delivery Date does not occur on or before the Expected Initial Delivery Date as the result of a Force Majeure occurring before the Expected Initial Delivery Date and Seller is the Claiming Party, then the Expected Initial Delivery Date will, subject to Sections 2.04 and 2.05 and Seller's compliance with its obligations as the Claiming Party under this Article 8, be extended on a day-for-day basis for the duration of the Force Majeure; provided, if (i) the Initial Delivery Date does not occur before the Initial Delivery Deadline and (ii) such Force Majeure extension coincides with and extends beyond the Initial Delivery Deadline, then either Party may terminate this Agreement on Notice, which will be effective five (5) Business Days after such Notice is provided.

If either Party exercises its termination right pursuant to this Section 8.03(a), no Termination Payment will be due or owing by either Party, and Seller will be entitled to a return of any Development Security.

- (b) During the Delivery Period, either Party may terminate this Agreement on Notice, which will be effective five (5) Business Days after such Notice is provided, if (i) an event of Force Majeure extends for more than three hundred sixty-five (365) consecutive days and materially and adversely affects the operations of the Claiming Party, or (ii) the Project is destroyed or rendered inoperable by a Force Majeure, and an independent, third-party engineer determines in writing that the Project cannot be repaired or replaced within six (6) months after the first day of such Force Majeure.

If either Party exercises its termination right pursuant to this Section 8.03(b), no Termination Payment will be due or owing by either Party, and Seller will be entitled to a return of any Performance Assurance.

ARTICLE 9. REPRESENTATIONS, WARRANTIES AND COVENANTS

9.01 Representations and Warranties of Both Parties.

As of the Effective Date, each Party represents and warrants to the other Party that:

- (a) It is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;
- (b) Except for CPUC Approval in the case of SCE, it has or will timely acquire all regulatory authorizations necessary for it to legally perform its obligations under this Agreement;
- (c) The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any Applicable Laws;
- (d) This Agreement constitutes its legally valid and binding obligation, enforceable against it in accordance with the terms of this Agreement, subject to any Equitable Defenses;
- (e) It is not Bankrupt and there are not proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt;
- (f) There is not pending, or to its knowledge, threatened against it or, in the case of Seller, any of its Affiliates, any legal proceedings that could materially and adversely affect its ability to perform under this Agreement;
- (g) No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement;
- (h) It is acting for its own account and its decision to enter into this Agreement is based upon its own judgment, not in reliance upon the advice or recommendations of the other Party and it is capable of assessing the merits of and understanding, and understands and accepts the terms, conditions and risks of this Agreement;
- (i) It has entered into this Agreement in connection with the conduct of its business and it has the capability or ability to make available or take delivery of, as applicable, the Product under this Agreement in accordance with the terms of this Agreement; and
- (j) It has not relied upon any promises, representations, statements or information of any kind whatsoever that are not contained in this Agreement in deciding to enter into this Agreement.

9.02 Additional Seller Representations and Warranties.

- (a) As of the Effective Date, Seller represents and warrants to SCE that:
- (i) Seller ☐ is/ ☐ is not *{SCE note: select applicable option}* an entity formed solely to engage in the development, construction and operation of the Project (a “Special Purpose Entity”)
 - (ii) If the Project is In Front of the Meter, Seller has provided SCE with true and correct, up-to-date copies of all of the Interconnection Studies, if any, to enable delivery of the Project’s output to the Interconnection Point pursuant to Applicable Laws and to enable Seller to provide the Product to SCE; and
 - (iii) If the Project utilizes Energy Storage, Seller has provided to SCE a list of services that Seller currently provides to SCE or to any other entity using the Storage Unit(s), in addition to the Product delivered to SCE under this Agreement.
- (b) As of the Effective Date and, if applicable, as of each time that a Generating Facility is added to the Project, Seller represents and warrants to SCE that Seller has not used, granted, pledged, assigned, sold or otherwise committed any Product to meet the RA Compliance Obligations of, or conferred Resource Adequacy Benefits upon, any entity other than SCE during the Delivery Period, except to the extent such benefits are conferred on another entity pursuant to an order of the CPUC or at the direction of SCE.
- (c) As of the Initial Delivery Date, Seller represents and warrants to SCE that the Project, and each Storage Unit (if any) included within the Project:
- (i) was not installed or operational at any time before January 1, 2010 as provided in the CPUC Decision 13-10-040;
 - (ii) has a remaining design life of at least [#] years after the Initial Delivery Date as attested by an Independent Engineer; *[SCE note: design life should extend at least until end of Delivery Period, or longer based on accounting considerations]*
 - (iii) is incremental capacity to the *[SCE note: insert applicable circuit]*; and
 - (iv) does not replace an existing solar power generating facility or storage unit.
- (d) On each day on which Project Security *in the form of cash* is held by SCE under this Agreement, Seller hereby represents and warrants that:

- (i) Seller has good title to and is the sole owner of such Project Security; ~~and the execution, delivery and performance of the covenants and agreements of this Agreement do not result in the creation or imposition of any lien or security interest upon any of its assets or properties, including the Project Security, other than the security interests and liens created under this Agreement;~~
 - (ii) Upon the posting of Project Security by Seller to SCE, SCE shall have a valid and perfected first priority continuing security interest therein, free of any liens, claims or encumbrances, except those liens, security interests, claims or encumbrances arising by operation of law that are given priority over a perfected security interest; and
 - (iii) Seller is not and will not become a party to or otherwise be bound by any agreement, other than this Agreement, which restricts in any manner the rights of any present or future holder of any of the Project Security with respect hereto.
- (e) On the Initial Delivery Date and on each day Seller provides information to SCE or updates Exhibit B, Seller hereby represents and warrants that: (i) the information contained in Exhibit B is correct and accurate and (ii) Seller has provided SCE with true and correct, up-to-date copies of all documents, if any, related to the interconnection of the Project.
- (f) Seller also makes the additional representations and warranties (if any) set forth in Section 9.02 of Attachment 1.

9.03 SCE Covenants.

- (a) SCE shall maintain and preserve its existence as a corporation- formed under the laws of the State of California and all material rights, privileges and franchises necessary or desirable to enable it to perform its obligations under this Agreement.
- (b) SCE shall, comply with Applicable Laws with respect to the Product arising out of or in connection with SCE's actions or inactions after taking delivery of the Product.

9.04 Seller Covenants.

- (a) Seller shall maintain ownership of and demonstrable exclusive rights to the Project throughout the Term.

- (b) Seller shall deliver the Product to SCE free and clear of all liens, security interests, claims and encumbrances or any interest therein or thereto by any person.
- (c) Seller shall obtain, maintain and remain in compliance with all Permits, agreements (including interconnection agreements) and rights (including transmission rights) necessary to operate the Project and provide the Product to SCE in accordance with this Agreement.
- (d) Seller shall maintain and preserve its existence as a *[insert applicable corporate incorporation information]* formed under the laws of the State of *[XX]* and all material rights, privileges and franchises necessary or desirable to enable it to perform its obligations under this Agreement.
- (e) If Seller agrees to use any Storage Unit(s) associated with the Project to provide any services to SCE or to any other entity in addition to the Product delivered to SCE under this Agreement, Seller shall:
 - (i) Inform SCE regarding such additional services in writing prior to providing such additional services. Upon SCE's request, Seller shall provide SCE with an update regarding any previously reported additional services or any new additional services delivered to SCE or any other entity and
 - (ii) Provide the services in compliance with the rules set forth in CPUC Decision (D.) 18-01-003 regarding multiple-use application issues for energy storage devices, as such rules are amended, modified or updated from time to time.
- (f) Seller shall furnish SCE, the CPUC, each applicable Governmental Authority, and the CAISO with such evidence as may reasonably be requested to demonstrate SCE's ownership of or exclusive right to the Product during the Delivery Period.
- (g) Seller shall, and shall cause the SC (if any) to, comply with Applicable Laws relating to the Project and the Product.
- (h) Throughout the Delivery Period:
 - (i) If the Product includes Capacity Attributes, no portion of the Product will be committed by Seller to any third party in order to satisfy RA Compliance Obligations or analogous obligations in any CAISO Markets or non-CAISO markets, other than (in the case of an In Front of the Meter Energy Storage Project), pursuant to an RMR Contract

between the CAISO and Seller, an order of the CPUC, or at the direction of SCE.

- (ii) If the CAISO designates any portion of the Project as CPM Capacity Seller shall, and shall cause the Project's SC to:
 - (A) Promptly (and in any event within one (1) Business Day of the time Seller or such SC receives notification from the CAISO) notify SCE and
 - (B) Not accept any such designation by the CAISO unless and until SCE has agreed to accept such designation, provided that SCE shall have the exclusive right to offer the Product and Project, or any portion thereof, to the CAISO as CPM Capacity.
- (i) Seller shall perform all covenants (if any) set forth in Section 9.04 of Attachment 1.

9.05 Customer Service Covenants.

This Section 9.05 shall only be applicable to Behind the Meter Projects.

(a) Customer Information.

Seller shall provide, for each Customer or Recruited Account associated with the Project, an authorization by which the Customer or Recruited Account authorizes data disclosure or account enrollment, by submitting a CPUC-approved form or by other method consistent with the SCE Tariff. SCE's provision of any information, usage or meter data to Seller shall be subject to the prior written authorization of the applicable Customer or Recruited Account. SCE has no obligation to verify the accuracy of any information provided to Seller hereunder.

(b) Advertising and Marketing.

Any and all marketing materials designed or developed by Seller that reference any SCE program will be subject to written approval from SCE Contract Administration prior to any distribution, circulation or publication. Seller is responsible for all marketing activities to customers; however, SCE, in its sole discretion, may assist Seller with advertising or marketing to SCE's customers. Seller shall not, nor shall Seller permit any of its subcontractors or independent contractors to use SCE's corporate name, trademark, trade name, logo, identity or any affiliation for any reason, without SCE's prior written consent, which

may be withheld by SCE in its sole discretion.

(c) Security of Customer Information.

Seller shall implement reasonable administrative, technical, and physical safeguards, including any specific safeguards specified from time to time by SCE, to protect Customer information from unauthorized access, destruction, use, modification, or disclosure.

An “EPI Incident” is:

- (i) Unless expressly authorized under this Agreement, any use, reproduction, distribution, transfer, disposition, disclosure, possession, memory input, alteration, erasure, damage, breach in the security, or other activity by a person or party other than SCE of
 - (A) Seller’s ~~information system~~computing systems or equipment, including those that ~~contains~~contain EPI, or
 - (B) SCE’s computing systems or equipment that contain EPI, if caused by the action or inaction of Seller; or
- (ii) ~~Or any~~Any unauthorized access to, interception of, disclosure or acquisition of such EPI.

Any reasonably suspected or confirmed EPI Incident must be reported to SCE via email to Cybersecurity@sce.com, within 24 hours after Seller’s awareness of the event. Notification shall include the nature of the event, date and time of the event, suspected amount and type of information exposed and steps being taken to investigate the circumstances of the exposure. Seller shall cooperate and assist SCE in the investigation, analysis and resolution of EPI Incidents. Seller shall provide SCE with details of the investigation and final disposition of the EPI Incident relevant to the services provided to SCE or which may impact the confidentiality, integrity or availability of those services or of SCE information.

In addition to the above, Seller shall: (x) regularly scan systems for vulnerabilities, (y) rank all vulnerabilities and promptly remediate detected vulnerabilities ranked as critical, high or moderate, and (z) use commercially reasonable efforts to identify any critical, high or moderate vulnerabilities, risks or threats that could potentially impact SCE, and shall notify SCE in writing within one (1) Business Day after such identification. If Seller determines that it cannot remediate any such potential or detected vulnerabilities, risk or threats within 30 days after identifying any such

potential or detected vulnerabilities, risks, or threats, it shall promptly notify SCE in writing. Seller's notification shall provide detailed information describing the controls used to mitigate these vulnerabilities, risks or threats.

(d) Provision of Contractor Information.

Seller will provide to SCE a list of all Seller's direct and indirect subcontractors and any independent contractors associated with the Project, prior to any such person contacting any Customer in any manner.

9.06 Changes in Terminology Arising from CAISO RA Enhancement.

If the Product includes Capacity Attributes, and if the CAISO RA Enhancement is implemented, then this Agreement shall be interpreted in accordance with the following from and after the effective date of such implementation, references to Capacity Attributes and Expected Capacity Attributes in this Agreement (including in the calculation of payments due hereunder) shall be construed with reference to the value adopted by the CAISO RA Enhancement with respect to the Project that takes into account historical forced outages of a facility (referred to herein as "UCAP" regardless of the term ultimately adopted by the CAISO for such value) instead of "NQC".

The Parties intend, by the revisions described in this Section 9.06, to implement the structural changes contemplated by the CAISO RA Enhancement and to ensure that Seller's performance is measured based on the value that SCE may utilize to meet its resource adequacy obligations, without materially shifting the benefits, burdens and obligations of the Parties set forth in this Agreement as of the Effective Date. The Parties understand and agree that the revised contract interpretation described above is consistent with their intent, because Seller will bear the risk of forced outages under both the current Resource Adequacy framework and the CAISO RA Enhancement (through RAIM, in the current framework, and through the calculation of UCAP, in the CAISO RA Enhancement.

The Parties shall execute appropriate amendments to this Agreement to document the above revisions and any other similar amendments that are consistent with the Parties' intent as described in this Section 9.06, including those amendments, if any, referenced in Section 9.06 of Attachment 1.

9.07 Change in Electric Market Design.

If the Product includes Capacity Attributes, and if a Change in CAISO Tariff other than the CAISO RA Enhancement renders this Agreement or any terms herein incapable of being performed or administered, then either Party, on Notice, may request the other Party to enter into negotiations to make the minimum changes to this Agreement necessary to make this Agreement capable of being performed and administered, while

attempting to preserve to the maximum extent possible the benefits, burdens and obligations set forth in this Agreement as of the Effective Date.

Upon receipt of a Notice requesting negotiations, the Parties shall negotiate in good faith.

If the Parties are unable, within sixty (60) days after the sending of the Notice requesting negotiations, either to agree upon changes to this Agreement or to resolve issues relating to changes to this Agreement, then either Party may submit issues pertaining to changes to this Agreement to mediation and arbitration as provided in Article 12.

A change in cost will not in itself be deemed to render this Agreement or any terms therein incapable of being performed or administered, or constitute, or form the basis of, a Force Majeure.

ARTICLE 10. EVENTS OF DEFAULT; TERMINATION

10.01 Events of Default.

An “Event of Default” means, with respect to a Party (a “Defaulting Party”), the occurrence of any of the following:

- (a) With respect to either Party:
 - (i) Such Party fails to make when due any payment required under this Agreement and this failure is not cured within five (5) Business Days after Notice of the failure;
 - (ii) Any representation or warranty made by such Party herein is false or misleading in any material respect when made or when deemed made or repeated if the representation or warranty is continuing in nature, provided, if the misrepresentation or breach of warranty is capable of a cure, an Event of Default will be deemed to occur if the misrepresentation or breach of warranty is not remedied within five (5) Business Days after Notice from the non-breaching Party;
 - (iii) Such Party fails to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default) if such failure is not remedied within thirty (30) days after Notice of the failure, which Notice sets forth in reasonable detail the nature of the failure; provided, if the failure is not reasonably capable of being cured within the thirty (30) day cure period specified above, the Party will have such additional time (not

exceeding an additional sixty (60) days) as is reasonably necessary to cure the failure, so long as the Party promptly commences and diligently pursues the cure; ~~or~~

(iv) Such Party becomes Bankrupt; ~~or~~

~~(b)~~ ~~With respect to Seller:~~

~~(i)(v)~~ ~~Seller~~Such Party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting, surviving or transferee entity fails to assume all the obligations of ~~Seller~~that Party under this Agreement either by operation of law or pursuant to an agreement reasonably satisfactory to ~~SCE~~the other Party;

~~(b)~~ ~~With respect to Seller:~~

~~(ii)(i)~~ Seller fails to satisfy the credit and collateral requirements set forth in Article 7, including failure to post or maintain Project Security, and such failure is not cured within three (3) Business Days after Notice from SCE;

~~(iii)(ii)~~ Seller fails to achieve the Initial Delivery Date for the Project by the Initial Delivery Deadline except if (A) the cause of such failure is due to an event of Force Majeure, (B) Seller has complied with its obligations under Article 8 as the Claiming Party, and (C) this Agreement is subject to termination under Section 8.03(a);

~~(iv)(iii)~~ Seller intentionally or knowingly delivers, or attempts to deliver, or Forecast if applicable, Product for sale under this Agreement that is not associated with the Project;

~~(v)(iv)~~ A termination of, or cessation of service under, any agreement necessary for Seller:

- (A) To interconnect the Project to the T&D Provider's electric system;
- (B) To transmit the electric energy on the T&D Provider's electric system or charge or discharge the Project; or
- (C) To comply with the CAISO Tariff and the SCE Tariff;

provided, if SCE and Seller mutually agree that a termination of, or cessation of service under, any such agreement is not due to the fault of Seller, Seller shall have thirty (30) days from such termination or cessation to cure such default;

- ~~(vi)~~(v) If the Product includes Capacity Attributes, Seller fails to take any actions necessary to dedicate, convey or effectuate the use of any and all Resource Adequacy Benefits for SCE's sole benefit;
- ~~(vii)~~(vi) Subject to the terms of a Collateral Assignment Agreement, which shall control in the event of any conflict or inconsistency with this Section 10.01(b)(~~vii~~vi), the occurrence and continuation of an event of default of Seller under one or more agreements or instruments relating to indebtedness for borrowed money, in the aggregate amount of not less than [dollar amount text] dollars (\$[Number]) [amount to be determined by SCE] which results in the indebtedness having been declared immediately due and payable.
- ~~(viii)~~(vii) If Seller is a Special Purpose Entity, the stock or equity ownership interests in Seller or assets of Seller are directly or indirectly pledged or assigned, as collateral to any party other than Lender;
- ~~(ix)~~(viii) Seller makes any material misrepresentation or omission in any report, documentation, or information required to be made or furnished by Seller pursuant to this Agreement and such misrepresentation or omission is not remedied within five (5) Business Days after Notice from SCE;
- ~~(x)~~(ix) Seller sells, assigns, or otherwise transfers, or commits to sell, assign, or otherwise transfer, the Product, or any portion thereof, to any party other than SCE;
- ~~(xi)~~(x) Subject to Seller's one-time right to cure pursuant to Section 4.07, Seller fails to achieve a Critical Path Development Milestone on or before the deadline to achieve such Critical Path Development Milestone set forth in this Agreement;
- ~~(xii)~~(xi) Seller fails to maintain the necessary Permits under Section 4.01;
- ~~(xiii)~~(xii) Seller fails to provide a Project Progress Report in accordance with Section 4.06 and such failure is not remedied within five (5) Business Days after Notice from SCE; or
- ~~(xiv)~~(xiii) Any additional Event of Default set forth in Section 10.01 of

Attachment 1.

10.02 Early Termination Date.

If an Event of Default with respect to a Defaulting Party shall have occurred and be continuing, the other Party (the “Non-Defaulting Party”) shall have the right, by delivery of Notice to the Defaulting Party, to (a) designate a day, no earlier than the day such Notice is effective and no later than twenty (20) days after such Notice is effective, as an “Early Termination Date,” and to terminate this Agreement as of the Early Termination Date, (b) accelerate all amounts owing between the Parties under this Agreement, (c) withhold any payments due to the Defaulting Party under this Agreement, (d) suspend performance pending termination of this Agreement but excluding the obligation to post and maintain Project Security in accordance with Article 7; and (e) pursue all remedies available at law or in equity against the Defaulting Party (including monetary damages and, where appropriate, specific performance or injunctive relief), except to the extent that such remedies are limited by the terms of this Agreement.

10.03 Notice of Termination Payment.

As soon as practicable after an Early Termination Date is declared, the Non-Defaulting Party shall provide Notice to the Defaulting Party of the Termination Payment, calculated in a commercially reasonable manner in accordance with Section 10.04. The Notice must include a written statement setting forth, in reasonable detail, the calculation of such Termination Payment, together with appropriate supporting documentation.

If the Termination Payment is owed to the Non-Defaulting Party, then the Defaulting Party shall pay such amount to the Non-Defaulting Party within five (5) Business Days after the Notice is provided. If the Termination Payment is owed to the Defaulting Party, then the Forward Settlement Amount shall be zero dollars (\$0) and the Non-Defaulting Party shall only pay to the Defaulting Party, within thirty (30) days after the Notice is provided, any amounts owed by the Non-Defaulting Party to the Defaulting Party determined as of the Early Termination Date.

The Parties shall negotiate in good faith to resolve any Disputes regarding the calculation of the Termination Payment. Any Disputes which the Parties are unable to resolve through negotiation may be submitted for resolution through mediation and arbitration as provided in Article 12.

10.04 Calculation of Termination Payment.(a) Termination Payment Prior to Initial Delivery Date.

If the Early Termination Date occurs before the Initial Delivery Date, then the Termination Payment shall be calculated as follows:

- (i) If Seller is the Defaulting Party, then the Termination Payment shall be owed to SCE and shall be equal to the entire Development Security amount and any interest accrued thereon. SCE shall be entitled to immediately retain for its own benefit those funds held as Development Security and any interest accrued thereon, and any amount of Development Security that Seller has not yet posted with SCE will be immediately due and payable by Seller to SCE. There will be no amounts owed to Seller.
- (ii) If SCE is the Defaulting Party, then the Termination Payment shall be owed to Seller and shall equal the sum of the actual, documented and verifiable costs incurred by Seller between the Effective Date and the Early Termination Date in connection with the Project, less the fair market value (determined in a commercially reasonable manner) of (A) all Seller's assets individually, or (B) the entire Project, whichever is greater, regardless of whether or not any Seller asset or the entire Project is actually sold or disposed of. There will be no amount owed to SCE.
- (iii) Each Party agrees that its damages in the event of an Early Termination Date prior to the Initial Delivery Date caused by the other Party's default would be difficult or impossible to determine and that the damages set forth in this Section 10.04(a) are a reasonable approximation of its harm or loss.

(b) Termination Payment After the Initial Delivery Date Occurs.

If the Early Termination Date occurs after the Initial Delivery Date, then the Termination Payment shall equal the sum of all amounts owed by the Defaulting Party to the Non-Defaulting Party under this Agreement, including a Forward Settlement Amount (if any), less any amounts owed by the Non-Defaulting Party to the Defaulting Party determined as of the Early Termination Date. If SCE is the Non-Defaulting Party and reasonably expects to incur penalties, fines or costs from the CAISO, the CPUC, or any other Governmental Authority, then SCE may estimate the amount of those penalties and fines and include them in the Termination Payment amount.

(c) No-Fault Termination.

If either Party exercises a termination right as set forth in Sections 2.07, 8.03, or 10.05, the Termination Payment will be calculated with a Forward

Settlement Amount of zero dollars (\$0), and, if the termination occurs before the Initial Delivery Date, Seller will be entitled to a return of any Development Security provided to SCE.

10.05 Additional Termination Rights.

- (a) SCE Termination Right – Excess Network Upgrade Costs (In Front of the Meter & Behind the Meter Exporting Projects Only).
- (i) SCE has the right to terminate this Agreement on Notice, which will be effective five (5) Business Days after such Notice is given to Seller, on or before the date that is sixty (60) days after Seller provides to SCE the results of any Interconnection Study or interconnection agreement tendered to Seller (including any agreement tendered for interconnecting, or establishing service for, the Project for purposes of charging the Project with electric energy) by the T&D Provider if:
- (A) Such Interconnection Study or agreement as of the date of the termination Notice, estimates, includes, specifies or reflects that the maximum total cost of transmission upgrades or new transmission facilities that are, or may become, reimbursable by SCE, the CAISO, or any T&D Provider under the jurisdiction of the CAISO, to Seller (“Aggregate Network Upgrade Costs”), may in the aggregate exceed [dollar amount text] dollars (\$[Number]) (“Network Upgrades Cap”), irrespective of any subsequent amendments of such Interconnection Study or agreement or any contingencies or assumptions upon which such Interconnection Study or agreement is based; or {SCE Note: *Monetary threshold to be based upon transmission-related costs allocated to the Project that SCE would incur as estimated in the most recent Interconnection Study, or, if applicable, on value included in Seller’s offer.*}
- (B) SCE must procure transmission service from any other participating transmission owner to allow SCE to Schedule electric energy from the Project and the cost for such transmission service is not reimbursed or paid by Seller.

If SCE exercises its termination right pursuant to this Section 10.05(a), no Termination Payment will be due or owing by either Party and Seller will be entitled to a return of any Development Security provided to SCE.

- (ii) Notwithstanding anything to the contrary in this Section 10.05(a), SCE shall have no right to terminate this Agreement under this Section 10.05(a) if Seller, concurrently with its provision of the first Interconnection Study or interconnection agreement tendered to Seller by the T&D Provider that may give rise to a termination right of SCE under this Section 10.05(a), provides Notice to SCE that Seller irrevocably elects to owe to SCE:
 - (A) the amount by which the Aggregate Network Upgrade Costs exceed the Network Upgrades Cap (“Excess Network Upgrade Costs”), provided, (I) with respect to this Section 10.05(a)(ii)(A), and solely for the purpose of calculating Excess Network Upgrade Costs, Aggregate Network Upgrade Costs shall be updated to reflect the latest interconnection agreement (including any amendments or modifications thereto) tendered to Seller; and (II) under no circumstance shall the calculation of Excess Network Upgrade Costs be less than zero dollars (\$0), and
 - (B) any costs for transmission services specified in Section 10.05(a)(i)(B);

Seller’s failure to provide an election pursuant to this Section 10.05(a)(ii) shall be deemed to be an election not to exercise such rights

If Seller elects to pay, without reimbursement, for the Excess Network Upgrade Costs pursuant to this Section 10.05(a), in no event shall Seller have any interest in or rights or title to any Network Upgrades or Congestion Revenue Rights (as that term is defined in the CAISO Tariff) in connection with the development of the Project or the delivery of Product to SCE pursuant to this Agreement.

- (iii) The Parties agree and acknowledge that Projects utilizing energy storage may require an Interconnection Study and interconnection agreement for both charging electric energy to the Project, and a separate Interconnection Study and interconnection agreement for discharging electric energy from the Project. If there are two separate studies and agreements for charging and discharging electric energy, the Parties agree that for purposes of Section 10.05(a)(i)(A), the Aggregate Network Upgrade Costs shall reflect the aggregate maximum cost estimates for the total cost of transmission upgrades or new transmission facilities that are, or may become, reimbursable by SCE, or any T&D Provider under the jurisdiction of the CAISO,

including costs reimbursed by SCE, or any T&D Provider under the jurisdiction of the CAISO, to Seller as set forth in the Interconnection Study(ies) and/or interconnection agreement(s), as applicable, for both charging and discharging electric energy.

- (b) [SCE Termination Right – Changing Deferral Need. {SCE Note: As bid in Offer Workbook. SCE considering (i) whether there should be multiple different buy-out date/amounts (increasing amount for later buy-out) and (ii) whether there should be a partial buydown right.}]
- (i) SCE has the right to terminate this Agreement on Notice, which will be effective five (5) Business Days after such Notice is given to Seller, on or before the date that is [fifteen (15) months prior to Expected Initial Delivery Date] {SCE Note: SCE discussing what this date should be.} if SCE determines, in its sole discretion, that it no longer needs the Project to meet a deferral need.
- (ii) If SCE terminates this Agreement in accordance with this Section 10.05(b), SCE shall pay Seller [dollar amount text] dollars (\$[Number]) within thirty (30) days after its Notice given in Section 10.05(c)(i), there will be no Termination Payment, the Forward Settlement Amount will be zero dollars (\$0), and Seller will be entitled to a return of any Development Security provided to SCE.] {SCE Note: Remove for all but Distribution Deferral Contracts}
- (iii) Termination of this Agreement by SCE in accordance with this Section 10.05(b) will not be or cause an Event of Default by either Party.

10.06 Limitation on Seller's and Seller's Affiliates' Ability to Make or Agree to Sales from the Project after Certain Terminations of this Agreement.

If Seller terminates this Agreement as provided in Sections 2.07 or 8.03 (based on a Force Majeure as to which Seller is the Claiming Party), or if SCE terminates this Agreement due to Seller's Event of Default prior to the Initial Delivery Date, neither Seller nor Seller's Affiliates may sell, market or deliver any Product (or any component of the Product) associated with or attributable to the Project to a party other than SCE for a period of two (2) years following the Early Termination Date, unless prior to selling, marketing or delivering such Product, or entering into the agreement to sell, market or deliver such Product to a party other than SCE, Seller or Seller's Affiliates provides SCE with a written offer to sell the Product to SCE which provides SCE the right to select in its sole discretion to purchase such Product on either the terms and conditions materially similar to the terms and conditions contained in this Agreement or

the terms and conditions to which the third party agreed, and SCE fails to accept such offer within forty-five (45) days after SCE's receipt thereof.

Neither Seller nor Seller's Affiliates may sell or transfer the Project or any part thereof, the Interconnection Queue Position (if applicable), or any of Seller's land rights or interests in the Site so long as the limitations contained in this Section 10.06 apply, unless the transferee agrees to be bound by the terms set forth in this Section 10.06 pursuant to a written agreement approved by SCE.

Notwithstanding the foregoing, this Section 10.06 shall not be applicable to Projects consisting solely of Energy Efficiency measures.

ARTICLE 11. LIMITATIONS

11.01 Limitation of Remedies, Liability and Damages.

EXCEPT AS SET FORTH HEREIN, THERE ARE NO WARRANTIES BY EITHER PARTY UNDER THIS AGREEMENT, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF.

FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES WILL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY WILL BE LIMITED AS SET FORTH IN SUCH PROVISION AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED, UNLESS THE PROVISION IN QUESTION PROVIDES THAT THE EXPRESS REMEDIES ARE IN ADDITION TO OTHER REMEDIES THAT MAY BE AVAILABLE.

SUBJECT TO SECTION 12.04 (PROVISIONAL RELIEF), IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN, THE OBLIGOR'S LIABILITY WILL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY, SUCH DIRECT ACTUAL DAMAGES WILL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED.

UNLESS EXPRESSLY PROVIDED IN THIS AGREEMENT, INCLUDING THE PROVISIONS OF ARTICLE 13 (INDEMNIFICATION), NEITHER PARTY WILL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS

INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE.

IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE.

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

NOTHING IN THIS ARTICLE PREVENTS, OR IS INTENDED TO PREVENT SCE FROM PROCEEDING AGAINST OR EXERCISING ITS RIGHTS WITH RESPECT TO ANY PROJECT SECURITY.

11.02 No Representation by SCE.

Any review by SCE or its consultants of the Project or any aspect thereof, including the design, construction or refurbishment, operation or maintenance of the Project, or otherwise, is solely for SCE's information. By making such review, SCE makes no representation as to the economic and technical feasibility, operational capability, or reliability of the Project, and Seller shall in no way represent to any third party that any such review by SCE of the Project, including any review of the design, construction or renovation, operation, or maintenance of the Project by SCE, constitutes any such representation by SCE. Any review, approval, request, or requirement of material submitted by Seller shall mean only that such Required Material is acceptable to SCE solely for SCE's internal purposes and benefit, and will not in any way be construed to mean that such material is accurate, suitable for its intended purpose, in compliance with any Applicable Law or other requirement, or endorsed for the benefit of any other party, including Seller. Further, Seller acknowledges and agrees that SCE shall have no liability to Seller or any other third party with respect to any Required Material so reviewed, approved, requested or required by SCE or on SCE's behalf. Seller is solely responsible for the economic and technical feasibility, operational capability, and reliability of the Project.

11.03 Separation of Functions.

- (a) Nothing in this Agreement is intended to abrogate, limit, amend or modify the terms of any other agreement between Seller and SCE, including any

interconnection agreement or tariff, and no breach under such other agreement shall excuse a Party's nonperformance under this Agreement, unless the breach of such other agreement is also an Event of Default under this Agreement.

- (b) Nothing in this Agreement is intended to provide any rights or obligations to either Party with respect to:
- (i) any relationship between the Parties in which SCE is acting in its capacity as an owner or provider of electrical interconnection, transmission, or distribution service or equipment; (including any interconnection agreement or tariff); or
 - (ii) electrical interconnection, transmission, or distribution service or equipment;
- (c) SCE is not responsible or liable in any way for:
- (i) any delay or failure by Seller to achieve the Initial Delivery Date by the Expected Initial Delivery Date or the Initial Delivery Deadline, as applicable, related to electrical interconnection, transmission, or distribution service or equipment;
 - (ii) any costs or damages incurred by Seller as a result thereof or any reduction in payments under this Agreement resulting from any delay in achieving the Initial Delivery Date by the Expected Initial Delivery Date or Initial Delivery Deadline, as applicable, related to electrical interconnection, transmission, or distribution service or equipment; or
 - (+)(iii) a reduction in the Term or the Delivery Period related to electrical interconnection, transmission, or distribution service or equipment.
- (d) Seller's non-performance of any provision of this Agreement shall not be excused to any greater extent due to any action or inaction of SCE in its capacity as an owner or provider of electrical interconnection, transmission, or distribution service or equipment than it would be if the non-performance were due to any action or inaction of a person other than SCE.

ARTICLE 12. DISPUTES

12.01 Dispute Resolution.

Other than requests for provisional relief under Section 12.04, any and all Disputes which the Parties have been unable to resolve by informal methods after undertaking a good faith effort to do so, must first be submitted to mediation under the procedures described in Section 12.02 below, and if the matter is not resolved through mediation,

then for final and binding arbitration under the procedures described in Section 12.03 below.

The Parties agree that there will be no interlocutory appellate relief (such as writs) available. Any Dispute resolution process pursuant to this Article 12 shall be commenced within one (1) year of the date of the occurrence of the facts giving rise to the Dispute, without regard to the date such facts are discovered; provided, if the facts giving rise to the Dispute were not reasonably capable of being discovered at the time of their occurrence, then such one (1) year period shall commence on the earliest date that such facts were reasonably capable of being discovered, and in no event more than four (4) years after the occurrence of the facts giving rise to the Dispute. If any Dispute resolution process pursuant to this Article 12 with respect to a Dispute is not commenced within such one (1) year time period, such Dispute shall be waived and forever barred, without regard to any other limitations period set forth by law or statute.

12.02 Mediation.

Either Party may initiate mediation by providing Notice to the other Party in accordance with Section 14.02 of a request for mediation, setting forth a description of the Dispute and the relief requested.

The Parties will cooperate with one another in selecting the mediator ("Mediator") from the panel of neutrals from Judicial Arbitration and Mediation Services, Inc. ("JAMS"), its successor, or any other mutually acceptable non-JAMS Mediator, and in scheduling the time and place of the mediation.

Such selection and scheduling will be completed within forty-five (45) days after Notice of the request for mediation.

Unless otherwise agreed to by the Parties, the mediation will not be scheduled for a date that is greater than one hundred twenty (120) days from the date of Notice of the request for mediation.

The Parties covenant that they will participate in the mediation in good faith, and that they will share equally in its costs (other than each Party's individual attorneys' fees and costs related to the Party's participation in the mediation, which fees and costs will be borne by such Party).

All offers, promises, conduct and statements, whether oral or written, made in connection with or during the mediation by either of the Parties, their agents, representatives, employees, experts and attorneys, and by the Mediator or any of the Mediator's agents, representatives and employees, will not be subject to discovery and will be confidential, privileged and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding between or involving the Parties, or

either of them, provided, evidence that is otherwise admissible or discoverable will not be rendered inadmissible or non-discoverable as a result of its use in the mediation.

12.03 Arbitration.

Either Party may initiate binding arbitration with respect to the matters first submitted to mediation by providing Notice in accordance with Section 14.02 of a demand for binding arbitration before a single, neutral arbitrator (the "Arbitrator") within sixty (60) days following the unsuccessful conclusion of the mediation provided for in Section 12.02. If Notice of arbitration is not provided by either Party within sixty (60) days following the unsuccessful conclusion of the mediation provided for in Section 12.02, the Dispute resolution process shall be deemed complete and further resolution of such Dispute shall be barred, without regard to any other limitations period set forth by law or statute.

The Parties will cooperate with one another in selecting the Arbitrator within sixty (60) days after Notice of the demand for arbitration and will further cooperate in scheduling the arbitration to commence no later than one hundred eighty (180) days from the date of Notice of the demand.

If, notwithstanding their good faith efforts, the Parties are unable to agree upon a mutually-acceptable Arbitrator, the Arbitrator will be appointed as provided for in California Code of Civil Procedure Section 1281.6.

To be qualified as an Arbitrator, each candidate must be a retired judge of a trial court of any state or federal court, or retired justice of any appellate or supreme court.

Unless otherwise agreed to by the Parties, the individual acting as the Mediator will be disqualified from serving as the Arbitrator in the Dispute, although the Arbitrator may be another member of the JAMS panel of neutrals or such other panel of neutrals from which the Parties have agreed to select the Mediator.

Upon Notice of a Party's demand for binding arbitration, such Dispute submitted to arbitration, including the determination of the scope or applicability of this agreement to arbitrate, will be determined by binding arbitration before the Arbitrator, in accordance with the laws of the State of California, without regard to principles of conflicts of laws.

Except as provided for herein, the arbitration will be conducted by the Arbitrator in accordance with the rules and procedures for arbitration of complex business disputes for the organization with which the Arbitrator is associated.

Absent the existence of such rules and procedures, the arbitration will be conducted in accordance with the California Arbitration Act, California Code of Civil Procedure

Section 1280 et seq. and California procedural law (including the Code of Civil Procedure, Civil Code, Evidence Code and Rules of Court, but excluding local rules).

Notwithstanding the rules and procedures that would otherwise apply to the arbitration, and unless the Parties agree to a different arrangement, the place of the arbitration will be in Los Angeles County, California.

Also notwithstanding the rules and procedures that would otherwise apply to the arbitration, and unless the Parties agree to a different arrangement, discovery will be limited as follows:

- (a) Before discovery commences, the Parties shall exchange an initial disclosure of all documents and percipient witnesses which they intend to rely upon or use at any arbitration proceeding (except for documents and witnesses to be used solely for impeachment);
- (b) The initial disclosure will occur within thirty (30) days after the initial conference with the Arbitrator or at such time as the Arbitrator may order;
- (c) Discovery may commence at any time after the Parties' initial disclosure;
- (d) The Parties will not be permitted to propound any interrogatories or requests for admissions;
- (e) Discovery will be limited to twenty-five (25) document requests (with no subparts), three (3) lay witness depositions, and three (3) expert witness depositions (unless the Arbitrator holds otherwise following a showing by the Party seeking the additional documents or depositions that the documents or depositions are critical for a fair resolution of the Dispute or that a Party has improperly withheld documents);
- (f) Each Party is allowed a maximum of three (3) expert witnesses, excluding rebuttal experts;
- (g) Within sixty (60) days after the initial disclosure, or at such other time as the Arbitrator may order, the Parties shall exchange a list of all experts upon which they intend to rely at the arbitration proceeding;
- (h) Within thirty (30) days after the initial expert disclosure, the Parties may designate a maximum of two (2) rebuttal experts;
- (i) Unless the Parties agree otherwise, all direct testimony will be in form of affidavits or declarations under penalty of perjury; and

- (j) Each Party shall make available for cross examination at the arbitration hearing its witnesses whose direct testimony has been so submitted.

Subject to Section 11.01, the Arbitrator will have the authority to grant any form of equitable or legal relief a Party might recover in a court action.

The Parties acknowledge and agree that irreparable damage would occur if certain provisions of this Agreement are not performed in accordance with the terms of ~~the~~this Agreement, that money damages would not be a sufficient remedy for any breach of these provisions of this Agreement, and that the Parties shall be entitled, without the requirement of posting a bond or other security, to specific performance and injunctive or other equitable relief as a remedy for a breach of Sections 1.01, 5.05, 9.04(a)(vii), 9.05(c), 10.06, 14.05 (Confidentiality) and, in the case of In Front of the Meter Energy Storage Projects only, Section 9.04~~(d)~~ of Attachment 1.

Judgment on the award may be entered in any court having jurisdiction.

The Arbitrator must, in any award, allocate all of the costs of the binding arbitration (other than each Party's individual attorneys' fees and costs related to the Party's participation in the arbitration, which fees and costs will be borne by such Party), including the fees of the Arbitrator and any expert witnesses, against the Party who did not prevail.

Until such award is made, however, the Parties will share equally in paying the costs of the arbitration.

At the conclusion of the arbitration hearing, the Arbitrator shall prepare in writing and provide to each Party a decision setting forth factual findings, legal analysis, and the reasons on which the Arbitrator's decision is based. The Arbitrator shall also have the authority to resolve claims or issues in advance of the arbitration hearing that would be appropriate for a California superior court judge to resolve in advance of trial. The Arbitrator shall not have the power to commit errors of law or fact, or to commit any abuse of discretion, that would constitute reversible error had the decision been rendered by a California superior court. The Arbitrator's decision may be vacated or corrected on appeal to a California court of competent jurisdiction for such error. Unless otherwise agreed to by the Parties, all proceedings before the Arbitrator shall be reported and transcribed by a certified court reporter, with each Party bearing one-half of the court reporter's fees.

12.04 Provisional Relief.

The Parties acknowledge and agree that irreparable damage would occur if certain provisions of this Agreement are not performed in accordance with the terms of this Agreement, that money damages would not be a sufficient remedy for any breach of

these provisions of this Agreement, and that the Parties shall be entitled, without the requirement of posting a bond or other security, to seek a preliminary injunction, temporary restraining order, or other provisional relief as a remedy for a breach of Sections 1.01, 5.05, 9.04(a)(vii), 9.05(c), 10.06, 14.05 (Confidentiality) and, in the case of In Front of the Meter Energy Storage Projects only, Section 9.04(d) of Attachment 1, in any court of competent jurisdiction, notwithstanding the obligation to submit all other Disputes (including all claims for monetary damages under this Agreement) to arbitration pursuant to Section 12.01. The Parties further acknowledge and agree that the results of the arbitration may be rendered ineffectual without the provisional relief.

Such a request for provisional relief does not waive a Party's right to seek other remedies for the breach of the provisions specified above in accordance with this Article 12, notwithstanding any prohibition against claim-splitting or other similar doctrine. The other remedies that may be sought include specific performance and injunctive or other equitable relief, plus any other remedy specified in this Agreement for the breach of the provision, or if ~~the~~this Agreement does not specify a remedy for the breach, all other remedies available at law or equity to the Parties for the breach.

12.05 Consolidation of Matters.

The Parties shall make diligent good faith efforts to consolidate any provisional relief, mediation, arbitration or other dispute resolution proceedings arising pursuant to this Article 12 that arise from or relate to the same act, omission or issue.

ARTICLE 13. INDEMNIFICATION; ~~GOVERNMENTAL CHARGES~~GOVERNMENTAL CHARGES

13.01 SCE's Indemnification Obligations.

In addition to any other indemnification obligations SCE may have elsewhere in this Agreement, which are hereby incorporated in this Section 13.01, SCE releases, and shall indemnify, defend and hold harmless Seller, and Seller's directors, officers, employees, agents, assigns, and successors in interest, from and against any and all loss, liability, damage, claim, cost, charge, demand, fine, penalty or expense of any kind or nature (including any direct damage, claim, cost, charge, demand, or expense, and attorneys' fees (including cost of in-house counsel) and other costs of litigation, arbitration and mediation, and in the case of third-party claims only, indirect and consequential loss or damage of such third party), arising out of or in connection with:

- (a) any breach made by SCE of its representations, warranties, or covenants in Article 9;
- (b) the failure by SCE to pay any Governmental Charges or Environmental Costs for which SCE is responsible under Sections 13.06 or 13.08; and

- (c) any event, circumstance or act listed in Section 13.01 of Attachment 1.

This indemnity applies notwithstanding Seller's active or passive negligence. However, Seller will not be indemnified hereunder for its loss, liability, damage, claim, cost, charge, demand or expense to the extent caused by its gross negligence or willful misconduct.

13.02 Seller's Indemnification Obligations.

In addition to any other indemnification obligations Seller may have elsewhere in this Agreement, which are hereby incorporated in this Section 13.02, Seller releases, and shall indemnify, defend and hold harmless SCE, and SCE's directors, officers, employees, agents, assigns, and successors in interest, from and against any and all loss, liability, damage, claim, cost, charge, demand, penalty, fine or expense of any kind or nature (including any direct damage, claim, cost, charge, demand, or expense, and attorneys' fees (including cost of in-house counsel) and other costs of litigation, arbitration or mediation, and in the case of third-party claims only, indirect or consequential loss or damage of such third party), arising out of or in connection with:

- (a) any breach made by Seller of its representations, warranties, or covenants in Article 9;
- (b) injury or death to persons, including SCE employees, and physical damage to property, including SCE property, where the injury, death, or damage arises out of, is related to, or is in connection with, Seller's construction, ownership or operation of the Project, or obligations or performance under this Agreement;
- (c) injury or death to any person or damage to any property, including the personnel or property of SCE, to the extent that SCE would have been protected had Seller complied with all of the provisions of Section 14.07 (Insurance); provided, the inclusion of this Section 13.02(c) is not intended to create any express or implied right in Seller to elect not to provide the insurance required under Section 14.07;
- (d) any breach by Seller of the covenants set forth in Section 10.06;
- (e) any violation of Applicable Laws arising out of or in connection with Seller's performance of, or failure to perform this Agreement, including strict liability;
- (f) any (i) release of a Hazardous Material by Seller, any of Seller's EPC Contractors or other contractors, or any of its or their subcontractors, (ii) enforcement or compliance proceeding relating to or in connection with any alleged, threatened or actual violation of any environmental law by Seller or its

- EPC Contractor or any of Seller's or its EPC Contractor's subcontractors, or (iii) action reasonably necessary to abate, investigate, remediate or prevent a violation or threatened violation of any environmental law by Seller or its EPC Contractor or any of Seller's or its EPC Contractor's subcontractors;
- (g) any representations, statements or promises made by either Seller or Seller's agents or employees to a Customer or Recruited Account or a potential Customer or Recruited Account;
 - (h) any infringement upon or violation of any trade secret, trademark, trade name, copyright, patent, or other intellectual property rights of any third party by equipment, software, applications or programs (or any portion of same) used in connection with the Project;
 - (i) the failure by Seller to pay any Governmental Charges or Environmental Costs for which Seller is responsible under Sections 13.06 or 13.08, or, for Non-Tolling In Front of the Meter Energy Storage Projects only, Section 3.03(e) of Attachment 1;
 - (j) if the Product includes Capacity Attributes, any costs, penalties or fines resulting from the failure of Seller or its SC (unless SCE is the SC) to:
 - (i) provide any portion of the Contract Capacity for any portion of the Delivery Period;
 - (ii) provide notice of the non-availability of any portion of the Contract Capacity for any portion of the Delivery Period as required under Section 1.06;
 - (iii) provide notice of or any malfunction, outage or other condition affecting the Project as required under Article 6;
 - (iv) timely submit accurate Supply Plans that identify SCE's right to the Contract Capacity for each day of the Delivery Period;
 - (v) Dispatch the Project within any applicable time limits set forth in this Agreement; or
 - (vi) provide SCE with the full amount of Resource Adequacy Benefits associated with the Project (in accordance with then current resource adequacy counting rules);
 - (k) any event, circumstance or act listed in Section 13.02 of Attachment 1.

The Parties shall use commercially reasonable efforts to minimize costs, penalties, and fines for which indemnity is sought hereunder; provided, in no event will SCE be required to use or change its utilization of its owned or controlled assets or market positions to minimize such costs, penalties, and fines.

This indemnity applies notwithstanding SCE's active or passive negligence. However, SCE will not be indemnified for its loss, liability, damage, claim, cost, charge, demand or expense to the extent caused by its gross negligence or willful misconduct.

13.03 Indemnification Claims.

All claims for indemnification by a Party entitled to be indemnified under this Agreement (an "Indemnified Party") by the other Party (the "Indemnitor") will be asserted and resolved as follows:

- (a) If a claim or demand for which an Indemnified Party may claim indemnity is asserted against or sought to be collected from an Indemnified Party by a third party, the Indemnified Party shall as promptly as practicable give Notice to the Indemnitor; provided, failure to provide this Notice will relieve Indemnitor only to the extent that the failure actually prejudices Indemnitor.
- (b) Indemnitor will have the right to control the defense and settlement of any claims in a manner not adverse to Indemnified Party but cannot admit any liability or enter into any settlement without Indemnified Party's approval.
- (c) Indemnified Party may employ counsel at its own expense with respect to any claims or demands asserted or sought to be collected against it; provided, if counsel is employed due to a conflict of interest or because Indemnitor does not assume control of the defense, Indemnitor will bear the expense of this counsel.

13.04 Survival of Indemnification Rights and Obligations.

All indemnity rights and obligations shall survive the termination of this Agreement for a period of four (4) years.

13.05 Cooperation to Minimize Tax Liabilities.

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

13.06 Governmental Charges.

Seller shall pay or cause to be paid all taxes, charges or fees imposed by a Governmental Authority, including ad valorem taxes and other taxes attributable to the Project, land, land rights or interests in land for the Project (collectively, "Governmental Charges") on or with respect to the Project or the Product.

If the Project is In Front of the Meter, for any period in which the Project is selling Energy to SCE hereunder: (a) Seller shall pay or cause to be paid all Governmental Charges on or with respect to the Product at or before the Delivery Point; and (b) SCE shall pay or cause to be paid all Governmental Charges on or with respect to Product after the Delivery Point.

If Seller is required by Applicable Laws to remit or pay Governmental Charges which are SCE's responsibility hereunder, SCE shall promptly reimburse Seller for such Governmental Charges. If SCE is required by Applicable Laws to remit or pay Governmental Charges which are Seller's responsibility hereunder, SCE may deduct the amount of any such Governmental Charge from any amounts due to Seller under this Agreement. If SCE elects not to deduct such amounts from amounts due to Seller under this Agreement, Seller shall promptly reimburse SCE for such amounts upon SCE's request.

Nothing shall obligate or cause a Party to pay or be liable to pay any Governmental Charges for which it is exempt under Applicable Laws.

13.07 Compliance with Laws and Indemnification.

Seller shall be responsible for obtaining and maintaining all Permits, and shall construct and operate the Project in compliance with all Applicable Laws and Permit Requirements for the Term, including any new or revised Permits or Applicable Laws that become effective during the Term. If these requirements conflict, or the CAISO or CPUC do not provide a corresponding requirement to the other Governmental Authorities, Seller shall comply with the most stringent requirement of the Governmental Authorities.

Seller shall be solely responsible for any fines, penalties or other charges which result from Seller's failure to obtain or maintain such Permits and/or operate the Project in accordance with Applicable Laws and Permit Requirements. No such fines, penalties or charges shall be passed through to SCE.

13.08 Environmental Costs and Indemnification.

Seller is solely responsible for

- (a) Any Environmental Costs,

- (b) Any taxes, charges or fees imposed on the Project or Seller by a Governmental Authority for Greenhouse Gas emitted by and attributable to the Project, or any portion thereof, during the Term,
- (c) Any obligations listed under “Compliance Obligation” in the GHG Regulations, and
- (d) Any other costs associated with the implementation and regulation of Greenhouse Gas emissions (whether in accordance with the California Global Warming Solutions Act of 2006, Assembly Bill 32 (2006) and the regulations promulgated thereunder, including the GHG Regulations, or any other federal, state or local legislation to offset or reduce any Greenhouse Gas emissions implemented and regulated by a Governmental Authority) with respect to the Project, any portion of the Project, or Seller.

ARTICLE 14. MISCELLANEOUS**14.01 General.**

- (a) Entire Agreement. This Agreement constitutes the entire agreement between the Parties relating to its subject matter.
- (b) Amendment. This Agreement can only be amended by a writing signed by both Parties.
- (c) No Third-Party Beneficiaries. This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement).
- (d) Waiver. The failure of either Party to insist in any one instance upon strict performance of any the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as a waiver of any such provisions or the relinquishments of such rights for the future but the same shall continue and remain in full force and effect. Waiver by either Party of any default of the other Party shall not be deemed a waiver of any other default.
- (e) Section Headings; Technical Terms. The headings used in this Agreement are for convenience and reference purposes only. Words having well-known technical or industry meanings have these meanings unless otherwise specifically defined in this Agreement.
- (f) Successors and Assigns. This Agreement is binding on each Party's successors and permitted assigns.

- (g) Forward Contract. The Parties acknowledge and agree that this Agreement and the transactions contemplated by this Agreement constitute a “forward contract” and that SCE and Seller are each “forward contract merchants” within the meaning of the United States Bankruptcy Code (11 U.S.C. §101 *et seq.*), as amended.
- (h) Multiple Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Agreement and of signature pages by facsimile transmission, Portable Document Format (i.e., PDF) or by other electronic means constitutes effective execution and delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes.
- (i) Survival. Except as may be provided or limited by this Agreement, the obligations which by their nature are intended to survive termination of this Agreement, including representations, warranties, covenants and rights and obligations with respect to audits, indemnification, payment, settlement, confidentiality, remedies, limitation of liabilities, posting of Project Security, dispute resolution, and limitations on ~~third-party~~ sales, shall so survive.
- (j) No Agency. Except as otherwise provided explicitly herein, in performing their respective obligations under this Agreement, neither Party is acting, or is authorized to act, as the other Party’s agent.
- (k) Independent Contractors. The Parties are independent contractors. Nothing contained herein shall be deemed to create an association, joint venture, or partnership relationship between the Parties or to impose any partnership obligations or liability on either Party in any way.
- (l) Severability. If any term, section, provision or other part of this Agreement, or the application of any term, section, provision or other part of this Agreement, is held to be invalid, illegal or void by a court or regulatory agency of proper jurisdiction, all other terms, sections, provisions or other parts of this Agreement shall not be affected thereby but shall remain in force and effect unless a court or regulatory agency holds that the provisions are not separable from all other provisions of this Agreement.
- (m) Rules of Construction.
- (i) This Agreement will be considered for all purposes as prepared through the joint efforts of the Parties and may not be construed against one Party or the other as a result of the preparation,

substitution, submission or other event of negotiation, drafting or execution hereof.

- (ii) The term “including” when used in this Agreement is by way of example only and may not be considered in any way to be in limitation.
- (iii) The word “or” when used in this Agreement includes the meaning “and/or” unless the context unambiguously dictates otherwise.
- (iv) Where days are not specifically designated as Business Days, they will be considered as calendar days.
- (v) All references to time shall be in Pacific Daylight Time (when California observes Daylight Savings Time) and Pacific Standard Time (otherwise) unless stated otherwise.
- (vi) No provision of this Agreement is intended to contradict or supersede the SCE Tariff, Applicable Laws, or any agreement covering transmission, distribution, metering, scheduling or interconnection, including the interconnection agreement, each of which shall control in the event of an apparent contradiction with this Agreement. Each Party agrees that it will not assert, or defend itself, on the basis that any applicable tariff is inconsistent with this Agreement.
- (vii) Any reference to any Applicable Laws, tariff, government department or agency, regional reliability council, T&D Provider, accounting standard, or Ratings Agency includes any successor to such law, tariff, standard or organization.

14.02 Notices.

All notices, requests, invoices, statements or payments must be made as specified in Exhibit E.

Notices must, unless otherwise specified herein, be in writing and may be provided by hand delivery, first class United States mail, overnight courier service, e-mail or facsimile.

Notice provided in accordance with this Section 14.02 will be deemed given as follows:

- (a) Notice by e-mail, facsimile or hand delivery will be deemed given at the close of business on the day actually received, if received during business hours on a Business Day, and otherwise will be deemed given at the close of business on the next Business Day;

- (b) Notice by overnight United States mail or courier service will be deemed given on the next Business Day after such Notice was sent out;
- (c) Notice by first class United States mail will be deemed given two (2) Business Days after the postmarked date;
- (d) Curtailment Orders, Dispatch Instructions, Charging Instructions, and Local Resource Constrained Days instructions will be deemed given on the date and time made by SCE and will be effective immediately.

Notices will be effective on the date deemed given, unless a different date for the Notice to go into effect is stated in another section of this Agreement.

A Party may change its designated representatives, addresses and other contact information by providing Notice of same in accordance herewith.

All Notices, requests, invoices, statements or payments related to this Agreement must reference the ID# and clearly identify the fact, circumstance, request, issue, dispute or matter to which such Notice relates.

14.03 Governing Law; Waiver of Jury Trial.

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.

14.04 Assignment.

- (a) Except as provided in Section 14.04(d), neither Party shall assign this Agreement or its rights hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld.
- (b) Any Tax Equity Financing or a direct or indirect change of control of Seller (whether voluntary or by operation of law) will be deemed an assignment and will require the prior written consent of SCE, which consent shall not be unreasonably withheld.
- (c) Any requests for consent to assignment shall be provided at least forty-five (45) days in advance of the assignment date.

- (d) In connection with any debt financing or refinancing of the Project by Seller that contemplates an assignment of this Agreement as collateral, SCE shall in good faith work with Seller and Lender to agree upon a consent to a collateral assignment of this Agreement (“Collateral Assignment Agreement”) substantially in the form of Exhibit F. Requests for a Collateral Assignment Agreement must be received by SCE at least forty-five (45) days in advance of the anticipated closing date for the transaction in question. Seller shall also be responsible for SCE’s reasonable costs associated with the preparation, review, execution and delivery of documents in connection with any such assignment, including attorneys’ fees.

14.05 Confidentiality.

(a) Confidentiality Obligation.

Except as otherwise expressly agreed in writing by the other Party, and except as otherwise agreed in Sections 14.05(b) (Permitted Disclosures) and 14.05(c) (Duty to Seek Protection), each receiving Party shall, and shall cause its Representatives to, (i) keep strictly confidential and take reasonable precautions to protect against the disclosure of all Confidential Information, and (ii) use all Confidential Information solely for the purposes of performing its obligations under this Agreement and not for any other purpose; provided, a Party may disclose Confidential Information to those of its Representatives who need to know such information for the purposes of performing the receiving Party’s obligations under this Agreement (and, in the case of Representatives of Seller engaged wholly or in part in the purchase and sale of electrical power or natural gas, are directly engaged in performing Seller’s obligations under this Agreement) if, prior to being given access to Confidential Information, such Representatives are informed of the confidentiality thereof and the requirements of this Agreement and are obligated to comply with the requirements of this Agreement. Each Party will be responsible for any breach of this Agreement by its Representatives.

(b) Permitted Disclosures.

- (i) SCE and Seller may disclose Confidential Information to the “Independent Evaluator,” as defined in CPUC Decision 04-12-048. SCE and the Independent Evaluator may disclose Confidential Information to Governmental Authorities, the CAISO, SCE’s Procurement Review Group established by the CPUC in Decision 02-08-071 (“PRG”), and SCE’s advisory Cost Allocation Mechanism Group established by the CPUC in Decision 07-12-052 (“CAM”), or any discovery or data request of a party to any proceeding before the CPUC, FERC or CEC. Neither SCE nor the Independent Evaluator

shall have any liability whatsoever to Seller in the event of any unauthorized use or disclosure by any Governmental Authority, the PRG, the CAM, or the CAISO of any Confidential Information or other information disclosed to any of them by SCE or the Independent Evaluator.

- (ii) The Parties may disclose Confidential Information to the extent necessary to comply with Applicable Laws, any accounting rule or standard, and any applicable summons, subpoena or order of a Governmental Authority, and any exchange, Control Area or CAISO rule.
- (iii) Either Party shall be permitted to disclose the following terms with respect to this Agreement: (A) Party names, (B) technology type, (C) Delivery Period, (D) Project location, (E) Contracted Amount, (F) Expected Initial Delivery Date, and (G) the Project's expected Energy deliveries, energy savings or load reduction (as applicable).
- (iv) The Parties may disclose Confidential Information as may reasonably be required to participate in the WREGIS or other process recognized under Applicable Laws for the registration, transfer or ownership of Green Attributes associated with the Project;
- (v) If the Product includes Capacity Attributes, Seller may disclose the Product, or any applicable portion of the Product, including the applicable Expected Capacity Attributes and any amounts of EFC and Inflexible Capacity for each ~~day of each~~ Showing Month under this Agreement:
 - (A) to the SC in order for such SC to timely submit accurate Supply Plans; provided, that Seller shall use reasonable efforts to limit, to the extent possible, the ability of the SC to further disclose such information.
 - (B) to any Governmental Authority, the CPUC, and the CAISO in order to support its RA Compliance Showings, if applicable.
- (vi) If SCE resells all or any portion of the Product to another party or the Product is to be provided to another party, SCE may disclose to the other party to such transaction all such information necessary to effect such transaction.
- (vii) For Behind the Meter Projects, Seller may disclose non-price

information to Customers or Recruited Accounts, or bona fide potential Customers or Recruited Accounts, for the sole purpose, and only to the extent necessary, for proper performance of this Agreement.

- (viii) For Behind the Meter Projects, SCE may confirm with potential Customers or Participating Accounts (A) the identity of any subcontractors that Seller has provided to SCE that are acting on behalf of Seller under this Agreement, and (B) such potential Customer or Participating Account's eligibility to become a Customer associated with the Project, or a Participating Account, in accordance with this Agreement.

(c) Duty to Seek Protection.

- (i) In connection with requests or orders to produce Confidential Information protected by this Agreement and in accordance with a summons, subpoena, order or similar request of a Governmental Authority, or pursuant to any discovery or data request of a party to any proceeding before a Governmental Authority, each Party, to the extent permitted by Applicable Laws, (A) will promptly notify the other Party of the existence, terms, and circumstances of such requirement(s) so that such other Party may seek a protective order or other appropriate remedy or waive compliance with the provisions of this Agreement, and (B) will, and will cause its Representatives to, cooperate fully with such other Party, to the extent permitted by Applicable Laws, in seeking to limit or prevent such disclosure of such Confidential Information. Notwithstanding the preceding sentence, the requirements under this Section 14.05(c)(i) do not apply to Section 14.05(b)(i).
- (ii) If a Party or its Representatives are compelled to make disclosure in response to a requirement described in Section 14.05(c)(i), the compelled person may disclose only that portion of the Confidential Information protected by this Agreement which its counsel advises that it is legally required to disclose and will exercise reasonable efforts to obtain assurance that confidential treatment will be accorded to the disclosed Confidential Information protected by this Agreement.

(d) Ownership and Return of Information.

All Confidential Information shall be and remain the property of the Party providing it. Nothing in this Agreement shall be construed as granting any

rights in or to Confidential Information to the Party or Representatives receiving it, except the right of use in accordance with the terms of this Agreement. Notwithstanding the foregoing, the Parties shall have the right to retain copies of Confidential Information, subject to the confidentiality obligations in this Section 14.05.

14.06 Records.

(a) Performance Under This Agreement.

Each Party and its Representatives shall maintain records and supporting documentation relating to this Agreement, the Product, the Project, and the performance of the Parties hereunder in accordance with, and for the applicable time periods required by, all Applicable Laws, but in no event less than four (4) years after final payment is made under this Agreement.

(b) Other Regulatory and Governmental Requirements.

At SCE's request, Seller shall maintain and deliver to SCE copies of records and supporting documentation with respect to the Product or the Project that Seller is not already required to maintain or deliver under this Agreement, in order to comply with all Applicable Laws.

(c) Audit Rights.

SCE, or its designee, shall have the right, at its sole expense and during normal working hours, to audit the documents, records or data of Seller to the extent reasonably necessary to verify the accuracy of any statement, claim, charge or calculation made pursuant to this Agreement. Seller shall promptly comply with any reasonable request by SCE under this Section 14.06(c) and provide copies of documents, records or data to SCE. The rights and obligations under this Section 14.06(c) shall survive the termination of this Agreement for a period of two (2) years.

(d) Industry Standards.

Seller shall maintain and make available to SCE and the CPUC, or any division thereof, records including logbooks, demonstrating that the Project is operated and maintained in accordance with Prudent Electrical Practices, Applicable Laws, Permit Requirements, and Industry Standards, including CPUC General Order 167. Seller shall comply with all reporting requirements and permit on-site audits, investigations, tests and inspections permitted or required under any Prudent Electrical Practices, Applicable Laws, Permit Requirements, or Industry Standards.

(e) California Climate Action Registry.

If applicable, in accordance with CPUC Rulemaking 06-04-009 (April 13, 2006), upon modification of the protocols of the registry contemplated therein ("California Climate Action Registry") to allow energy storage (as applicable) facility-specific registration, Seller shall promptly (i) register with the California Climate Action Registry, (ii) send SCE Notice of such registration and (iii) remain a member of the California Climate Action Registry throughout the entire Term.

14.07 Insurance.

Throughout the Term and for such additional periods as may be specified below, Seller and, to the extent not covered by Seller's insurance policies, its contractors and subcontractors shall, at their own expense, provide and maintain in effect the insurance policies and minimum limits of coverage specified below, and such additional coverage as may be required by Applicable Laws, with insurance companies which are authorized to do business in the state in which the services are to be performed and which have an A.M. Best's Insurance Rating of not less than A-VII. The minimum insurance requirements specified herein do not in any way limit or relieve Seller of any obligation assumed elsewhere in this Agreement, including Seller's defense and indemnity obligations.

(a) Workers' Compensation Insurance with the statutory limits required by the state having jurisdiction over Seller's employees;

(b) Employer's Liability Insurance with limits of not less than:

- (i) Bodily injury by accident – One Million dollars (\$1,000,000) each accident
- (ii) Bodily injury by disease – One Million dollars (\$1,000,000) policy limit
- (iii) Bodily injury by disease – One Million dollars (\$1,000,000) each employee

(c) Commercial General Liability Insurance (which, except with the prior written consent of SCE and subject to Sections 14.07(c)(i) and (ii), shall be written on an "occurrence," not a "claims-made" basis), covering all operations by or on behalf of Seller arising out of or connected with this Agreement, including coverage for bodily injury, property damage, personal and advertising injury, products/completed operations, and contractual liability. Such insurance shall bear a per occurrence limit of not less than One Million dollars (\$1,000,000)

and annual aggregate of not less than Two Million Dollars (\$2,000,000), exclusive of defense costs, for all coverages. Such insurance shall contain standard cross-liability and severability of interest provisions.

If Seller elects, with SCE's written concurrence, to use a "claims made" form of Commercial General Liability Insurance, then the following additional requirements apply:

- (i) The retroactive date of the policy must be on or prior to the Effective Date; and
 - (ii) Either the coverage must be maintained for a period of not less than four (4) years after this Agreement terminates, or the policy must provide for a supplemental extended reporting period of not less than four (4) years after this Agreement terminates.
- (d) Commercial Automobile Liability Insurance covering bodily injury and property damage with a combined single limit of not less than One Million dollars (\$1,000,000) per occurrence. Such insurance shall cover liability arising out of Seller's use of all owned (if any), non-owned and hired vehicles in the performance of this Agreement.
- (e) Pollution Liability Insurance, (which, except with the prior written consent of SCE and subject to Sections 14.07(e)(i) and (ii), shall be written on an "occurrence" or a "claims-made" policy form) with limits of not less than [] Million dollars (\$[],000,000) {SCE Note: Amount will be equal to \$1 million per MW of Contract Capacity, capped at \$5 million} per occurrence or each claim and in the annual aggregate^{7.3} covering losses involving hazardous material(s) and caused by pollution incidents or conditions that arise from the Project, including coverage for bodily injury, sickness, disease, mental anguish or shock sustained by any person, including death, property damage including the resulting loss of use thereof, clean-up costs, and the loss of use of tangible property that has not been physically damaged or destroyed, and defense costs.

If Seller elects, with SCE's written concurrence, to use a "claims made" form of Pollution Liability Insurance, then the following additional requirements apply:

- (i) The retroactive date of the policy must be prior to the Effective Date; and
- (ii) Either the coverage must be maintained for a period of not less than three (3) years after this Agreement terminates, or the policy must

provide for a supplemental extended reporting period of not less than three (3) years after this Agreement terminates.

- (f) Umbrella/Excess Liability Insurance, written on an “occurrence,” not a “claims-made” basis, providing coverage excess of the underlying Employer’s Liability, Commercial General Liability, Pollution Liability Insurance, and Commercial Automobile Liability insurance, on terms at least as broad as the underlying coverage, with limits of not less than [] Million dollars (\$[],000,000) {*SCE Note: Amount will be equal to \$1 million per MW of Contract Capacity, capped at \$20 million, except for Energy Efficiency and Demand Response which shall be capped at \$10 million*} per occurrence and in the annual aggregate. The insurance requirements under this Section 14.07 can be provided in part by the combination of Seller’s primary commercial general liability and excess liability policies.

If Seller elects, with SCE’s written concurrence, to use a “claims made” form of Umbrella/Excess Liability Insurance, then the following additional requirements apply:

- (i) The retroactive date of the policy must be prior to the Effective Date; and
- (ii) Either the coverage must be maintained for a period of not less than three (3) years after this Agreement terminates, or the policy must provide for a supplemental extended reporting period of not less than three (3) years after this Agreement terminates.

All policies required by Sections 14.07(a) through (f) shall be written on a “per project” or “per contract” basis.

- (g) SCE as Additional Insured. The insurance required in this Section 14.07 shall apply as primary insurance to, without a right of contribution from, any other insurance or self-insurance maintained by or afforded to SCE, its subsidiaries and Affiliates, and their respective officers, directors, shareholders, agents, and employees, regardless of any conflicting provision in Seller's policies to the contrary. To the extent permitted by Applicable Laws, Seller and its insurers shall be required to waive all rights of recovery from or subrogation against SCE, its parent, its subsidiaries and Affiliates, and their respective officers, directors, shareholders, agents, employees and insurers. The Commercial General Liability, Commercial Automobile Liability, Pollution Liability and Umbrella/Excess Liability insurance required above shall include, either by policy terms and conditions or by endorsement, SCE, its parent, its subsidiaries and Affiliates, and their respective officers, directors, shareholders, agents, employees, assigns, and successors in interest, as additional insureds for

liability arising out of Seller's construction, ownership or operation of the Project, or obligations or performance, under this Agreement.

- (h) Proof of Insurance. Within ten (10) Business Days after the Effective Date, and within ten (10) Business Days after coverage is renewed or replaced, Seller shall furnish to SCE the entire policy forms, including endorsements, and certificates of insurance evidencing the coverage required above, written on forms and with deductibles reasonably acceptable to SCE. All deductibles and co-insurance retentions applicable to the insurance above shall be paid by Seller. Seller, or its insurance broker or agent, shall provide SCE with at least thirty (30) days' prior written notice in the event of cancellation of coverage. SCE's receipt of documents that do not comply with the requirements stated herein, or Seller's failure to provide documents that comply with the requirements stated herein, shall not limit or relieve Seller of the duties and responsibility of maintaining insurance in compliance with the requirements in this Section 14.07 and shall not constitute a waiver of any of the requirements in this Section 14.07.
- (i) Reporting. Seller agrees to report to SCE in writing within ten (10) Business Days following all accidents or occurrences resulting in bodily injury to any person, and to any property where such property damage is greater than One Hundred Thousand Dollars (\$100,000).
- (j) Failure to Comply. If Seller fails to comply with any of the provisions of this Section 14.07, Seller, among other things and without restricting SCE's remedies under the law or otherwise, shall, at its own cost and expense, act as an insurer and provide insurance in accordance with the terms and conditions above. With respect to the required Commercial General Liability, Umbrella/Excess Liability, Pollution Liability and Commercial Automobile Liability insurance, Seller shall provide a current, full and complete defense to SCE, its subsidiaries and Affiliates, and their respective officers, directors, shareholders, agents, employees, assigns, and successors in interest, in response to a third party claim in the same manner that an insurer would have, had the insurance been maintained in accordance with the terms and conditions set forth above. In addition, an alleged violation of the provisions of this Section 14.07 means that Seller has the initial burden of proof regarding any legal justification for refusing or withholding coverage and Seller shall face the same liability and damages as an insurer for wrongfully refusing or withholding coverage in accordance with the laws of California.

14.08 Consolidation of Seller's Financial Statements.

- (a) SCE shall determine, through consultation with its internal accountants and review with their independent registered public accounting firm, whether SCE

is required to consolidate Seller's financial statements with SCE's financial statements for financial accounting purposes under Accounting Standards Codification (ASC) 810/Accounting Standards Update 2009-17, "Consolidation of Variable Interest Entities" (ASC 810), or future guidance issued by accounting profession governance bodies or the SEC that affects SCE accounting treatment for this Agreement (the "Financial Consolidation Requirement").

- (b) If the Financial Consolidation Requirement is applicable, then:
- (i) Within twenty (20) days following the end of each calendar year (for each year that such treatment is required), Seller shall deliver to SCE unaudited financial statements and related footnotes of Seller as of the end of the year. It is permissible for Seller to use accruals and prior months' estimates with true-up to actual activity, in subsequent periods, when preparing the unaudited financial statements. The annual financial statements should include quarter-to-date and yearly information. SCE shall provide to Seller a checklist before the end of each year listing the items which SCE believes are material to SCE and required for this purpose, and Seller shall provide the information on the checklist, subject to the availability of data from Seller's records. If audited financial statements are prepared for Seller for the year, Seller shall provide such statements to SCE within five (5) Business Days after those statements are issued.
 - (ii) Within fifteen (15) days following the end of each fiscal quarter (for each quarter that such treatment is required), Seller shall deliver to SCE unaudited financial statements and related footnotes of Seller as of the end of the quarterly period. The financial statements should include quarter-to-date and year-to-date information. SCE shall provide to Seller a checklist before the end of each quarter listing items which SCE believes are material to SCE and required for this purpose, and Seller shall provide the information on the checklist, subject to the availability of data from Seller's records. It is permissible for Seller to use accruals and prior months' estimates with true-up to actual activity, in subsequent periods, when preparing the unaudited financial statements and the information on the checklist.
 - (iii) If Seller regularly prepares its financial data in accordance with GAAP or IFRS, the financial information provided to SCE shall be prepared in accordance with such principles. If Seller is not a SEC registrant and does not regularly prepare its financial data in accordance with GAAP or IFRS, the information provided to SCE shall be prepared in a format consistent with Seller's regularly applied

accounting principles, e.g., the format that Seller uses to provide financial data to its auditor.

- (c) If the Financial Consolidation Requirement is applicable, then promptly upon Notice from SCE, Seller shall allow SCE's independent registered public accounting firm such access to Seller's records and personnel, as reasonably required so that SCE's independent registered public accounting firm can conduct financial statement audits in accordance with the standards of the Public Company Accounting Oversight Board (United States), as well as internal control audits in accordance with Section 404 of the Sarbanes-Oxley Act of 2002, as applicable. All expenses for the foregoing work of SCE's independent registered public accounting firm shall be borne by SCE. If SCE's independent registered public accounting firm during or as a result of the audits permitted in this Section 14.08(c) determines a material weakness or significant deficiency, as defined by GAAP or IFRS, as applicable, exists in Seller's internal controls over financial reporting, then within 90 days after Seller's receipt of Notice from SCE, Seller shall remediate any such material weakness or significant deficiency; provided, however, that Seller has the right to challenge the appropriateness of any determination of material weakness or significant deficiency. Seller's true up to actual activity for yearly or quarterly information as provided herein shall not be evidence of material weakness or significant deficiency.
- (d) SCE shall treat Seller's financial statements and other financial information provided under the terms of this Section 14.08 in strict confidence and, accordingly:
 - (i) Shall utilize such Seller financial information *only* for purposes of preparing, reviewing or certifying SCE's or any SCE parent company financial statements, for making regulatory, tax or other filings required by Applicable Laws in which SCE is required to demonstrate or certify its or any parent company's financial condition or to obtain Credit Ratings;
 - (ii) Shall make such Seller financial information available only to its officers, directors, employees or auditors who are responsible for preparing, reviewing or certifying SCE's or any SCE parent company financial statements, to the SEC and the Public Company Accounting Oversight Board (United States) in connection with any oversight of SCE's or any SCE parent company financial statement and to those Persons who are entitled to receive Confidential Information as identified in Section 14.05; and

- (iii) SCE shall ensure that its internal auditors and independent registered public accounting firm (1) treat as confidential any information disclosed to them by SCE pursuant to this Section 14.08, (2) use such information solely for purposes of conducting the audits described in this Section 14.08, and (3) disclose any information received only to personnel responsible for conducting the audits.
- (e) If the Financial Consolidation Requirement is applicable, then, within two (2) Business Days following the occurrence of any event from the Effective Date through the last day of the Delivery Period affecting Seller which Seller would be required to disclose in a Form 8-K filing with the SEC if Seller was subject to the form 8-K filing requirements, Seller shall provide to SCE a Notice describing such event in sufficient detail to permit SCE to make a Form 8-K filing.
- (f) If, after consultation and review, the Parties do not agree on issues raised by Section 14.08(a), then such dispute shall be subject to review by another independent audit firm not associated with either Party's respective independent registered public accounting firm, reasonably acceptable to both Parties. This third-party independent audit firm will render its recommendation on whether consolidation by SCE is required. Based on this recommendation, Seller and SCE shall mutually agree on how to resolve the dispute. If Seller fails to provide the data consistent with the mutually agreed upon resolution, SCE may declare an Event of Default pursuant to Section 10.01. If the independent audit firm associated with SCE still determines, after review by the third party independent audit firm, that SCE must consolidate, then Seller shall provide the financial information necessary to permit consolidation to SCE; provided, however, that in addition to the protections in Section 14.08(d), such information shall be password protected and available only to those specific officers, directors, employees and auditors who are preparing and certifying the consolidated financial statements and not for any other purpose.

14.09 Mobile Sierra.

Absent the agreement of all Parties to the proposed change, the standard of review for changes to any rate, charge, classification, term or condition of this Agreement, whether proposed by a Party (to the extent that any waiver below is unenforceable or ineffective as to such Party), a non-party or FERC acting sua sponte, shall be the 'public interest' standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956), and clarified by *Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1 of Snohomish*, 554 U.S. 527 (2008); *NRG Power Marketing LLC v. Maine Public Utility Commission*, 558 U.S. 527 (2010).

Notwithstanding any provision of this Agreement, and absent the prior written agreement of the Parties, each Party, to the fullest extent permitted by Applicable Laws, for itself and its respective successors and assigns, hereby also expressly and irrevocably waives any rights it can or may have, now or in the future, whether under Sections 205, 206, or 306 of the Federal Power Act or otherwise, to seek to obtain from FERC by any means, directly or indirectly (through complaint, investigation, supporting a third party seeking to obtain or otherwise), and each hereby covenants and agrees not at any time to seek to so obtain, an order from FERC changing any section of this Agreement specifying any rate or other material economic terms and conditions agreed to by the Parties.

14.10 Seller Ownership and Control of Project.

Seller agrees, that, in accordance with FERC Order No. 697, upon request of SCE, Seller shall submit a letter of concurrence in support of any affirmative statement by SCE that the contractual arrangement set forth in this Agreement does not transfer “ownership or control of generation capacity” from Seller or Customer(s) to SCE as the term “ownership or control of generation capacity” is used in 18 Code of Federal Regulations Section 35.42. Seller also agrees that it will not, in filings, if any, made subject to FERC Order Nos. 652 and 697, claim that the contractual arrangement set forth in this Agreement conveys ownership or control of generation capacity from Seller or Customer(s) to SCE.

14.11 NERC Standards Non-Compliance Penalties.

This Section 14.11 shall only be applicable to In Front of the Meter Projects.

- (a) During the Delivery Period, Seller shall be
 - (i) responsible for complying with any NERC Reliability Standards applicable to the Project and
 - (ii) liable for NERC Standards Non-Compliance Penalties.
- (b) SCE shall reimburse Seller for a NERC Standards Non-Compliance Penalty, or any payment made by Seller in settlement of a claim of violation, if:
 - (i) the penalty or claim being settled was solely caused by SCE’s actions or inactions as SC as described in the NERC Responsibilities;
 - (ii) SCE participated in, or waived its right to participate in, any administrative processes, discussions or settlement negotiations with FERC, NERC, WECC, or other Governmental Authority arising from

or related to the alleged violation or possible penalty and, in the case of a settlement, agreed to the terms of the settlement; and

- (iii) Seller can establish to SCE's reasonable satisfaction that the penalty was actually assessed against and paid by Seller or the settlement payment was actually made by Seller.

14.12 Nondedication.

Notwithstanding any other provisions of this Agreement, neither Party dedicates any of the rights that are or may be derived from this Agreement or any part of its facilities involved in the performance of this Agreement to the public or to the service provided under this Agreement, and this service shall cease upon termination of this Agreement.

[Remainder of this page intentionally left blank]

ID# [Number], [Seller's Name]

[RFO Name]

IN WITNESS WHEREOF, the Parties have read this Agreement, understand it, and agree to be bound by its terms as of the Effective Date.

[SELLER'S NAME],

*a [Seller's jurisdiction of organization
and type of organization].*

By:

[Name]

[Title]

Date: _____

**SOUTHERN CALIFORNIA EDISON
COMPANY,**

a California corporation.

By:

[Name]

[Title]

Date: _____

EXHIBIT A DEFINITIONS

“Acceptable Alternative Energy Baseline” has the meaning, for Demand Response Projects only, set forth in Section 3.04(d) of Attachment 1.

“Accepted DER Costs” has the meaning set forth in Section 6.01(d).

“Account Holder” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in the WREGIS Operating Rules, as applicable to the Project as the Registered Generating Unit.

“Accounts Payable” has the meaning, for Behind the Meter Projects only, set forth in Exhibit E.

“ACH” means the electronic funds transfer system operated by the National Automated Clearing House, or any successor entity.

“Actual Availability Report” has the meaning, for Distributed Generation Projects only, set forth in Section 6.07(a) of Attachment 1.

“Actual Efficiency Factor” or “AEF” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.04(b) of Attachment 1.

“Actual Measured Savings” has the meaning, for Meter-Based Energy Efficiency Projects only, set forth in Section 3.02(a) of Attachment 1.

“Adjusted Expected Aggregate Contract Payments” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Section 3.03(a) of Attachment 1.

“Affiliate” means, with respect to a Party, any entity that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with such Party.

“Aggregate Network Upgrade Costs” has the meaning set forth in Section 10.05(a)(i)(A).

“Agreement” has the meaning set forth in the preamble.

“AC” or “Alternating Current” means the electric current that reverses direction ~~and~~; it is the opposite of Direct Current.

“Ancillary Services” or “A/S” means, for In Front of the Meter Energy Storage Projects only, Spinning Reserve, Non-Spinning Reserve, replacement reserves, Regulation Up or Regulation

Down or any other ancillary service defined in the CAISO Tariff. Capitalized terms used in this definition have the meanings set forth in the CAISO Tariff.

“Ancillary Services Capacity” or “A/S Capacity” means, for In Front of the Meter Energy Storage Projects only, Capacity associated with any Ancillary Service available from any Storage Unit.

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

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

“Arbitrator” has the meaning set forth in Section 12.03.

“A/S Availability” means, for In Front of the Meter Energy Storage Projects only, the amount of Ancillary Services Capacity available to SCE under this Agreement from a Storage Unit during any Settlement Interval.

“A/S Capacity Payment Reduction” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.07 of Attachment 1.

“A/S Price Adjustment Factor” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.07 of Attachment 1.

“A/S Maximum Capacity” means, for In Front of the Meter Energy Storage Projects only, the maximum capacity for which such Ancillary Service is available, as set forth in Exhibit B for each applicable Ancillary Service.

“Associated Ancillary Services Energy” means, for In Front of the Meter Energy Storage Projects only, the Energy expressed in MWh expressly associated with the Ancillary Services Capacity made available from any Storage Unit at the instruction of the CAISO.

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

“Availability Notice” means, for In Front of the Meter Energy Storage Projects only, the hourly schedule of the Available Capacity (including Energy and Ancillary Services) that each Storage Unit is expected to have for each hour of such Put Period Day, delivered by Seller to SCE no later than two (2) Business Days before the Trading Day applicable to such Put Period Day.

“Availability Standards” has the meaning set forth in the CAISO Tariff.

“Available Capacity” means, collectively, for In Front of the Meter Energy Storage Projects only, Available Charging Capacity, Available Discharging Capacity, and Equivalent Storage Capacity.

“Available Charging Capacity” means, for In Front of the Meter Energy Storage Projects only, the amount of Charging Capacity, expressed in MW, that a Storage Unit is capable of providing under this Agreement during any Settlement Interval during a Put Period.

“Available Discharging Capacity” means, for In Front of the Meter Energy Storage Projects only, the amount of Discharging Capacity, expressed in MW, that a Storage Unit is capable of providing under this Agreement during any Settlement Interval during a Put Period.

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

“Base Energy Throughput” or “BET” means the total discharge energy allocation for a Storage Unit over the course of a year. The Base Energy Throughput resets each year.

“Behind the Meter” means a Project for which Option C, Option D, or Option E is selected in Section 1.01(b).

“Behind the Meter Distributed Generation” means a Project for which Option C is selected in Section 1.01(b).

“Bid,” “Bids” or “Bidding” has the meaning set forth in the CAISO Tariff.

“Bid Data” means, for Non-Tolling In Front of the Meter Energy Storage Projects only, the Bid quantity(ies) and the time periods instructed by SCE for Seller to submit as Bids in the respective CAISO market(s) in accordance with this Agreement, including the Operating Restrictions, for designated Local Resource Constrained Days.

“Bundled Service Customer” means a customer who takes electric power, transmission, distribution billing, metering and related services from SCE, including having all its power requirements purchased by SCE.

“Business Day” means any day except a Saturday, Sunday, a Federal Reserve Bank holiday or the Friday immediately following Thanksgiving. A Business Day begins at 8:00 a.m. and end at 5:00 p.m. local time for the Party sending the Notice or payment or performing a specified action.

“CAISO” means the California Independent System Operator Corporation.

“CAISO Approved Meter” means, for In Front of the Meter ~~Energy~~ Projects only, a CAISO approved revenue quality meter or meters, CAISO approved data processing gateway or remote intelligence gateway, telemetering equipment and data acquisition services sufficient for monitoring, recording and reporting, in real-time, all electric energy produced by the Project (and, for In Front of the Meter Energy Storage Projects, all electric energy discharged by, and used to charge, the Project), excluding Station Use *[and Site Host Load] {for IFOM DG Excess-Sales only}*.

“CAISO Certification” has the meaning, for In Front of the Meter Projects only, set forth in Section 2.04(g) of Attachment 1.

“CAISO Controlled Grid” has the meaning set forth in the CAISO Tariff.

“CAISO Costs” means, for In Front of the Meter Distributed Generation Projects only, the debits, costs, penalties and interest that are directly assigned by the CAISO to the Resource ID for the Project for, or attributable to, Scheduling or deliveries from the Project under this Agreement in each applicable Settlement Interval.

“CAISO Markets” has the meaning set forth in the CAISO Tariff.

“CAISO RA Enhancement” means a change to the CAISO’s Resource Adequacy tariff provisions that (a) changes the basis for assessment of Resource Adequacy showings and supply plans from (i) a value reflecting installed capacity (currently, NQC) to (ii) a value that takes into account historical forced outages of a facility (such as “Unforced Capacity” or “UCAP,” as referenced in CAISO’s Fourth Revised Straw Proposal dated March 17, 2020) and (b) eliminates the application of Resource Adequacy Availability Incentive Mechanism (RAAIM) charges to forced outage periods.

“CAISO Revenues” means the credits and other payments incurred or received by SCE as a result of Energy from the Project delivered to any CAISO administered market by Seller, including costs and revenues associated with CAISO dispatches, for each applicable Settlement Interval.

“CAISO Sanctions” means any sanctions directly assigned by the CAISO to Seller, the Resource ID or the Project.

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

“Calculated Month” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.14(c)(ii) of Attachment 1.

“Calendar Year” means, for In Front of the Meter Energy Storage Projects only, the months within each calendar year during the Delivery Period. The initial Calendar Year will be from the Initial Delivery Date until December 31st of such year. The final Calendar Year will be January 1st of the last year during which the Delivery Period occurs, through the last day of the Delivery Period.

“California Climate Action Registry” has the meaning set forth in Section 14.06(e).

“California Renewables Portfolio Standard” means the California Public Utilities Code Section 399.11, *et seq.*

“CAM” has the meaning set forth in Section 14.05(b).

“Capacity” means, individually or collectively, as applicable:

- (a) for In Front of the Meter Energy Storage Projects only: Charging Capacity, Discharging Capacity, and Storage Capacity for ~~each Storage Unit~~ the Storage Unit, and any increase in Net Qualifying Capacity occurring for any reason during the Term; and
- (b) for Behind the Meter Distributed Generation Projects only, electric generating capacity, as determined under Attachment B, for each Generating Facility (but excluding the installed capacity of any Storage Unit that forms a part of such Generating Facility).

“Capacity Attributes” means any and all current or future defined characteristics, certificates, tags, credits, ancillary service attributes, or accounting constructs, howsoever entitled, including any accounting construct counted toward any RA Compliance Obligations or any capacity products considered as distribution deferral capacity, attributed to or associated with the Project throughout the Delivery Period, including:

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

- (b) resource adequacy attributes or other locational attributes for the Project related to a Local Capacity Area, as may be identified from time to time by the CPUC, any other Governmental Authority, or the CAISO, associated with the physical location or point of electrical interconnection of the Project within the CAISO Controlled Grid, that can be counted toward Local RAR; and
- (c) flexible capacity resource adequacy attributes for the Project, including the amount of EFC as may be identified from time to time by the CPUC, any other Governmental Authority, or the CAISO, that can be counted toward Flexible RAR.

“Capacity Availability” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.06(d) of Attachment 1.

“Capacity Price Adjustment Factor” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.06 of Attachment 1.

“Capacity Price” has the meaning, for Demand Response Projects only, set forth in Section 1.04 of Attachment 1.

“Capacity Savings Percentage” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Section 3.03(d)(i) of Attachment 1.

“CEC” means the California Energy Commission.

“CEC Certification” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 5.04(a)(ii) of Attachment 1.

“CEC Pre-Certification” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 5.04(a)(i) of Attachment 1.

“CEC Verification” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 5.04(a)(iii) of Attachment 1.

“Change in CAISO Tariff” means any of the following has occurred after the Effective Date: (a) the definition or utilization of Resource Adequacy has changed materially under the CAISO Tariff; (b) Resource Adequacy is no longer addressed, or is replaced with a materially different capacity mechanism, under the CAISO Tariff; or (c) the CAISO has been dissolved or replaced and any successor to the CAISO operates under rules, protocols, procedures or standards that differ in a material respect from the CAISO Tariff.

“Charging Capacity” means, for In Front of the Meter Energy Storage Projects only, the amount of power, expressed in MW, that a Storage Unit is designed to provide from 0% SEP to 100% SEP, and shall include, Ancillary Services Capacity, and any other products that may be developed or evolve from time to time during the Term that relate to the capability of a storage resource to store and charge energy.

“Charging Energy Costs” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 5.03(c)(ii) of Attachment 1.

“Charging Energy Requirements” means, for In Front of the Meter Energy Storage Projects only, the electric energy requirements (if any) of a Storage Unit that is withdrawn from the T&D Provider’s electrical system or the CAISO Controlled Grid to be stored by the Storage Unit and discharged at a later time. Under no circumstances does Charging Energy Requirements include Station Use.

“Charging Instruction” means, for Projects utilizing energy storage only, the operating instruction, and any subsequent updates, given by SCE or the CAISO to Seller, directing the applicable Storage Unit to charge at a specific rate to a specified Stored Energy Level. For the avoidance of doubt, any Schedule, including self-schedules, submitted by SCE or awarded by the CAISO in order to effectuate a Seller Initiated Test shall not be considered a Charging Instruction.

“Check Meter” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 5.02(b) of Attachment 1.

“Claiming Party” has the meaning set forth in Section 8.02.

“Collateral Assignment Agreement” has the meaning set forth in Section 14.04(d).

“Commercial and Industrial Customer” has the meaning, for Behind the Meter Projects only, set forth in Section 1.02.

“Commercial Operation” means that each Generating Facility or Storage Unit included in the Project has:

- (a) For In Front of the Meter Energy Storage Projects only, (i) successfully completed the demonstration set forth in Exhibit I, and (ii) has met the requirements of Exhibit I, Part II.C, and SCE has accepted the test results.
- (b) For In Front of the Meter Distributed Generation Projects only, successfully satisfied all of the conditions set forth in Section 2.04(a).

- (c) For Demand Response Projects only, successfully completed the demonstration set forth in Section 5.03(a) as demonstrated by SCE's acceptance of the test.

"Confidential Information" means this Agreement, the terms and conditions and other facts with respect to this Agreement, and any and all written or recorded or oral information, data, analyses, documents, and materials furnished or made available by a Party or its Representatives to the other Party or its Representatives in connection with this Agreement, including any and all analyses, compilations, studies, documents, or other material prepared by the receiving Party or its Representatives to the extent containing or based upon such information, data, analyses, documents, and materials. Confidential Information does not include information, data, analyses, documents, or materials that (a) are when furnished or thereafter become available to the public other than as a result of a disclosure by the receiving Party or its Representatives, or (b) are already in the possession of or become available to the receiving Party or its Representatives on a nonconfidential basis from a source other than the disclosing Party or its Representatives, provided, to the best knowledge of the receiving Party or its Representatives, as the case may be, such source is not and was not bound by an obligation of confidentiality to the disclosing Party or its Representatives, or (c) the receiving Party or its Representatives can demonstrate that the information has been independently developed by the receiving Party's personnel acting without access to the Confidential Information.

"Conflicting Bid Quantities" has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in Section 1.09(d) of Attachment 1.

Construction Start Date" has the meaning, for Meter-Based Energy Efficiency Projects only, set forth in Section 4.01 of Attachment 1 and, for Customized Calculated Energy Efficiency Projects only, set forth in Section 4.03(b) of Attachment 1.

"Contract Capacity" has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 1.03 of Attachment 1.

"Contract Capacity & Ancillary Services Tests" means, for In Front of the Meter Energy Storage Projects only, the testing procedures, requirements, and protocols set forth in Exhibit I.

"Contract Energy Capacity" has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.06(d) of Attachment 1.

"Contracted Amount" has the meaning set forth in Section 1.03.

"Control Area" means the electric power system (or combination of electric power systems) under the operational control of the CAISO or any other electric power system under the

operational control of another organization vested with authority comparable to that of the CAISO.

“Coupling Type” has the meaning, for Behind the Meter Distributed Generation Projects only, set forth in Part I of Exhibit B.

“CPD Milestone Extension Date” has the meaning set forth in Section 4.07(a).

“Capacity Procurement Mechanism” or “CPM” has the meaning, for In Front of the Meter Projects only, as set forth in the CAISO Tariff.

“CPM Capacity” has the meaning set forth in the CAISO Tariff.

“CPUC” means the California Public Utilities Commission.

[“CPUC Approval” means a decision of the CPUC that (a) is final and no longer subject to appeal, which approves ~~the~~this Agreement in full and in the form presented on terms and conditions acceptable to SCE in its sole discretion, including terms and conditions related to cost recovery and cost allocation of amounts paid to Seller under the Agreement; (b) does not contain conditions or modifications unacceptable to SCE, in SCE’s sole discretion; *[and (c) finds that any procurement pursuant to this Agreement satisfies the requirement to procure resources under CPUC Decision 13-02-015XX-XX-XXX]* {SCE Note: change decision according to particular procurement activity}.] {SCE Note: Delete for resources that are eligible for RPS credits}

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

- (a) Approves this Agreement in its entirety, including payments to be made by the Buyer, subject to CPUC review of the Buyer’s administration of the Agreement; and
- (b) Finds that any procurement pursuant to this Agreement is procurement from an eligible renewable energy resource for purposes of determining Buyer’s compliance with any obligation that it may have to procure eligible renewable energy resources pursuant to the California Renewables Portfolio Standard (Public Utilities Code Section 399.11 et seq.), Decision 03-06-071, or other applicable law; *[and (iii) finds that any procurement pursuant to this Agreement satisfies the requirement to procure resources under CPUC Decision 13-02-015].*

CPUC Approval will be deemed to have occurred on the date that a CPUC decision containing such findings becomes final and non-appealable.] {SCE Note: Delete for resources that are not eligible for RPS credits}

“Credit Rating” means with respect to any entity, the rating then assigned to such entity’s unsecured, senior long-term debt or deposit obligations (not supported by third party credit enhancements) by S&TIPP or Moody’s. If no rating is assigned to such entity’s unsecured, senior long-term debt or deposit obligations by any Ratings Agency, then “Credit Rating” means the general corporate credit rating or long-term issuer rating assigned to such entity by S&P or Moody’s. If an entity is rated by more than one Ratings Agency and the ratings are at different levels, then “Credit Rating” means the lowest such rating.

“Critical Path Development Milestone” means any of the milestones set forth in Section 4.07.

“Curtailed Product” means, for In Front of the Meter Distributed Generation Projects only, the amount of energy that could have been delivered to the Delivery Point by Seller but which was not delivered (a) due to Seller’s curtailment in accordance with Section 6.01(ef)(iii) of Attachment 1, or (b) if the CAISO Tariff prohibits, without any action by the CAISO or any T&D Provider, any electric generating facilities from delivery of energy in excess of its Schedule, ~~any such energy that the Generating Facility was precluded from delivering.~~ The amount of energy that could have been delivered but which was not delivered will be determined in accordance with ~~Section 6.06~~the definition of ~~Attachment 1 and Exhibit K~~Curtailment Lost Output.

“Curtailment Lost Output” means, for In Front of the Meter Distributed Generation Projects only, the amount of energy that could have been delivered to the Delivery Point by Seller but which was not delivered in accordance with Section 6.01(f) of Attachment 1 and which is equal to: (a) the lesser of (i) the Forecast-Derived Energy and the (ii) the maximum amount of energy in MWh that the Generating Facility is capable of delivering, as reasonably determined by SCE, based upon the lower of PMax and the capacity available as reported in the CAISO’s outage management system, minus (b) the greater of the total Expected Energy and the Qualified Amounts, as determined for each Settlement Interval; provided, in no event shall the Curtailment Lost Output be less than zero (0) in any Settlement Interval.

“Curtailment Order” means, for In Front of the Meter Distributed Generation Projects only, an order from SCE to Seller to reduce or stop the delivery of Energy from the Generating Facility to SCE for any reason except as set forth in Sections 6.01(ef)(i)-(ii) of Attachment 1.

“Customer” means a person or entity that is a customer of SCE and has an SCE customer service account number.

“Customized Calculated Energy Efficiency Project” means a Project for which Option E and the Customized Calculated Approach are selected in Section 1.01(b).

“Customized Calculated Savings Guidelines” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Exhibit B.

“Daily Delay Liquidated Damages” has the meaning set forth in Section 2.06.

“Day-Ahead” has the meaning set forth in the CAISO Tariff.

“Day-Ahead Market” or “DAM” has the meaning set forth in the CAISO Tariff.

“Day-of Bid Data” has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in Section 1.09(d) of Attachment 1.

“DC” or “Direct Current” means, for Distributed Generation Projects only, the continuous, unidirectional flow of electricity through a conductor such as a wire from high to low electrical potential, ~~and; it~~ is the opposite of Alternating Current.

“Default Adjustment” has the meaning, for Demand Response Projects only, set forth in [Section 6.11(b) of Attachment 1].

“Default Adjustment Value” has the meaning, for Demand Response Projects only, set forth in Section 6.07(b) of Attachment 1.

“Defaulting Party” has the meaning set forth in Section 10.01.

[“Deferral Shortfall Amount” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.05(a)(ii) of Attachment 1, for Energy Efficiency Projects only, set forth in Section 3.04(a) of Attachment 1 and, for Behind the Meter Distributed Generation Projects only, set forth in Section 3.04(a)(ii) of Attachment 1.] {SCE Note: for Distribution Deferral Contracts only}

“Deficiency Calculation Period” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.05(a)(i) of Attachment 1.

“Delivered Capacity Payment” has the meaning, for Demand Response Projects only, described set forth in Section 3.02 of Attachment 1.

“Delivered Energy” means, with respect to a Storage Unit ~~during a Put Period~~, the amount of Energy discharged by such Storage Unit and delivered during each Settlement Interval at the Delivery Point as measured by the CAISO Approved Meter, and subject to adjustments

identified in this Agreement. The Delivered Energy in any hour is equal to the sum of the Delivered Energy for each Settlement Interval during such hour.

“Delivered Energy Payment” has the meaning, for Demand Response Projects only, set forth in Section 3.03 of Attachment 1.

“Delivery Days” has the meaning set forth in Section 1.01, Option D, with respect to Demand Response Projects.

“Delivery Hours” has the meaning set forth in Section 1.01, Option D, with respect to Demand Response Projects.

“Delivery Period” or “Delivery Term” has the meaning set forth in Section 2.02.

“Delivery Point” means has the meaning, for In Front of the Meter Projects only, set forth in Section 1.02(c) of Attachment 1. *{SCE Note: For a Project not directly connected to the CAISO Controlled Grid, located outside the CAISO Control Area or connected to another transmission system operator, the Delivery Point will be the first point of interconnection with the CAISO Controlled Grid.}*

“Demand Response” means a Project for which Option D is selected in Section 1.01(b).

“Demonstrated Contract Capacity” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 5.03 of Attachment 1.

“Demonstrated Installed DC Rating” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 5.03 of Attachment 1.

“DERMS” or “Distributed Energy Resource Management Systems” means a software-based solution that allows for an operator’s real-time visibility into and control over its underlying Distributed Energy Resource capabilities. Such software shall allow SCE to exercise a heightened level of control and flexibility in the management of a Distributed Energy Resource. DERMS as used in this Agreement may be separate, distinct, and incremental to any software-based solution that allows for an operator’s real-time visibility into its underlying Distributed Energy Resource capabilities required by the CAISO, Seller’s interconnection agreement, or by SCE in its capacity as T&D Provider.

“DER Upgrade” has the meaning set forth in Section 6.01(d).

“DERs Monitoring” has the meaning set forth in Section 6.01(d).

“Development Security” means the collateral required under Section 7.01.

“Disadvantaged Community” means a census tract that either:

- (a) scores at or above the 75th percentile (i.e., scoring in the top 25 percent statewide) in the California Environmental Protection Agency’s (CalEPA) CalEnviroScreen 3.0 on a statewide basis, or
- (b) is one of the 22 census tracts that score in the highest five percent of CalEnviroScreen’s pollution burden, but that do not have an overall score.

“Discharging Capacity” means, for In Front of the Meter Energy Storage Projects only, the amount of power, expressed in MW, that a Storage Unit is designed to provide from 100% SEP to 0% SEP, and shall include Ancillary Services Capacity, and any other products that may be developed or evolve from time to time during the Term that relate to the capability of a storage resource to store and discharge energy.

“Dispatch” means the act of providing the Product to SCE, in accordance with the terms of this Agreement, pursuant to a Dispatch Instruction.

“Dispatch Instruction” means,

- (a) for In Front of the Meter Energy Storage Projects only, the operating instruction, and any subsequent updates, given by SCE to Seller, directing the applicable Storage Unit to discharge at a specified megawatt output or a dispatch given by the CAISO. Dispatch Instructions may be communicated electronically (i.e. through Automated Dispatch System, as defined by the CAISO Tariff, DERMS, or e-mail), via facsimile, telephonically or other verbal means. Telephonic or other verbal communications shall be documented (either recorded by tape, electronically or in writing) and such recordings shall be made available to both SCE and Seller upon request for settlement purposes. For the avoidance of doubt, any Schedule, including self-schedules, submitted by SCE or awarded by the CAISO in order to effectuate a Seller Initiated Test shall not be considered a Dispatch Instruction for the period that is the greater of:
 - (i) the number of hours required to complete the test, or
 - (ii) the Storage ~~Unit(s)~~^{Unit’s} Minimum Run Time, as defined in the CAISO Tariff. To the extent this CAISO Tariff definition refers to or is applicable to a generation resource, such definition shall apply to the Storage Unit(s) as if the Storage Unit(s) ~~are~~ is a generation ~~resources~~resource; provided, it shall only apply to the Storage

~~Unit(s)~~ Unit's ability to discharge energy and for instances where the Storage Unit ~~(s) are~~ is discharging energy; and

- (b) For In Front of the Meter Distributed Generation Projects only, has the meaning forth in the CAISO Tariff.
- (c) For Demand Response Projects only, an instruction from SCE pursuant to Section 1.07 or 1.08 directing Seller to serve all or a portion of the electrical consumption of the Participating Accounts with the Project, or one or more Resource ID(s) included in the Project, pursuant to the terms of this Agreement.

“Dispute” means any and all disputes, claims or controversies arising out of, relating to, concerning or pertaining to the terms of this Agreement, or to either Party’s performance or failure of performance under this Agreement.

“Distributed Energy Resources” or “DERs” means electrical power or capacity resources, such as distributed renewable generation, energy efficiency, energy storage and demand response technologies, interconnecting directly to a distribution-level grid or sited at or within a load center connecting to a distribution grid.

“Distributed Generation” means a Project for which Option B or C is selected in Section 1.01(b).

“Diverse Business Enterprise” has the meaning set forth in Section 4.05(c).

“DLF” ~~or distribution loss factor~~ has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 2.04(d) of Attachment 1 and, for In Front of the Meter Distributed Generation Projects only, set forth in Section 2.04(i) of Attachment 1.

“Double Incentive” has the meaning, for Behind the Meter Distributed Generation Projects only, set forth in Section 1.02(d)(vi) of Attachment 1 and, for Energy Efficiency Projects only, set forth in Section 1.02(a) of Attachment 1.

“Dual Participation Programs” has means, for Demand Response Projects only, the SCE demand response programs which permit service accounts in such programs to concurrently participate as a Participating Account under this Agreement (in accordance with CPUC Decisions 09-08-027 ~~and~~, 12-11-025, and 18-11-029, SCE’s Supplemental Compliance Advice Filing dated March 17, 2010, pursuant to Decision 09-08-027, Rule 24 of the SCE Tariff, and any other existing or subsequent decisions, resolutions, or rulings related to concurrent participation in demand response programs, in each case as may be amended from time to time by the CPUC), as such programs are approved, amended, added or removed from being eligible for dual participation by the CPUC from time to time.

“Early Termination Date” has the meaning set forth in Section 10.02.

“Economic Benefit” has the meaning set forth in Section 3.06(a).

“Economic Bid” has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff, indicating a bid that includes quantity (MWh or MW) and price (\$) for specified Trading Hours.

“Effective Flexible Capacity” or “EFC” means, for Projects providing Capacity Attributes, the effective flexible capacity (in MWs) of the Project, Generating Facility(ies) or Storage Unit(s), as applicable, under the Resource Adequacy Rulings and CAISO Tariff, in each case to the extent applicable, and which such effective flexible capacity may satisfy a load-serving entity’s Flexible RAR.

“Effective Date” has the meaning set forth in the preamble.

“Eligible Intermittent Resource Protocol” or “EIRP” means, for In Front of the Meter Distributed Generation Projects only, the CAISO’s intermittent resource program initially established pursuant to the CAISO Tariff or any successor program that SCE determines accomplishes a similar purpose.

“Emergency” means, for In Front of the Meter Projects only:

- (a) An actual or imminent condition or situation which jeopardizes the integrity of T&D Provider’s electric system or the integrity of any other systems to which the T&D Provider’s electric system is connected, as determined by the T&D Provider in its reasonable discretion, or any condition so defined and declared by the CAISO; or
- (b) An emergency condition as defined under an interconnection agreement and any abnormal interconnection or system condition that requires automatic or immediate manual action to prevent or limit loss of load or generation supply, that could adversely affect the reliability of the T&D Provider’s electric system or generation supply, that could adversely affect the reliability of any interconnected system, or that could otherwise pose a threat to public safety.

“Emission Reduction Credits” or “ERC” means emission reductions that have been authorized by a local air pollution control district pursuant to California Division 26 Air Resources; Health and Safety Code Sections 40709 and 40709.5, by which all reductions in the emission of air contaminants that are to be used to offset certain future increases in the emission of air contaminants shall be banked prior to use to offset future increases in emissions.

“Energy” means, for In Front of the Meter Projects only, all electrical energy produced, flowing or supplied by discharged and stored by a Generating Facility, a Storage Unit, or the Project, as applicable, measured in kilowatt-hours or multiple units thereof. Energy shall include Associated Ancillary Services Energy, Supplemental Energy, and any other electrical energy products that may be developed or evolve from time to time during the Term.

“Energy Adjustment Payment” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.11 of Attachment 1.

“Energy Adjustment Period” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.04(c)(iii) of Attachment 1.

“Energy Baseline” or “EB” has the meaning, for Demand Response Projects only, set forth in Section 3.04 of Attachment 1.

“Energy Deviations” has the meaning for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.03(b) of Attachment 1.

“Energy Efficiency” means a Project for which Option E is selected in Section 1.01(b).

“Energy Efficiency Capacity Payment Reduction” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.08 of Attachment 1.

“Energy Put Option” has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in Section 1.01, Option A-1.

“Energy Price” has the meaning, for Demand Response Projects only, set forth in Section 1.04 of Attachment 1.

“Energy Shortfall Amount” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.05(a)(ii) of Attachment 1, for Meter-Based Energy Efficiency Projects only, set forth in Section 3.04(a) of Attachment 1, and, for Behind the Meter Distributed Generation Projects only, set forth in Section 3.04(a)(ii) of Attachment 1.

“Energy Supply Bid” has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff.

“Environmental Costs” means costs incurred in connection with acquiring and maintaining all environmental permits and licenses for the Project, and the Project’s compliance with all applicable environmental laws, rules and regulations, including capital costs for pollution mitigation or installation of emissions control equipment required to permit or license the Project, all operating and maintenance costs for operation of pollution mitigation or control

equipment, costs of permit maintenance fees and emission fees as applicable, and the costs of all Emission Reduction Credits or Marketable Emission Trading Credits required by any applicable environmental laws, rules, regulations, and permits to operate, and costs associated with the disposal and clean-up of hazardous substances introduced to the Site, and the decontamination or remediation, on or off the Site, necessitated by the introduction of such hazardous substances on the Site.

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

“EPC Contractor” means the entity chosen by Seller to perform the engineering, procurement and construction activities for the Project.

“EPI” means any Customer information received by Seller in connection with this Agreement or the construction, ownership and operation of the Project.

“EPI Incident” has the meaning set forth in Section 9.05(c).

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

“Equivalent Storage Capacity” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.06(d) of Attachment 1.

“ERR” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 9.04(b)(i) of Attachment 1.

“Evaluator” has the meaning, for Behind the Meter Distributed Generation Projects only, set forth in Section 5.03(b)(ii) of Attachment 1 and, for Energy Efficiency Projects only, set forth in Section 5.03(a)(i) of Attachment 1.

“Event Day” means, for Demand Response Projects only, a day in which a Dispatch or Seller Dispatch occurs.

[“Event of Deficient Deferral Deliveries” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.05(a)(ii), for Energy Efficiency Projects only, set forth in Section 3.04(a) of Attachment 1, and, for Behind the Meter Distributed Generation Projects only, set forth in Section 3.04(a)(ii) of Attachment 1.] {SCE Note: replace for Distribution Deferral Contracts}

[“Event of Deficient Energy Deliveries” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.05(a)(ii) of Attachment 1, for Energy Efficiency Projects only, set forth in Section 3.04(a) of Attachment 1, and, for Behind the Meter Distributed Generation Projects only, set forth in Section 3.04(a)(ii) of Attachment 1.] {SCE Note: replace for Distribution Deferral Contracts}

“Event of Default” has the meaning set forth in Section 10.01.

“Event Parameters” has the meaning, for Demand Response Projects only, set forth in Section 1.01, Option D.

“Excess Network Upgrade Costs” has the meaning set forth in Section 10.05(a)(ii)(A).

“Expected Aggregate Contract Payments” means, for Customized Calculated Energy Efficiency Projects only, the dollar amount specified in Section 1.04 of Attachment 1.

~~“Expected Contract Capacity” means, the aggregate of the SU Expected Contract Capacity.~~
“Expected Annual Net Energy Production” means, for In Front of the Meter Distributed Generation Projects only, the Generating Facility’s expected annual Qualified Amounts, as calculated in accordance with Section 1.03(b).

“Expected Annual Site Host Load” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 1.03(b) of Attachment 1. *{SCE Note: Excess-Sales Only.}*

“Expected Capacity Attributes” means, for Projects providing Capacity Attributes, with respect to any particular day of any Showing Month, the Capacity Attributes (in MWs) for such day of such Showing Month, less any reductions to the amount of Capacity Attributes (in MWs) that must be provided for such day as specified in Section 1.~~06-07~~ of Attachment 1.

“Expected Capacity Savings” means:

- (a) for Behind the Meter Distributed Generation Projects only, the expected aggregate reduction in SCE’s local capacity needs, as set forth in Section 1.03, resulting from Seller’s installation and operation of the Generating Facility; and
- (b) for Energy Efficiency Projects only, the Project’s expected capacity savings set forth in Section 1.03, as measured in accordance with Exhibit B, from the Measurement Baseline of the Project.

“Expected Contract Capacity” means, for In Front of the Meter Energy Storage Projects only, the expected capability of the Storage Unit to discharge MW at the Delivery Point, as set forth in Exhibit B.

“Expected Contract Energy Capacity” means, for In Front of the Meter Energy Storage Projects only, the expected capability of the Storage Unit to discharge Energy in MWh at the Delivery Point, as set forth in Exhibit B.

“Expected Deferral Savings” means, for Behind the Meter Distributed Generation Projects only, the expected aggregate reduction in SCE’s local energy needs during the applicable deferral hours, measured for each hour and each Obligation Period, as set forth in Section 1.03. {SCE Note: Add in Deferral Savings for Deferral RFOs}

“Expected Energy” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in the CAISO Tariff.

“Expected Energy Savings” means, for Behind the Meter Distributed Generation Projects only, the expected aggregate reduction in SCE’s local energy needs, measured each Obligation Period, as set forth in Section 1.03.

“Expected Initial Delivery Date” is the date set forth in Section 2.03.

[“Expected Measured Monthly Deferral Savings” means, for Energy Efficiency Projects only, with respect to the applicable month in a Term Year and as set forth in Section 1.03 of Attachment 1, the expected monthly electric usage reductions (in kWhs) during the applicable hours identified in Section 1.03 of Attachment 1 of the Customer(s) at the Site(s) from the Measured Energy Baseline and caused by the Project.]

“Expected Measured Monthly Energy Savings” is, with respect to the applicable month in a Term Year and as set forth in Section 1.03 of Attachment 1, the expected monthly electric usage reductions (in kWhs) of the Customer(s) at the Site(s) from the Measured Energy Baseline and caused by the Project.

“Expected Monthly Net Deferral Production” means, for In Front of the Meter Distributed Generation Products only, the Generating Facility’s expected monthly Qualified Amounts, as calculated in accordance with Section 1.03(d) of Attachment 1.

“Expected Monthly Net Energy Production” means, for In Front of the Meter Distributed Generation Products only, the Generating Facility’s expected monthly Qualified Amounts, as calculated in accordance with Section 1.03(c) of Attachment 1.

“Expected Summer Off-Peak Energy Savings” means, for Customized Calculated Energy

Efficiency Projects only, the Project's expected energy reductions set forth in Section 1.03(b), as measured in accordance with Exhibit B, from the Measurement Baseline of the Project from the Initial Delivery Date until the end of the Term.

"Expected Summer On-Peak Energy Savings" means, for Customized Calculated Energy Efficiency Projects only, the Project's expected energy reductions set forth in Section 1.03(c), as measured in accordance with Exhibit B, from the Measurement Baseline of the Project from the Initial Delivery Date until the end of the Term.

"Expected Winter On-Peak Energy Savings" means, for Customized Calculated Energy Efficiency Projects only, is the Project's expected energy reductions set forth in Section 1.03(d), as measured in accordance with Exhibit B, from the Measurement Baseline of the Project from the Initial Delivery Date until the end of the Term.

"Exporting" has the meaning, for Behind the Meter Distributed Generation Projects only, set forth in Rule 21 of the SCE Tariff.

"Federal Investment Tax Credit" means investment tax credit under 26 USC 48 as in effect from time to time throughout the Delivery Period or other provision providing for a federal tax credit determined by reference to capital investment in equipment used to produce renewable electric energy from solar energy resources for which Seller, as the owner of the Generating Facility, is eligible.

"Federal Tax Credit Legislation" means, for projects utilizing energy storage, validly enacted federal legislation that provides federal income tax credits for owners of facilities that utilize equipment which receives, stores, and delivers electric energy using batteries or other energy storage technologies and means, for Distributed Generation Projects, means validly enacted federal legislation that either (i) extends the Federal Investment Tax Credit in its current form, or (ii) extends to owners of solar and geothermal generating facilities the applicability of a renewable energy tax credit determined by reference to capital investment in (A) the construction of the Generating Facility or (B) equipment used to produce renewable electric energy from solar or geothermal energy resources for which Seller, as the owner of the Generating Facility, is eligible.

"FERC" means the Federal Energy Regulatory Commission.

"Financial Consolidation Requirement" has the meaning set forth in Section 14.08(a).

"Firm Charging Capability" has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 5.01(a) of Attachment 1.

“Firm Charging Study” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 5.01(a) of Attachment 1.

“Firm Charging Upgrades” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 5.01(a) of Attachment 1.

“Flexible Capacity” means, for Projects providing Capacity Attributes and with respect to any particular Showing Month of the Delivery Period, the MWs of Product which are eligible to satisfy a load-serving entity’s Flexible RAR.

“Flexible RAR” means, for Projects providing Capacity Attributes, the flexible capacity requirements established for load-serving entities by the CAISO pursuant to the CAISO Tariff, the CPUC pursuant to the Resource Adequacy Rulings, or by any other Governmental Authority.

“Force Majeure” means any occurrence that was not anticipated as of the Effective Date that:

- (a) In whole or in part:
 - (i) Delays a Party’s performance under this Agreement;
 - (ii) Causes a Party to be unable to perform its obligations; or
 - (iii) Prevents a Party from complying with or satisfying the conditions of this Agreement;
- (b) Is not within the control of, and not the result of negligence of, that Party; and
- (c) The Party has been unable to overcome by the exercise of due diligence, including an act of God, flood, drought, earthquake, storm, fire, pestilence, lightning and other natural catastrophes, epidemic, war, riot, civil disturbance or disobedience, terrorism, sabotage, or strike or labor dispute.

Force Majeure does not include:

- (d) Reductions in performance of the Project resulting from ordinary wear and tear, deferred maintenance, operator error, or the failure of equipment or parts except to the extent such failure is otherwise the result of a Force Majeure;
- (e) Curtailment or reduction in deliveries at the direction of a T&D Provider or the CAISO when the basis of the curtailment or reduction in deliveries ordered by a T&D Provider or the CAISO is congestion arising in the ordinary course of operations of the T&D Provider’s system or the CAISO Controlled Grid,

including congestion caused by outages or capacity reductions for maintenance, construction or repair;

- (f) Any delay in providing, or cancellation of, any Permit by the issuing Governmental Authority, except to the extent such delay or cancellation is otherwise the result of a Force Majeure;
- (g) Any delay in providing, or cancellation of, interconnection service by a T&D Provider, except to the extent such delay or cancellation is otherwise the result of a Force Majeure;
- (h) A failure of performance of any other entity, except to the extent that such failure was caused by an event that would otherwise qualify as a Force Majeure;
- (i) Seller's ability to sell the Product, or any part thereof, at a price greater than the Product Price;
- (j) For Distributed Generation Projects, the lack of wind, sun or other fuel source of an inherently intermittent nature; and
- (k) For Behind the Meter Projects, Seller's inability to obtain or retain Customers.

"Forced Outage" has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff.

"Forecast" means, for In Front of the Meter Distributed Generation Projects only, an hourly forecast provided in accordance with Exhibit H of either:

- (a) The sum of the continuous electrical output ratings for inverters (in MWs) in the Generating Facility that are operational; or
- (b) The amount of Energy (in MWh) expected to be generated by the Generating Facility,

in accordance with SCE instructions.

"Forecast-Derived Energy" means, for In Front of the Meter Distributed Generation Projects only, the amount of Energy in MWh that would have been generated by the Generating Facility, as determined by SCE after the applicable Settlement Interval(s) based upon a CAISO forecast. If an appropriate CAISO forecast is unavailable, then the Forecast-Derived Energy will be determined based upon (a) the Forecast of available capacity provided by Seller in accordance

with this Agreement, and (b) the meteorological data for the Generating Facility during the applicable Settlement Interval(s), ~~and (c) the expected generating capabilities of the Generating Facility.~~

“Forecasting” means, for In Front of the Meter Distributed Generation Projects only, the action of Seller in preparing and submitting Forecasts to SCE.

“Forward Settlement Amount” means the Non-Defaulting Party’s costs and losses, on the one hand, netted against its gains, on the other. If the Non-Defaulting Party’s costs and losses exceed its gains, then the Forward Settlement Amount shall be an amount owing to the Non-Defaulting Party. If the Non-Defaulting Party’s gains exceed its costs and losses, then the Forward Settlement Amount shall be zero dollars (\$0). The Forward Settlement Amount does not include consequential, incidental, punitive, exemplary or indirect or business interruption damages. It is expressly agreed that the Non-Defaulting Party shall not be required to enter into replacement transactions in order to determine the Forward Settlement Amount.

- (a) When used in this definition, costs mean, with respect to the Non-Defaulting Party, brokerage fees, commissions, legal expenses and other similar third-party transaction costs and expenses reasonably incurred by the Non-Defaulting Party in entering into any new arrangement which replaces this Agreement~~],~~ *including, if SCE is the Non-Defaulting Party, with respect to credit towards SCE’s procurement requirements under CPUC Decision XX-XX-XXX]. {SCE Note: include bracketed language, referencing the appropriate CPUC decision, for solicitations pursuant to CPUC mandates.}* With respect to SCE, costs shall be based on replacing the Product with product from a project with similar attributes to the Project that (i) in the case of Behind the Meter projects, is serving Customer(s) that are electrically served by, or is providing Contract Capacity at, *[SCE note: insert applicable circuit]*; or (ii) in the case of In Front of the Meter Projects, electrically connects directly to the Interconnection Point set forth in Section 1.02(d) of Attachment 1. SCE may also take into consideration any non-standard performance measures or covenants applicable to the Project when determining its costs.
- (b) When used in this definition, gains or losses mean, with respect to any Party, an amount equal to the present value of the economic benefit or loss to such Party, if any (exclusive of costs), resulting from the termination of this Agreement for the remaining Term of this Agreement, determined in a commercially reasonable manner. For Non-Tolling In Front of the Meter Energy Storage Projects that may exercise an Energy Put Option, for purposes

of determining losses only, Seller shall be deemed to have exercised its Energy Put Option for each and every remaining Calendar Year of the Term.

Factors used in determining economic gain and loss to a Party may include reference to information supplied by one or more third parties, which shall exclude Affiliates of the Non-Defaulting Party, including quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets, comparable transactions, forward price curves based on economic analysis of the relevant markets, settlement prices for comparable transactions at liquid trading hubs (e.g., NYMEX). With respect to SCE, gains and losses shall be based on replacing the Product with product from a project with similar attributes to the Project that (i) in the case of Behind the Meter Projects, is serving Customer(s) that are electrically served by, or is providing Contract Capacity at, *[SCE note: insert applicable circuit]*; or (ii) in the case of In Front of the Meter Projects, electrically connects directly to the Interconnection Point set forth in Section 1.02(d). SCE may also take into consideration any non-standard performance measures or covenants applicable to the Project when determining its gains or losses.

Only if the Non-Defaulting Party is unable, after using commercially reasonable efforts, to obtain third party information to determine its gains or losses, then the Non-Defaulting Party may use information available to it internally suitable for these purposes in accordance with prudent industry practices.

“Full Capacity Deliverability Status” or “FCDS” has the meaning, for In Front of the Meter Projects only, set forth in the CAISO Tariff.

“Fully Deliverable” means, for In Front of the Meter Projects only, Full Capacity Deliverability Status or Interim Deliverability Status, as those terms are defined in the CAISO Tariff.

“GAAP” means United States generally accepted accounting principles as in effect from time to time, consistently applied.

“Generating Facility” has the meaning, for Distributed Generation Projects only, set forth in Section 1.02 of Attachment 1.

“Generating Facility Completion Date” has the meaning, for Behind the Meter Distributed Generation Projects only, set forth in Section 5.03(c)(iii) of Attachment 1.

“Generating Facility Energy Yield Curve” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Exhibit K.

“Generation Management System” has the meaning, for In Front of the Meter Projects and Demand Response Projects only, set forth in Section 5.02 of Attachment 1.7

“Generation Operations Center” or “GOC” means, for In Front of the Meter Projects only, the location of SCE’s CAISO market-oriented real-time operations personnel.

“Generator Operator” means, for In Front of the Meter Projects only, the entity that operates the Project and performs the functions of supplying energy and interconnected operations services and the other functions of a generator operator as described in NERC’s Statement of Compliance Registry Criteria located on the NERC website.

“Generator Owner” means, for In Front of the Meter Projects only, the entity that owns the Project and has registered with NERC as the entity responsible for complying with those NERC Reliability Standards applicable to owners of generating units as set forth in the NERC Reliability Standards.

“Geographic and Service Account Eligibility Verification” shall have the meaning, for Meter-Based Energy Efficiency Projects only, set forth in Section 5.03(b)(ii) of Attachment 1 and, for Customized Calculated Energy Efficiency Projects only, set forth in Section 5.03(c)(ii) of Attachment 1.

“GHG Regulations” means Title 17, Division 3, Chapter 1, Subchapter 10, Article 5, Sections 95800 *et. seq.* of the California Code of Regulations, as amended or supplemented from time to time.

“Governmental Authority” means:

- (a) Any federal, state, local, municipal or other government;
- (b) Any governmental, regulatory or administrative agency, commission, or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; or
- (c) Any court or governmental tribunal.

“Governmental Charges” has the meaning set forth in Section 13.06.

“Green Attributes” means, for Distributed Generation Projects only, any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Project, and its avoided emission of pollutants. Green Attributes include but are not limited to Renewable Energy Credits, as well as:

- (1) Any avoided emission of pollutants to the air, soil or water such as sulfur oxides (SO_x), nitrogen oxides (NO_x), carbon monoxide (CO) and other pollutants;
- (2) Any avoided emissions of carbon dioxide (CO₂), methane (CH₄), nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth’s climate by trapping heat in the atmosphere;¹
- (3) The reporting rights to these avoided emissions, such as Green Tag Reporting Rights.

Green Tag Reporting Rights are the right of a Green Tag Purchaser to report the ownership of accumulated Green Tags in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at the Green Tag Purchaser’s discretion, and include those Green Tag Reporting Rights accruing under Section 1605(b) of the Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program. Green Tags are accumulated on a MWh basis and one Green Tag represents the Green Attributes associated with one (1) MWh of energy.

Green Attributes do not include:

- (i) Any energy, capacity, reliability or other power attributes from the Project,
- (ii) Production tax credits associated with the construction or operation of the Project and other financial incentives in the form of credits, reductions, or allowances associated with the Project that are applicable to a state or federal income taxation obligation,

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

- (iii) Fuel-related subsidies or “tipping fees” that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits, or
- (iv) Emission Reduction Credits encumbered or used by the Project for compliance with local, state, or federal operating and/or air quality permits.

If the Project is a biomass or biogas facility and Seller receives any tradable Green Attributes based on the greenhouse gas reduction benefits or other emission offsets attributed to its fuel usage, it shall provide SCE with sufficient Green Attributes to ensure that there are zero (0) net emissions associated with the production of electricity from the Project.

“Greenhouse Gas” or “GHG” has the meaning set forth in the GHG Regulations or in any other Applicable Laws.

“Guaranteed Efficiency Factor Max (GEFmax)” means, for In Front of the Meter ProjectsEnergy Storage Projects only, the maximum guaranteed Round Trip Efficiency Factor as set forth in Exhibit B.

“Guaranteed Efficiency Factor Min (GEFmin)” means, for In Front of the Meter ProjectsEnergy Storage Projects only, the minimum guaranteed Round Trip Efficiency Factor as set forth in Exhibit B.

“HASP” or Hour-Ahead Scheduling Process has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff (and includes any other successor process that replaces HASP).

“Hazardous Material” means any substance, waste, or material which has been designated as hazardous or toxic by the United States Environmental Protection Agency, the federal Occupational Safety and Health Administration (“OSHA”), California OSHA, the California Environmental Protection Agency, the California Office of Environmental Health Hazard Assessment, the California Department of Toxic Substances Control, the California State Water Resources Control Board, or any other environmental agency now or subsequently authorized to regulate materials in the environment or workplace.

“Holiday” means New Year’s Day, Presidents’ Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, and Christmas Day. When any Holiday falls on a Sunday, the following Monday will be recognized as a Holiday. No change will be made for Holidays falling on Saturday.

“Hourly Recorded Reduction” has the meaning, for Demand Response Projects only, set forth in Section 3.02(d) of Attachment 1.

“Idle Loss” means, for In Front of the Meter Energy Storage Projects only, the amount of stored energy lost when the system remains idle (not charging or discharging) for a defined period of time (expressed as a percentage of the Storage Unit Storage Capacity).

“Imbalance Energy” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff. To the extent this CAISO Tariff definition refers to or is applicable to a generation resource, such definition shall apply to the Storage Unit(s) as if the Storage Unit(s) ~~are~~ is a generation ~~resource~~ resource.

“IFRS” means the International Financial Reporting Standards as in effect from time to time, consistently applied.

“In Front of the Meter” means a Project for which Option A or Option B is selected in Section 1.01(b).

“In Front of the Meter Distributed Generation” means a Project for which Option B is selected in Section 1.01(b).

“In Front of the Meter Energy Storage” means a Project for which Option A is selected in Section 1.01(b).

“Indemnified Party” has the meaning set forth in Section 13.03.

“Indemnitor” has the meaning set forth in Section 13.03.

“Independent Engineer” or “IE” means an independent, non-Affiliate California registered professional engineer (with experience acceptable to SCE in its sole discretion).

“Independent Evaluator” has the meaning set forth in Section 14.05(b)(i).

“Individual Measurement Baseline” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Section 5.03(b)(i) of Attachment 1.

“Industry Standards” mean applicable California utility industry standards, including the standards established by the California Electricity Generation Facilities Standards Committee pursuant to Public Utilities Code Section 761.3 and enforced by the CPUC, and CAISO mandated standards.

“Inflexible Capacity” means, for Projects providing Capacity Attributes and with respect to any particular Showing Month of the Delivery Period, the MWs of the Product which are not eligible to satisfy a load-serving entity’s Flexible RAR.

“Initial Commercial Operation Test” means, -

- (d) for In Front of the Meter Energy Storage Projects only, the testing procedures, requirements, and protocols set forth in Exhibit I; and
- (e) for Demand Response Projects only, the demonstration described in Section 5.03.

“Initial Delivery Date” has the meaning set forth in Section 2.04.

“Initial Delivery Deadline” has the meaning set forth in Section 2.05.

“Inspection Report” means, for Behind the Meter Distributed Generation and Energy Efficiency Projects only, any Pre-Installation Inspection Report, Primary Post-Installation Inspection Report, or Post-Installation Inspection Report.

“Inspections” means, for Behind the Meter Distributed Generation and Energy Efficiency Projects only, the Pre-Installation Inspection, the Primary Post-Installation Inspection, and each Post-Installation Inspection.

“Installation” means, for Energy Efficiency Projects ~~Only~~only, all of the Measures installed by Seller at a Customer’s Site pursuant to this Agreement.

“Installed DC Rating” means, for In Front of the Meter Distributed Generation Projects only, the lesser of (a) the amount of Direct Current electric energy generating capacity, set forth in Section 1.03(a) of Attachment 1, that Seller commits to install at the Site, and (b) the Demonstrated Installed DC Rating, expressed in kW_{PDC}.

“Interconnection Point” means, for In Front of the Meter Projects only, the location where the Generating Facility first interconnects with the existing electrical transmission or distribution system, as set forth in Section 1.02(d) of Attachment 1.

“Interconnection Queue Position” means, for In Front of the Meter Projects only, the order of Seller’s valid request for interconnection relative to all other valid interconnection requests, as specified in Section 1.02(e) of Attachment 1.

“Interconnection Study” means, for In Front of the Meter Projects only, any of the studies defined in the CAISO Tariff or any T&D Provider’s tariff that reflect methodology and costs to interconnect the Project to the T&D Provider’s electric grid.

“Interest Payment” means a payment amount that results from the product of the following three factors:

- (a) the dollar amount on which an interest payment is based;

- (b) for any given month in which the payment is made, the average of the annual interest rates reported for all weekdays in such month opposite the caption "Federal funds (effective)" as set forth in the H.15 release, or any successor publication, published by the Board of Governors of the Federal Reserve System; and
- (c) the number of days in the calculation period divided by 360.

"Interim Deliverability Status" has the meaning, for In Front of the Meter Projects only, set forth in the CAISO Tariff.

"Inverter Block Unit" means, for In Front of the Meter Distributed Generation Projects only, each inverter installed on the Site as part of the Generating Facility, along with the associated DC equipment, cables, components, devices and materials that interconnect the photovoltaic modules with the inverters.

"Inverter Block Unit Capacity" means, for In Front of the Meter Distributed Generation Projects only and with respect to each Inverter Block Unit, the total rated electric Alternating Current capacity of such Inverter Block Unit, determined as the lesser of:

- (a) The manufacturer's output rating of the inverter included in such Inverter Block Unit, consistent with Prudent Electrical Practices and accepted industry standards, as indicated on the nameplate physically attached to such inverter; provided, if such output rating is not indicated in kW or MW on the nameplate physically attached to such inverter, then such output rating in kW or MW will be deemed to be equal to the maximum continuous out power in kilovolt-amperes (kVA) or megavolt-amperes (MVA) indicated on the nameplate physically attached to such inverter for purposes of this calculation; provided further, that if more than one inverter output rating is provided, whether in kW, MW, kVA or MVA, the lowest of these shall be deemed to be the manufacturer's rating of such inverter; or
- (b) The sum of the manufacturer's nameplate ratings of all photovoltaic modules included in such Inverter Block Unit, consistent with Prudent Electrical Practices and accepted industry standards, as indicated on the nameplates physically attached to such individual photovoltaic modules.

"Invoice Calculation Period" has the meaning set forth in Section 3.01 of Attachment 1.

"Invoice Date" has the meaning set forth in Section 3.01 of Attachment 1.

"Invoicing Party" has the meaning set forth in Section 3.01 of Attachment 1.

"IPMVP" has the meaning, for Energy Efficiency Projects only, set forth in Exhibit B.

“JAMS” has the meaning set forth in Section 12.02.

“kW” means a kilowatt.

“kWh” means a kilowatt-hour.

“kW_{DC}” means, for In Front of the Meter Distributed Generation Projects only, kilowatts of peak DC power.

“Lender” means any financial institutions that provide(s) development, bridge, construction, permanent debt or Tax Equity Financing or refinancing for the Project to Seller.

“Letter of Credit” means an irrevocable, nontransferable standby letter of credit-, substantially in the form of Exhibit G and acceptable to SCE, provided by Seller from an issuer acceptable to SCE that is a U.S. branch of a commercial bank with total assets of at least ten billion U.S. dollars (US\$10,000,000,000) and a Credit Rating of at least “A-” from S&P or “A3” from Moody’s. If such bank is rated by more than one Ratings Agency and the ratings are at different levels, the lowest rating shall be the Credit Rating for this purpose.

“Letter of Credit Default” means with respect to a Letter of Credit, the occurrence of any of the following events:

- (a) the issuer of such Letter of Credit fails to maintain a Credit Rating of at least “A-” from S&P or “A3” from Moody’s, as required in the definition of “Letter of Credit”;
- (b) the issuer of the Letter of Credit fails to comply with or perform its obligations under such Letter of Credit;
- (c) the issuer of such Letter of Credit disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, such Letter of Credit;
- (d) such Letter of Credit expires or terminates, or fails or ceases to be in full force and effect at any time during the Term of ~~the~~this Agreement, in any such case without replacement;
- (e) Seller fails to provide an extended or replacement Letter of Credit prior to twenty (20) Business Days before the Letter of Credit expires or terminates; or
- (f) the issuer of such Letter of Credit becomes Bankrupt;

provided, no Letter of Credit Default shall occur or be continuing in any event with respect to a Letter of Credit after the time such Letter of Credit is required to be canceled or returned to a Party in accordance with the terms of this Agreement.

“Load Drop Amount” means, for Demand Response Projects only, the total load drop capacity of each Recruited Account or Participating Account.

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

“Local RAR” means, for Projects providing Capacity Attributes, the local Resource Adequacy Requirements established for load-serving entities by the CAISO pursuant to the CAISO Tariff, the CPUC pursuant to the Resource Adequacy Rulings, or by any other Governmental Authority.

“Local Resource Constrained Day” or “LRC” has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in Section 1.09(a) of Attachment 1.

“Locational Marginal Price” or “LMP” has the meaning, for In Front of the Meter Projects only, set forth in the CAISO Tariff.

“Lost Output” means, for In Front of the Meter Distributed Generation Projects only, the reduction in Qualified Amounts over the relevant measurement period that the Generating Facility was available to produce and could reasonably have been expected to deliver, based upon the calculation method set forth in Exhibit K, but was not delivered due to a Lost Output Event.

“Lost Output Event” means, for In Front of the Meter Distributed Generation Projects only, any of the following occurrences which cause Seller to be unable to deliver Energy:

- (a) Force Majeure;
- (b) An Event of Default where SCE is the Defaulting Party;
- (c) A curtailment or reduction of deliveries in accordance with Section 6.01(~~e~~)f of Attachment 1 or as otherwise ordered or caused by the CAISO, or SCE acting as a T&D Provider (including a curtailment or reduction that does not constitute a Force Majeure as provided in subparagraph (e) or (g) of the definition of Force Majeure); or
- (d) An Emergency, to the extent not already covered in item (c) above.

“Lost Output Report” means, for In Front of the Meter Distributed Generation Projects only, the monthly report of Lost Output for Lost Output Events described in Subsections (a), (b), or (d) of

the definition of Lost Output Event and provided in the form of the worksheet from the Lost Output Workbook prepared in accordance with the procedures set forth in Section 6.06 of Attachment 1 and Exhibit K.

“Lost Output Workbook” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Exhibit K.

“LRCD Capacity & Energy Capacity Verification Test” means, for Non-Tolling In Front of the Meter Energy Storage Projects only, the testing procedures, requirements, and protocols set forth in Exhibit I.

“M&V Plan” has the meaning, for Meter-Based Energy Efficiency Projects only, set forth in Section 5.03(b)(iii) of Attachment 1 and, for Customized Calculated Energy Efficiency Projects only, set forth in Section 5.03(c)(iii) of Attachment 1.

“Marketable Emission Trading Credits” means emissions trading credits or units pursuant to the requirements of California Division 26 Air Resources; Health & Safety Code Section 39616 and Section 40440.2 for market based incentive programs such as the South Coast Air Quality Management District’s Regional Clean Air Incentives Market, also known as RECLAIM, and allowances of sulfur dioxide trading credits as required under Title IV of the Federal Clean Air Act (42 U.S.C. § 7651b (a) to (f)).

“Market Clearing Price” or “MCP” means for each Settlement Interval, the Day-Ahead Market price for the hour in which such Settlement Interval falls for SP-15.

“Master File” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth Section 6.03(a) of Attachment 1.

“Measure” means, for Energy Efficiency Projects only, a service or product whose installation and operation at a Customer’s premises results in a reduction in the Customer’s on-site energy or capacity use, compared to what would have happened without the service or product installation.

“Measured Energy Baseline” has the meaning, for Meter-Based Energy Efficiency Projects only, set forth in Section 3.02(b) of Attachment 1.

“Measurement and Verification Protocol” means, for Energy Efficiency Projects only, the parameters, procedures, rules, and instructions that govern the creation of an M&V Plan in order for the Evaluator to measure and verify the capacity and energy savings from each Installation and the Project and is more fully described in Exhibit B.

“Measurement Baseline” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Section 5.03(b)(ii) of Attachment 1.

“Measurement Day” means, for Demand Response Projects only, a twenty-four (24) hour period that is a Delivery Day, but excluding (a) Event Days, and (b) event days under a Dual Participation Program.

“Mediator” has the meaning set forth in Section 12.02.

“Meteorological Equipment” means, for In Front of the Meter Distributed Generation Projects only, the instruments and equipment that meet those specifications set forth in Exhibit L, as may be modified by SCE from time to time to reflect the CAISO’s PIRP/EIRP protocol.

“Meter-Based Energy Efficiency Project” means a project for which Option E and the Meter-Based Approach are selected in Section 1.01(b).

“Metered Amounts” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 1.07 of Attachment 1 and, for Behind the Meter Distributed Generation Projects only, set forth in Section 3.02 of Attachment 1.

“Metering System(s)” has the meaning, for Behind the Meter Distributed Generation Projects only, set forth in Section 5.02(a) of Attachment 1].

“Minimum Energy Storage Capacity” has the meaning, for Demand Response Projects only, set forth in Section 1.03 of Attachment 1.

“Monthly Available A/S Capacity” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.07 of Attachment 1.

“Monthly Capacity Payment” means, for In Front of the Meter Energy Storage Projects only, the Monthly RA Capacity Payment, the Monthly Energy Retention Capacity Payment, or the Monthly Energy Capacity Payment, as applicable.

“Monthly Capacity Price” means, for In Front of the Meter Energy Storage Projects only, as applicable, the Monthly RA Capacity Price, the Monthly Energy Retention Price, or the Monthly Energy Capacity Price.

“Monthly Energy Capacity Payment” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.05(a) of Attachment 1, as may be reduced under Section 3.05(b) of Attachment 1.

“Monthly Energy Capacity Price” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 1.04(b) of Attachment 1.

“Monthly Energy Retention Capacity Payment” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.02(c) of Attachment 1.

“Monthly Energy Retention Price” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 1.04 of Attachment 1.

“Monthly RA Capacity Payment” has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in Section 3.02(a) of Attachment 1.

“Monthly RA Capacity Price” has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in Section 1.04(a-) of Attachment 1.

“Monthly Supply Plan” has the meaning, for Projects providing Capacity Attributes, set forth in the CAISO Tariff.

“Moody’s” means Moody’s Investors Service, Inc.

“MW” means megawatt or megawatts.

“MWh” means megawatt-hour or megawatt-hours.

“Negative LMP” means, for In Front of the Meter Distributed Generation Projects only, in any Settlement Interval, the LMP at the Generating Facility’s Pricing Node (as defined in the CAISO Tariff) is less than zero dollars (\$0).

“Negative LMP Costs” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.03(b)(iii) of Attachment 1.

“NERC” means the North American Electric Reliability Corporation.

“NERC Reliability Standards” means, for In Front of the Meter Projects only, those reliability standards applicable to a generating or storage facility, or to the Generator Owner or the Generator Operator with respect to a generating or storage facility, that are adopted by NERC and approved by the applicable regulatory authorities.

“NERC Responsibilities” means the document entitled “NERC Reliability Standards - Responsibilities of the Generator Operator, Scheduling Coordinator, CAISO, and Reliability Coordinator” or other successor description or document on the CAISO website at the time of the violation.

“NERC Standards Non-Compliance Penalties” means all penalties assessed by FERC, NERC (through WECC or otherwise) or other Governmental Authority for violations of the NERC Reliability Standards by the Project or Seller, as Generator Operator or other applicable category.

“Net Energy Metering” has the meaning, for Behind the Meter Projects only, set forth in Rule 21 of the SCE Tariff.

“Net Qualifying Capacity” or “NQC” has the meaning set forth in the CAISO Tariff.

“Network Upgrades” has the meaning set forth in Section 5.01(a)(i).

“Network Upgrades Cap” has the meaning set forth in Section 10.05(a)(i)(A).

“Non-Defaulting Party” has the meaning set forth in Section 10.02.

“Non-Exporting” has the meaning, for Behind the Meter Distributed Generation Projects and Demand Response Projects only, set forth in Rule 21 of the SCE Tariff. *{SCE Note: delete if corresponding bracketed language is removed from the agreement}*

“Non-IOU Fuel Source” means, for Energy Efficiency Projects only, any fuel source, not provided or supplied by the T&D Provider, capable to supply energy or meet the electric load or demand of a facility; including solar photovoltaics, energy storage system(s), cogeneration plant(s)/system(s), and fuel cell(s). *{SCE Note: delete if the RFO-specific addendum does not use this term.}*

“Non-SCE Charge” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 6.06(e) of Attachment 1.

“Non-SCE Dispatch” means, for In Front of the Meter Energy Storage Projects only, a dispatch by Seller either pursuant to a Seller Initiated Test or as required by Applicable Laws.

~~“Non-Specified RA Replacement Capacity” has the meaning, for Tolling In Front of the Meter Energy Storage Projects only, set forth in Section 6.03(d) of Attachment 1.~~
~~“Project” means a Project for which Option A-1 is selected in Section 1.01(b).~~

“Notice” means notices, requests, statements or payments provided in accordance with Section 14.02 and Exhibit E.

“Obligation Period” has the meaning, for Behind the Meter Distributed Generation Projects only, set forth in Section 1.03(b) of Attachment 1.

“Operating Day” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff.

“Operating Months” has the meaning set forth in Section 1.01, Option D, with respect to Demand Response Projects.

“Operating Restrictions” means, for In Front of the Meter Energy Storage Projects only, subject to Section 6.05(f)(ii) of Attachment 1, limitations on SCE’s ability to schedule and use Capacity, Ancillary Services, and Energy during a Put Period that are identified in Exhibit B.

“Outage” has the meaning, for In Front of the Meter Projects only, set forth in the CAISO Tariff.

“Outage Schedule” has the meaning, for In Front of the Meter Projects only, set forth in Section 6.05(a) of Attachment 1.

“Outstanding Bid Quantity” has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in Section 1.09(c) of Attachment 1.

“Paid Curtailed Product” means, for In Front of the Meter Distributed Generation Projects only, the Curtailed Product for which SCE is obligated to pay Seller pursuant to Section 3.02(b) of Attachment 1.

“Participating Account” has the meaning, for Demand Response Projects only, set forth in Section 6.06(c) of Attachment 1.

“Participating Intermittent Resource” means, for In Front of the Meter Distributed Generation Projects only, an intermittent resource generating facility that is certified, and remains certified, under PIRP as set forth in the CAISO Tariff. *{SCE Note: Intermittent only.}*

“Participating Intermittent Resource Program” or “PIRP” means, for In Front of the Meter Distributed Generation Projects only, the CAISO’s intermittent resource program initially established pursuant to Amendment No. 42 of the CAISO Tariff in Docket No. ER02-922-000 or any successor program that SCE determines accomplishes a similar purpose. *{SCE Note: Intermittent only.}*

“Party” or “Parties” has the meaning set in the preamble.

“Paying Party” has the meaning set forth in Section 3.01 of Attachment 1.

“Payment Adjustment Factor” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Section 3.03(b) of Attachment 1.

“Payment Date” has the meaning set forth in Section 3.01 of Attachment 1.

“Performance Assurance” means the collateral required under Section 7.02.

“Performance Data Provider” or “PDP” has the meaning, for Behind the Meter Distributed Generation Projects only, set forth in Section 5.02(a) of Attachment 1.

“Performance Monitoring and Reporting Service Provider” or “PMRS” means, for Behind the Meter Distributed Generation Projects only, an entity capable of performing the monitoring and

reporting activities described for a PMRS in the “California Public Utilities Commission California Solar Initiative Program Handbook,” as amended.

“Performance Tolerance Band” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.03(b)(i) of Attachment 1 and means, for In Front of the Meter Energy Storage Projects only, the lesser of (a) three percent (3%) of a Storage Unit’s PMA_X divided by the number of Settlement Intervals in an hour, (b) five (5) MW divided by the number of Settlement Intervals in an hour, or (c) for each Settlement Interval,

- (a) with respect to the Performance Tolerance Band Upper Limit, the greater of the fifteen-minute HASP Regulation Up awards for the period within such Settlement Interval falls, or
- (b) with respect to the Performance Tolerance Band Lower Limit, the greater of the fifteen-minute HASP Regulation Down awards for the period within such Settlement Interval falls

divided by the number of Settlement Intervals in an hour.

If, at any time, the CAISO implements changes to the Performance Tolerance Band, then the Parties agree to negotiate in good faith to amend this definition to maintain the economic benefits and burdens contemplated under this Agreement.

“Performance Tolerance Band Lower Limit” means, for In Front of the Meter Energy Storage Projects only, the quantity of Energy determined for a Settlement Interval equal to Scheduled Energy minus the Performance Tolerance Band.

“Performance Tolerance Band Upper Limit” means, for In Front of the Meter Energy Storage Projects only, the quantity of Energy determined for a Settlement Interval equal to Scheduled Energy plus the Performance Tolerance Band.

“Permits” means all applications, approvals, authorizations, consents, filings, licenses, orders, permits or similar requirements imposed by any Governmental Authority, or the CAISO, in order to develop, construct, operate, maintain, improve, refurbish and retire the Project and deliver the Product to SCE in accordance with this Agreement.

“Permit Requirements” means any requirement or limitation imposed as a condition of a permit or other authorization relating to construction or operation of the Project or related facilities, including limitations on any pollutant emissions levels, limitations on fuel combustion or heat input throughput, limitations on operational levels or operational time, limitations on any specified operating constraint, requirements for acquisition and provision of any Emission

Reduction Credits or Marketable Emission Trading Credits; or any other operational restriction or specification related to compliance with any Applicable Laws.

“Person” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“Photovoltaic Module DC Rating” means, for In Front of the Meter Distributed Generation Projects only, for each photovoltaic module installed or to be installed at the Site, the number (expressed in kW_{PDC}) stated on the nameplate affixed thereto representing the manufacturer’s maximum (at “peak” sunlight) DC power rating at the standard test condition (“P_{mp}” or Power maximum at peak).

“Planned Outage” means, for In Front of the Meter Energy Storage Projects only, an Approved Maintenance Outage (as defined in the CAISO Tariff), but does not include an RA Maintenance Outage With ~~Replacement (as defined in the CAISO Tariff); Substitution, an RA Maintenance Outage Without Substitution,~~ a Short-Notice Opportunity RA Maintenance Outage ~~(as defined in the CAISO Tariff),~~ or an Off-Peak Opportunity RA Maintenance Outage (as such terms are defined in the CAISO Tariff).

“P_{MAX}” means, for In Front of the Meter Energy Storage Projects only, the applicable CAISO-certified maximum operating level of a Storage Unit and, for In Front of the Meter Distributed Generation Projects only, has the meaning set forth in the CAISO Tariff.

“P_{MIN}” means, for In Front of the Meter Energy Storage Projects only, the applicable CAISO-certified minimum operating level of a Storage Unit.

“Predicted Capacity” means, for In Front of the Meter Energy Storage Projects only, the ~~aggregate sum of the expected NQCs~~ NQC for each of the Storage Unit as set forth for the Storage ~~Units that are part of the Project, as set forth~~ Unit in Exhibit B.

~~“Predicted SU Capacity” means, for In Front of the Meter Energy Storage Projects only, the expected NQC for any particular Storage Unit as set forth for such Storage Unit in Exhibit B.~~

~~“Predicted SU”~~ “Predicted Flexible Capacity” means, for In Front of the Meter Energy Storage Projects only, the expected EFC for ~~any particular~~ the Storage Unit as set forth for ~~such the~~ Storage Unit in Exhibit B.

“Pre-Installation Description” means, for Behind the Meter Distributed Generation Projects only, the description set forth in Exhibit B, Part I.

“Pre-Installation Inspection Report” means, for Behind the Meter Distributed Generation and Energy Efficiency Projects only, the report prepared by an Evaluator setting forth the Evaluator’s

findings from the Pre-Installation Inspection. At a minimum, the Pre-Installation Inspection Report must include the information identified in Exhibit B.

“Pre-Installation Inspection” means, for Behind the Meter Distributed Generation Projects only, an inspection of the Project, or any component thereof, which satisfies the requirements described in Section 5.03(b)(i) of Attachment 1 and Exhibit B ~~and~~; for Meter-Based Energy Efficiency Projects only, an inspection of an Installation which satisfies the requirements described in Section 5.03(c)(i) of Attachment 1 and Exhibit B; ~~and~~, for Customized Calculated Energy Efficiency Projects only, an inspection of an Installation which satisfies the requirements described in Section 5.03(d)(i) of Attachment 1 and Exhibit B.

“Post-Installation Inspection” means, for Behind the Meter Distributed Generation Projects only, an inspection of the Project, or any component thereof, which satisfies the requirements described in Section 5.03(c)(i) of Attachment 1 and Exhibit B ~~and~~; for Meter-Based Energy Efficiency Projects only, an inspection of the Project, or any component thereof, which satisfies the requirements described in Section 5.03(d) of Attachment 1; ~~and~~, for Customized Calculated Energy Efficiency Projects only, an inspection of the Project, or any component thereof, which satisfies the requirements described in Section 5.03(g) of Attachment 1.

“Post-Installation Inspection Report” means, for Behind the Meter Distributed Generation Projects and Energy Efficiency Projects only, the report prepared by an Evaluator setting forth the Evaluator’s findings from the Post-Installation Inspection. At a minimum, the Post-Installation Inspection Report must include the information identified in Exhibit B.

“Prevention Equipment” means all equipment necessary to prevent, suppress and contain any fire, flooding, explosion, leak of hazardous material or other injury or damage at the Site(s).

“Price-Weighted Capacity Availability” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.06~~(e)~~ of Attachment 1.

“Price-Weighted Monthly Capacity Availability” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.06 of Attachment 1.

“PRG” has the meaning set forth in Section 14.05(b).

“Pricing Node” has the meaning set forth in the CAISO Tariff.

“Primary Post-Installation Inspection” means, for Customized Calculated Energy Efficiency Projects only, an inspection of the Project which satisfies the requirements described in Section 5.03(e)(i) of Attachment 1 and Exhibit B.

“Primary Post-Installation Inspection Report” means, for Customized Calculated Energy Efficiency Projects only, the report prepared by an Evaluator setting forth the Evaluator’s findings from the Primary Post-Installation Inspection. At a minimum, the Primary Post-Installation Inspection Report must include the information identified in Exhibit B.

“Product” has the meaning set forth in Section 1.01.

“Product Payment” has the meaning, for Distributed Generation Projects only, set forth in Section 3.04 of Attachment 1 and, for Meter-Based Energy Efficiency Projects only, set forth in Section 3.02(a) of Attachment 1.

“Product Payment Allocation Factor(s)” means, for In Front of the Meter Distributed Generation Projects only, the product payment allocation factor(s) set forth in Section 3.04 of Attachment 1 and, for Meter-Based Energy Efficiency Projects only, the product payment allocation factor(s) set forth in Section 3.03 of Attachment 1.

“Product Price” has the meaning set forth in Section 1.04.

“Product Replacement Damage Amount” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.05(b) of Attachment 1, for Meter-Based Energy Efficiency Projects only, set forth in Section 3.04(b) of Attachment 1, and, for Behind the Meter Distributed Generation Projects only, set forth in Section 3.04(b) of Attachment 1.

“Prohibited Resource” means, for Demand Response Projects only, a technology using diesel, natural gas, gasoline, propane or liquefied petroleum gas, in topping cycle combined heat and power or non-combined heat and power configuration. The following resources are not Prohibited Resources: pressure reduction turbines, waste-heat-to-power bottoming cycle combined heat and power, and energy storage systems (including storage systems coupled with renewable generation) provided such energy storage systems meet the greenhouse gas emission factor thresholds in effect from time to time under the CPUC’s Self-Generation Incentive Program.

“Prohibited Resources Plan” has the meaning, for Demand Response Projects only, set forth in Section 6.11(g) of Attachment 1.

“Project” has the meaning set forth in Section 1.02.

“Project and Measure Description” means, for Energy Efficiency Projects only, a description prepared by Seller of the Measures Seller will use in the Project, the proposed Measurement Baseline, and how the Measures will improve pre-installation capacity and energy conditions, as more fully described in Exhibit B.

“Project Measurement and Verification Protocol” means, for Behind the Meter Distributed Generation Projects only, the parameters, procedures, rules, and instructions that govern the protocol for the Evaluator to measure and verify the capacity and energy savings from the Project as more fully described in Exhibit B.

“Project Progress Report” has the meaning set forth in Section 4.06.

“Project Security” means Development Security or Performance Assurance.

“Project Summary Report” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Section 5.03(f)(i) of Attachment 1.

“Protective Apparatus” means control devices (such as meters, relays, power circuit breakers and synchronizers) as specified in the interconnection agreement or related agreement for the Project or as SCE reasonably determines to be necessary for proper and safe operation of the Project in parallel with the T&D Provider’s electric system or the CAISO Controlled Grid.

“Prudent Electrical Practices” means those practices, methods and acts that would be implemented and followed by prudent operators of facilities or resources similar to the Project, in the Western United States, during the relevant time period, which practices, methods and acts, in the exercise of prudent and responsible professional judgment in the light of the facts known or that should reasonably have been known at the time the decision was made, could reasonably have been expected to accomplish the desired result consistent with good business practices, reliability and safety.

Prudent Electrical Practices shall include, at a minimum, those professionally responsible practices, methods and acts described in the preceding sentence that comply with manufacturers’ warranties, restrictions in this Agreement, WECC standards, and Applicable Laws.

Prudent Electrical Practices also includes taking reasonable steps to ensure that:

- (a) Equipment, materials, resources, and supplies, including spare parts inventories, are available to meet the needs of the Project;
- (b) Sufficient operating personnel are available at all times and are adequately experienced and trained and licensed as necessary to operate the Project properly and efficiently, and are capable of responding to reasonably foreseeable emergency conditions at the Project and transmission emergencies whether caused by events on or off the Site;
- (c) Preventive, routine, and non-routine maintenance and repairs are performed on a basis that ensures reliable, long term and safe operation of the Project, and

are performed by knowledgeable, trained, and experienced personnel utilizing proper equipment and tools;

- (d) Appropriate monitoring and testing are performed to ensure equipment is functioning as designed;
- (e) Equipment is not operated in a reckless manner, in violation of manufacturer's guidelines or in a manner unsafe to workers, the general public, or the T&D Provider's electric system or contrary to environmental laws, permits or regulations or without regard to defined limitations such as, flood conditions, safety inspection requirements, operating voltage, current, volt ampere reactive (VAR) loading, frequency, rotational speed, polarity, synchronization, and control system limits; and
- (f) Equipment and components are designed and manufactured to meet or exceed the standard of durability that is generally used for electric energy storage facilities operating in the Western United States and will function properly over the full range of ambient temperature and weather conditions reasonably expected to occur at the Site(s) and under both normal and emergency conditions.

"Put Period" has the meaning set forth in Section 1.01, Option A-1, with respect to Non-Tolling In Front of the Meter Energy Storage Projects.

"Put Period Day" means, for Non-Tolling In Front of the Meter Energy Storage Projects only, a day within a Put Period on which the Project operates.

"Qualified Amounts" means, for In Front of the Meter Distributed Generation Projects only, subject to Section 3.03(b)(iii) of Attachment 1, the Metered Amounts, expressed in kWh, that qualify as renewable power under the requirements of the California Renewables Portfolio Standard.

"Qualifying Capacity" means, for In Front of the Meter Distributed Generation Projects only, the maximum amount of Resource Adequacy Benefits a generating facility could provide before an assessment of its Net Qualifying Capacity, as determined pursuant to the relevant methodology established by the CPUC. For purposes of determining "Qualifying Capacity", it shall be assumed that the Generating Facility is ~~fully deliverable~~. Fully Deliverable.

"Qualified Reporting Entity" has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in the WREGIS Operating Rules, as applicable to the Generating Facility as the Registered Generating Unit.

“Qualifying Delivered Energy” means, for In Front of the Meter Energy Storage Projects only, the lesser of Delivered Energy or the Performance Tolerance Band Upper Limit for each Settlement Interval during a Put Period. Qualifying Delivered Energy shall be zero (0): (a) during a Seller Initiated Test; (b) during a Non-SCE Dispatch; or (c) during a Start-Up.

“Qualifying Meter” means, for Demand Response Projects and Energy Efficiency Projects only, an SCE-approved interval meter capable of recording usage in 15 minute intervals and being read remotely by SCE through electronic communication.

“Quarter” or “Quarterly” means the first three calendar months beginning on the first day of the Delivery Period, and each subsequent three calendar month period.

“RA Adjustment” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.09 of Attachment 1.

“RA Capacity Qualification Tests” means, for In Front of the Meter Energy Storage Project only, any and all tests, certifications or performance evaluations required by the CPUC, any other applicable Governmental Authority, or the CAISO pursuant to any Applicable Laws, in order for ~~the~~ Storage Unit to obtain, maintain or update a NQC and EFC, including testing for PMA~~X~~.

“RA Compliance Obligations” means, for Projects providing Capacity Attributes, RAR, Local RAR and Flexible RAR.

“RA Compliance Showings” means, for Projects providing Capacity Attributes, the (a) Local RAR compliance or advisory showings (or similar or successor showings), (b) RAR compliance or advisory showings (or similar or successor showings), and (c) Flexible RAR compliance or advisory showings (or similar successor showings), in each case, an entity is required to make to the CAISO pursuant to the CAISO Tariff, to the CPUC (and, to the extent authorized by the CPUC, to the CAISO) pursuant to the Resource Adequacy Rulings, or to any Governmental Authority.

“RA Period” has the meaning set forth in Section 1.01, Option A-~~1~~, with respect to Non-Tolling In Front of the Meter Energy Storage Projects.

~~“RA Replacement Capacity” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 1.07(a)(ii) of Attachment 1.~~

“Ramp Rate” means, for In Front of the Meter Energy Storage Projects only, the intentional, controlled, consistent rate (expressed in MW/min) of change in the Storage Unit power level at the Delivery Point, over time, when changing from one power command to another power command.

“Rated Power Capacity Payment Reduction” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.06 of Attachment 1.

“Ratings Agency” means any of S&P and Moody’s (collectively, the “Ratings Agencies”).

“Real-Time Market” or “RTM” has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff.

“Recapture Payment” has the meaning, for Demand Response Projects only, set forth in Section 3.05(b) of Attachment 1.

“Recovery Plan” has the meaning set forth in Section 4.07(a).

“Recruited Account” means, for Demand Response Projects only, each Customer that SCE may instruct Seller to Dispatch as a part of the Project, as identified by Seller pursuant to Section 6.06.

“Reduced Expected Capacity Savings” has the meaning, for Behind the Meter Distributed Generation Projects only, set forth in Section 5.03(c)(v) of Attachment 1.

“Reduced Monthly Energy Capacity Payment” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.05(b) of Attachment 1.

“Reduced Price Percent” has the meaning set forth in Section 3.06(a).

“Registered Generating Unit” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in WREGIS Operating Rules, as applicable to the Generating Facility.

“Reliability Must-Run Contract” or “RMR Contract” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff.

“Renewable Energy Credit” or “REC” has the meaning, for Distributed Generation Projects, set forth in CPUC Decision D.08-08-028, as such definition may be modified by the CPUC or Applicable Law from time to time.

“Representatives” means the Party’s, or the Party’s Affiliates’, officers, directors, employees, Lenders, rating agencies, counsel, accountants and advisors.

“Required Material” means any permit, license, application, certification, design, specification, program, agreement, instrument, equipment, device, mechanism, or any other item in connection with the Project to be reviewed or approved by SCE or on SCE’s behalf, or requested or required of Seller by SCE or on SCE’s behalf, under this Agreement.

“Residential Customer” has the meaning, for Behind the Meter Projects only, set forth in Section 1.02.

“Resold Product” has the meaning set forth in Section 1.05(c).

“Resource Adequacy” has the meaning used in Resource Adequacy Rulings.

~~“Resource Adequacy Availability Management” or “RAAM” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 6.03(d)(iv) of Attachment 1.~~

“Resource Adequacy Benefits” means the rights and privileges attached to the Project relating to Capacity Attributes that satisfy any entity’s Resource Adequacy Requirements, as those obligations are set forth in any Resource Adequacy Rulings and shall include any local, zonal or otherwise locational attributes associated with the Project.

“Resource Adequacy Requirements” or “RAR” means the resource adequacy requirements applicable to an entity as established by the CAISO pursuant to the CAISO Tariff, the CPUC pursuant to the Resource Adequacy Rulings, or by any other Governmental Authority.

“Resource Adequacy Resource” has the meaning set forth in the Resource Adequacy Rulings.

“Resource Adequacy Rulings” means any CPUC decisions (including the annual document issued by the CPUC which sets forth the guidelines, requirements and instructions for load-serving entities to demonstrate compliance with the CPUC’s resource adequacy program), defining or relating to resource adequacy attributes or any other resource adequacy laws, rules or regulations enacted, adopted or promulgated by any applicable Governmental Authority or the CAISO, as such decisions, rulings, laws, rules or regulations may be amended or modified from time to time.

“Resource ID” has the meaning set forth in the CAISO Tariff.

“Retest” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Exhibit I, Part II. G.

“Round Trip Efficiency Factor” means, for In Front of the Meter Energy Storage Projects only, the ratio of the energy discharge to the energy charge based calculated in the following manner: (a) starting from any state of charge, charge to a full charge, and then discharge to a full discharge; (b) charge at Charging Capacity to a full charge and record the charge energy; (c) idle for no more than one (1) hour after reaching a full charge; (d) Discharge at the Discharge Capacity to a full discharge and record the discharge energy; and (e) divide the discharge energy by the charge energy to calculate the Round Trip Efficiency Factor.

“RT Bid Revision” has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in Section 1.09(d).

“Satellite Communications System” or “SCS” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 5.02(i) of Attachment 1.

“S&P” means Standard & Poor’s Financial Services LLC.

“SC Replacement Date” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 6.03(f) of Attachment 1.

“SC Set-Up Fee” has the meaning, for In Front of the Meter Projects only, set forth in Section 6.03(a) of Attachment 1.

“SCE” or “Buyer” has the meaning set forth in the preamble.

“SCE Contract Administration” has the meaning set forth in Exhibit E.

“SCE’s DAM Deadline” has the meaning, for Non-Tolling In Front of the Meter Energy Storage projects only, set forth in Section ~~6.04~~1.09(c) of Attachment 1.

“SCE’s Evaluator” means, for Behind the Meter Distributed Generation and Energy Efficiency projects only, an Evaluator engaged by SCE.

“SCE Dispatched Test” has the meaning, for In Front of the Meter Energy Storage projects only, set forth in Section 5.03(~~b~~)(iii)(c) of Attachment 1.

“SCE Tariff” means the entire body of effective rates, rentals, charges, and rules, collectively, of SCE, including title page, preliminary statement, rate schedules, rules, sample forms, service area maps, and lists of contracts and deviations, all as may be revised from time to time, and which can be found at <http://www.sce.com/AboutSCE/Regulatory/tariffbooks/rules.htm>.

“SCE’s RT Deadline” has the meaning, for Non-Tolling In Front of the Meter Energy Storage projects only, set forth in Section 1.09(d) of Attachment 1.

“Schedule,” “Scheduled” or “Scheduling” means, for In Front of the Meter projects only, the action of SCE in submitting Bids to the CAISO and receiving all CAISO Markets results from the CAISO.

“Scheduled Energy” means, for In Front of the Meter Energy Storage projects only, the Energy from a Storage Unit expected to be delivered during each Settlement Interval to the Delivery Point pursuant to (a) the latest Dispatch Instruction, or (b) any CAISO instructions during a Put Period. If, in any Settlement Interval, the expected energy normally published by CAISO is

unavailable, incomplete, or does not conform to the Operating Restrictions of the Storage Unit, then for settlement purposes for that Settlement Interval only, the Scheduled Energy shall be deemed to be the Delivered Energy. In the case where PMAX and Scheduled Energy are greater than the ~~SU~~ Contract Capacity, then for settlement purposes for that Settlement Interval only, the Scheduled Energy shall be deemed to be the ~~SU~~ Contract Capacity.

“Scheduling and Delivery Deviation Administrative Charge” or “SDD Administrative Charge” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.~~43~~12(c) of Attachment 1.

“Scheduling and Delivery Deviation Charge” or “SDD Charge” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.~~43~~12(c) of Attachment 1.

“Scheduling Coordinator” or “SC” has the meaning set forth in the CAISO Tariff.

“SEC” means the Securities and Exchange Commission.

“Security Incident” has the meaning set forth in Section 5.02(a).

“Security Interest” has the meaning set forth in Section 7.04.

“Self-Schedule” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff.

“Self-Schedule Request” means, for In Front of the Meter Energy Storage Projects only, the notice provided in accordance with Section 5.03(c)(iv) of Attachment ~~land~~1 and Exhibit H.

“Seller” has the meaning set forth in the preamble.

“Seller Dispatch” means, for Demand Response Projects only, a Dispatch performed by Seller in accordance with Section 1.08 of Attachment 1.

[“Seller's Deferral Delivery Obligation” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.05(a)(i) of Attachment 1, for Energy Efficiency Projects only, set forth in Section 3.04(a) of Attachment 1, and, for Behind the Meter Distributed Generation Projects only, set forth in Section 3.04(a)(i) of Attachment 1.] {SCE Note: replace for Distribution Deferral Contracts}

“Seller's Energy Delivery Obligation” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.05(a)(i) of Attachment 1, for Meter-Based Energy Efficiency Projects only, set forth in Section 3.04(a) of Attachment 1, and, for Behind the Meter Distributed Generation Projects only, set forth in Section 3.04(a)(i) of Attachment 1.

“Seller’s Evaluator” means, for Behind the Meter Distributed Generation and Energy Efficiency projects only, an Evaluator engaged by Seller.

“Seller Initiated Test” means, for In Front of the Meter Energy Storage Projects only, a test that occurs during any Settlement Intervals, including any extensions thereto, in which (a) Seller ~~has not received~~ submits a Self-Schedule Request, and a Dispatch Instruction ~~or Charging Instruction, or occurs;~~ (b) a Dispatch Instruction occurs and in which Seller did not submit a Self-Schedule Request, and such test interferes with any Storage Unit’s the ability to meet a Dispatch Instruction or Charging Instruction, for of the Storage Unit(s) being tested to meet the applicable Dispatch Instruction (in the Day-Ahead Market or Real-Time Market); or (c) such test is performed before the Initial Delivery Date. A Seller Initiated Test shall include all Settlement Intervals in the Self-Schedule Request and any extensions thereto. ~~Any test performed before the Initial Delivery Date is a Seller Initiated Test.~~

“Settlement Interval” has the meaning, for In Front of the Meter Projects only, set forth in the CAISO Tariff, and means, for Behind the Meter Distributed Generation Projects only, any one of the four fifteen (15) minute time intervals beginning on any hour and ending on the next hour (e.g., 12:00 to 12:15 p.m., 12:15 to 12:30 p.m., etc.) as recorded by the Metering System and, for Meter-Based Energy Efficiency Projects only, means *[any one of the four fifteen (15) minute time intervals beginning on any hour and ending on the next hour (e.g., 12:00 to 12:15 p.m., 12:15 to 12:30 p.m., etc.) as recorded by the Qualifying Meter][any one (1) hour time interval as recorded by the Metering System] {SCE Note: select 15 minute interval for large commercial/industrial customer base, select 1 hour interval for residential/small commercial customer base}*.

“Settlement Interval Calculation” has the meaning, for Behind the Meter Distributed Generation Projects only, set forth in Section 3.02 of Attachment 1 and, for Meter-Based Energy Efficiency Projects only, set forth in Section 3.02 of Attachment 1.

~~“Shortfall Capacity” means, for In Front of the Meter Energy Storage Projects only, any portion of the Expected Capacity Attributes for any portion of a Showing Month which was shown by SCE in its RA Compliance Showings and which requires outage replacement in accordance with the CAISO Tariff.~~

“Shortfall Energy” has the meaning, for Demand Response Projects only, set forth in Section 3.03(d)(iii).

“Shortfall Energy Amount” has the meaning, for Demand Response Projects only, set forth in Section 3.03(d).

“Showing Month” means, for Projects providing Capacity Attributes, the calendar month of the Delivery Period that is the subject of the RA Compliance Showing, as set forth in the Resource Adequacy Rulings and outlined in the CAISO Tariff.

“Site” means the real property on which the Project is, or will be located, as further described in Section 1.02 and Exhibit B. *{SCE Note: may require additional description in addition to Exhibit B (e.g., parcel map, legal description)}*

“Site Control” means, for In Front of the Meter Projects only, that Seller shall:

- (a) Own the Site;
- (b) Be the lessee of the Site under a lease;
- (c) Be the holder of a right-of-way grant or similar instrument with respect to the Site; or
- (d) Be the managing partner or other person or entity authorized to act in all matters relating to the control and operation of the Site and the Project.

“Site Host Load” means, for In Front of the Meter Distributed Generation Projects only, the Energy produced by or associated with the Generating Facility that serves electrical loads (that are not Station Use) of Seller or one or more third parties conducted pursuant to California Public Utilities Code Section 218(b). *{SCE Note: For Excess-Sales only.}*

“Small Commercial Customer” has the meaning, for Behind the Meter Projects only, set forth in Section 1.02.

“Special Purpose Entity” has the meaning set forth in Section 9.02(a)(i).

~~“Specified RA Replacement Capacity” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 6.03(d) of Attachment 1.~~

“Start-Up” means, for In Front of the Meter Energy Storage Projects only, the action of bringing a Storage Unit from shut down status to synchronization with the grid and the availability of unconditional release of such Storage Unit ready for ramping to the applicable dispatch instruction. During a Put Period, a Start-Up can only result from a Dispatch Instruction and is complete once all of the conditions in the preceding sentence are met.

“State of Charge” or “SOC” means, for Behind the Meter Distributed Generation and Demand Response Projects only, the amount of electric energy in a Storage Unit expressed as a percent of the maximum amount of electric energy a Storage Unit is capable of storing (e.g., 80% SOC).

“Station Use” ~~has the meaning means~~, for In Front of the Meter Energy Storage Projects only, ~~set forth in Section 1.02(g) all energy used by the Storage Unit for purposes other than supporting the sale of Attachment 1 Energy to SCE or the CAISO Markets (including, all energy for information technology, telecommunications, lighting, ventilation, safety, and other onsite loads not included within Charging Energy Requirements, when the Storage Unit is charging or discharging, and any energy consumed onsite when the Storage Unit is idle)~~ and, for In Front of the Meter Distributed Generation Projects only, means: (a) the electric energy produced by the Generating Facility that is used within the Generating Facility to power the lights, motors, control systems and other electrical loads that are necessary for operation; and (b) the electric energy produced by the Generating Facility that is consumed within the Generating Facility’s electric energy distribution system as losses.

“Storage-Backed Load Drop Amount” means, for Demand Response Projects-, the total load drop capacity achieved through the use of energy storage, as identified by Seller pursuant to Section 6.06(a) for each Recruited Account that uses energy storage.

“Storage-Backed Project” means, for Behind the Meter Distributed Generation Projects only, a Project that is described in Section 1.02 of Attachment 1 as including Energy Storage.

“Storage-Backed Recorded Capacity” means, for Demand Response Projects only and for any particular Operating Month, the amount of Total Recorded Capacity attributable to Participating Accounts that use energy storage, as identified by Seller in Sections 6.06(a) and (c) of Attachment 1.

“Storage Capacity” means, for In Front of the Meter Energy Storage Projects only, the maximum amount of usable energy that is capable of being stored and delivered in a storage device, expressed in MWh, and shall include any other products that may be developed or evolve from time to time during the Term that relate to the capability of a storage resource to store energy.

“Storage Unit” ~~or “Storage Units”~~ means, for Projects utilizing energy storage, all components required to store electrical energy.

“Stored Energy Level” ~~or “SEL”~~ means, for In Front of the Meter Energy Storage Projects only, at a particular time, the amount of electric energy in a Storage Unit, expressed in MWh.

“Stored Energy Percentage” or “SEP” means, for In Front of the Meter Energy Storage Projects only, at a particular time, the ratio of (a) the Stored Energy Level of a Storage Unit to (b) the ~~SU~~ Contract Energy Capacity of the Storage Unit, expressed as a percentage (e.g., 80% SEP).

~~“SU Contract Capacity” means, for In Front of the Meter Energy Storage Projects only, the Contract Capacity of a single Storage Unit.~~

~~“SU Contract Energy Capacity” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.06(d) of Attachment 1.~~

~~“SU Expected Contract Capacity” means, for In Front of the Meter Energy Storage Projects only, the expected capability of each Storage Unit to discharge Energy at the Delivery Point, as set forth in Exhibit B.~~

“Sub-Load Aggregation Point” or “SLAP” means, for Demand Response Projects only, the geographic location corresponding to each customer service account.

~~“Substitution Costs” has the meaning for In Front of the Meter Energy Storage Projects only, set forth in Section 6.03(d)(iv) of Attachment 1.~~

~~“Substitution Rules” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 6.03(d)(iv) of Attachment 1.~~

“SCADA” has the meaning, for In Front of the Meter Distributed Generation Projects and Demand Response Projects only, set forth in the CAISO Tariff.

~~“Summer Off-Peak Hours” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Exhibit B.~~

~~“Summer Off-Peak Energy Savings Percentage” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Section 3.03(d)(ii) of Attachment 1.~~

~~“Summer On-Peak Hours” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Exhibit B.~~

~~“Summer On-Peak Energy Savings Percentage” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Section 3.03(d)(ii) of Attachment 1.~~

“Supplemental Energy” means, for In Front of the Meter Energy Storage Projects only, the Energy from the Project that is uncommitted capacity following finalization of the HASP awards and available to the CAISO during the Real-Time Market.

“Supplemental Lost Output” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 6.06 of Attachment 1.

“Supplemental Lost Output Report” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 6.06(b) of Attachment 1.

“Supply Plan” has the meaning, for Projects providing Capacity Attributes, set forth in the CAISO Tariff.

“T&D Provider” means any entity or entities (other than Seller, Customers, or their respective Affiliates) responsible for the interconnection of the Project with the distribution or transmission system.

“Tax Credit Percentage” means the tax credit percentage, applicable to property eligible under Federal Tax Credit Legislation for which Seller, as the owner of the Project, is eligible.

“Tax Equity Financing” means a transaction or series of transactions involving one or more investors seeking a return that is enhanced by tax credits and/or tax depreciation and generally (i) described in Revenue Procedures 2001-28 (sale-leaseback (with or without “leverage”)), 2007-65 (flip partnership) or 2014-12 (flip partnership and master tenant partnership) as those revenue procedures are reasonably applied or analogized to the Project or (ii) contemplated by Section 50(d)(5) of the Internal Revenue Code of 1986, as amended (a pass-through lease).

“Telemetry System” means, for In Front of the Meter Projects and Demand Response Projects only, a system of electronic components that interconnects the Generating Facility, GMS and the CAISO as described in Section 5.02(e) of Attachment 1.

“Term” has the meaning set forth in Section 2.01.

“Term Year” means, for In Front of the Meter Distributed Generation, Demand Response, and Energy Efficiency Projects only, a twelve (12) month period beginning on Initial Delivery Date and each successive twelve (12) month period thereafter.

“Termination Payment” means the sum of all amounts owed by the Defaulting Party to the Non-Defaulting Party under this Agreement, less any amounts owed by the Non-Defaulting Party to the Defaulting Party determined as of the Early Termination Date. For clarity, the Forward Settlement Amount is part of and included in the Termination Payment.

“Test” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in the first paragraph of Exhibit I.

“Test Plan” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Exhibit I, Part V.

“Tier Level” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Exhibit J.

“Title 20” means, for Energy Efficiency Projects only, the California Code of Regulations, Title 20, in effect as of the Effective Date.

“Title 24” means, for ~~Energy Efficiency~~Behind the Meter Projects only, the California Code of Regulations, Title 24, in effect as of the Effective Date.

“TMY3” means, for Meter-Based Energy Efficiency Projects only, Typical Meteorological Year 3 data set from the National Renewable Energy Laboratory (NREL) as found in the document “User’s Manual for TMY3 Data Sets” NREL/TP-581-43156, April, 2008 by S. Wilcox and W. Marion, located at <http://www.nrel.gov/docs/fy08osti/43156.pdf>.

~~“TMY3 Weather File” means, for Energy Efficiency Projects only, the weather data file published by the Department of Energy and the National Renewable Energy Lab. The data file can be found at <http://doe2.com/Download/Weather/TMY3/> and the user manual can be found at <https://www.nrel.gov/docs/fy08osti/43156.pdf>.~~

“TOD Period(s)” means, for In Front of the Meter Distributed Generation Projects only, the time of delivery period(s) set forth in Section 3.04 of Attachment 1 and, for Meter-Based Energy Efficiency Projects only, the time of delivery period(s) set forth in Section 3.03 of Attachment 1.

“TOD Period Product Payment” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 3.04 of Attachment 1.

“Tolling In Front of the Meter Energy Storage” means a Project for which Option A-2 is selected in Section 1.01(b).

“Total Recorded Capacity” has the meaning, for Demand Response Projects only, set forth in Section 3.02(c) of Attachment 1.

“Total Savings Percentage” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Section 3.03(c) of Attachment 1.

“Trading Day” means, for In Front of the Meter Energy Storage Projects only, the day in which Day-Ahead trading occurs in accordance with the WECC Prescheduling Calendar.

“Trading Hour” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff.

“Type One Non-Compliance” has the meaning, for Demand Response Projects only, set forth in Section 6.07(g) of Attachment 1.

“Type Two Non-Compliance” has the meaning, for Demand Response Projects only, set forth in Section 6.07(g) of Attachment 1.

“UDP Implementation” means, for In Front of the Meter Energy Storage Projects only, the date that UDP will be applied to each SC by the CAISO.

“Unincluded Capacity” has the meaning, for In Front of the Meter Distributed Generation Projects only, set forth in Section 1.07(e)(i) of Attachment 1.

“Uninstructed Deviation” has the meaning set forth in the CAISO Tariff.

“Uninstructed Deviation Penalty” or “UDP” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff (and includes any other successor charge that replaces the Uninstructed Deviation Penalty).

“Uninstructed Imbalance Energy” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in the CAISO Tariff. To the extent this CAISO Tariff definition refers to or is applicable to a generation resource, such definition shall apply to the Storage Unit(s) as if the Storage Unit(s) are is a generation ~~resources~~ resource; provided, it shall only apply to the Storage ~~Unit(s)~~ Unit's ability to discharge.

“Unrelated Energy Discharge” has the meaning, for Behind the Meter Distributed Generation Projects only, set forth in Section 6.05(b) of Attachment 1.

“Variable Asset Replacement Charge” or “VARC” means, for In Front of the Meter Energy Storage Projects only, the applicable rate for a Storage Unit as specified in Exhibit J.

“Variable Asset Replacement Payment” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.~~42~~10 of Attachment 1.

“Variable O&M Charge” or “VOM” means, for In Front of the Meter Energy Storage Projects only, the applicable rate for a Storage Unit as specified in Exhibit J.

“Variable O&M Payment” has the meaning, for In Front of the Meter Energy Storage Projects only, set forth in Section 3.10 of Attachment 1.

“Verification Access” has the meaning, for Non-Tolling In Front of the Meter Energy Storage Projects only, set forth in Section 1.09 of Attachment 1.

“Web Client” means, for In Front of the Meter Projects and Demand Response Projects only, a web-based system approved by SCE.

“WECC” means the Western Electricity Coordinating Council.

“WECC Prescheduling Calendar” has the meaning, for In Front of the Meter Energy Storage Projects only, used on the WECC website at <http://www.wecc.biz>.

“Winter On-Peak Hours” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Exhibit B.

“Winter On-Peak Energy Savings Percentage” has the meaning, for Customized Calculated Energy Efficiency Projects only, set forth in Section 3.03(d)(iv) of Attachment 1.

“WREGIS” means the Western Renewable Energy Generation Information System.

“WREGIS Certificate(s)” has the same meaning as “Certificate” as defined by WREGIS in the WREGIS Operating Rules.

“WREGIS Operating Rules” means the rules published by the Western Electricity Coordination Council for the rules and operations of WREGIS.

*** End of EXHIBIT A ***

EXHIBIT B[-1]**{SCE Note: Delete number and remove all other Product-Specific Exhibit B's}****IN FRONT OF THE METER ENERGY STORAGE****PROJECT DESCRIPTION****PART I. DESCRIPTION OF STORAGE UNIT(S).**

Predicted Capacity (MW) (year one)	
Predicted SU Capacity (MW) (year one)	
Predicted SU Flexible Capacity (MW) (year one)	
Existing Zone	[SP15, NP15, ZP26]
Storage Unit Technology	
Air Pollution Control District	[e.g., SCAQMD]
California Air Resources Board ID #	TBD
Resource Category for RA Counting	4
Deliverability restrictions	None
Interconnection Queue Number	
Interconnection Voltage (kV)	
Location/Substation	
Operation Restrictions	

PART II. PROJECT AND SITE DESCRIPTION.

1. Project Description

{SCE Note: Seller may provide additional written description of the site beyond what is summarized in Part II of this Exhibit B.}

2. Site Plan Drawing

{SCE Note: Seller must provide a depiction of the Storage Unit and where it is located on the Site. Details shall include the Interconnection Point with substation name and voltage, site boundary, points of ingress and egress, adjacent roads, labels of the Storage Unit components and a legend if necessary}

3. Site Legal Description

{SCE Note: Seller must provide a legal description of the site, including APN number and parcel map.}

4. Site Map

{SCE Note: Seller must provide a map of the area where the project is located. The map should indicate major highways and/or landmarks near the project as well as other roadways important to locate the site. The map should also include a site address with latitude and longitude for the site.}

ID# [Number], [Seller's Name]

[RFO Name]

PART III. ELECTRICAL SINGLE LINE DIAGRAM.

{SCE Note: Seller must provide an electrical single line diagram that depicts all of the major electrical equipment that is part of the site. This includes inverters, transformers, meters, breakers, etc. Include ratings when possible. This drawing must also show the Interconnection Point, ~~and the Delivery Point~~ and auxiliary power, and must include a legend.}

PART IV. CAPACITY AND ANCILLARY SERVICES OPERATING RESTRICTIONS.

{SCE Note: This information is for one storage unit. If the offer consists of more than one energy storage unit, please complete a separate form for each unit.}

Storage Unit Name:		[Unit Name]		
A. Contract Capacity				
Contract Year	SU Expected Contract Capacity (MW)	SU Expected Contract Energy Capacity (MWh)	Predicted SU Capacity (MW)	Predicted SU Flexible Capacity (MW)
[Year 1]				
[Year 2]				
[Year 3]				
[Year 4]				
[Year 5]				
[Year 6]				
[Year 7]				
[Year 8]				
[Year 9]				
[Year 10]				
B. Total Unit Dispatchable Range Information				
Discharging Capacity (MW)	SU Contract Capacity			
Charging Capacity (MW)	SU Contract Capacity			
Guaranteed Efficiency Factor Max (GEF^{max})(%):	[X]			
Guaranteed Efficiency Factor Min (GEF^{min})(%):	[X]			
Base Energy Throughput (BET) expressed as equivalent number of annual full cycle (Cycles/year)	[X]			
C. Charge and Discharge Ramp Rates				
Mode	Ramp Rate (MW/min)			
Charge	[X]			

ID# [Number], [Seller's Name]

[RFO Name]

Discharge	[X]
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D. Ancillary Services (A/S)				
			Frequency regulation is included:	[X]
			Spin is included:	[X]
A/S range and capacity				
Mode	Lower Level (MW) [1]	Higher Level (MW) [1]	Ramp Rate (MW/min)	A/S Capacity (MW) [2]
Regulation Up	[X]	[X]	[X]	[X]
Regulation Down	[X]	[X]	[X]	[X]
Spin	[X]	[X]	[X]	[X]

[1] As defined in the CAISO's the Generator Resource Data Template (GRDT) and Intertie Resource Data Template (IRDT) Data Definitions: Lower level of the Regulation Range and Higher level of the Regulation Range. For NGR (Non Generating Resource) with continuous operating range that spans from charge to discharge, lower level should be negative.

[2] As of the Effective Date, CAISO calculates the A/S Maximum Capacity provided by a Storage Unit based on a 10-minute period at the stated Ramp Rate. If during the Delivery Period, CAISO uses a period limitation other than the 10-minute period limitation, the A/S Maximum Capacity for each A/S and region shall be calculated according to (a) CAISO's period limitation while preserving the Ramp Rate stated for each A/S or the (b) range between the minimum A/S capacity and the maximum A/S capacity for such region, whichever is smaller.

*** End of EXHIBIT B ***

EXHIBIT B[-2]***{SCE Note: Delete number and remove all other Product-Specific Exhibit B's}
IN FRONT OF THE METER DISTRIBUTED GENERATION****Project Description***PART I. GENERATING FACILITY DESCRIPTION.**

{SCE Note: Seller must provide description of the Generating Facility equipment, systems, control systems and features, including a site plan drawing showing the general arrangement of the Generating Facility, and a single-line diagram(s) showing electrical arrangement of generating equipment, inverters, unit/service transformers, CAISO Controlled Grid interconnection, interconnection transformer(s), metering, breakers, and disconnects (as applicable). To the extent applicable, Seller must include the designation system by which Seller identifies individual generating units.}

Name and Address of Generating Facility:

[Project Name]

[Address]

[City, State Zip Code]

Latitude and Longitude: _____ ° Lat, _____ ° Long.

Technology: *[specify fixed tilt OR single-axis tracking OR dual-axis tracking AND monocrystalline silicon OR polycrystalline silicon OR thin film].*

Item	Manufacturer	Model Number	Rating	Quantity	Total Rating
Photovoltaic Modules			<i>[Rating, in W DC, of a single module]</i>		
Inverter			<i>[include temperature specific to</i>		

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ID# [Number], [Seller's Name]

[RFO Name]

			rating, if applicable. e.g. 800kVA @ 50°C]		
Transformer	[optional]	[optional]	[include both kVA rating and high/low voltage rating]		
Primary Step Up Transformer [if applicable]	[optional]	[optional]	[include both kVA rating and high/low voltage rating]		

[Unless stated otherwise, all fields in the table are required.]

PART II. SITE DESCRIPTION.

{SCE Note: Seller must provide a legal description of the site, including a site map.}

~~**PART III. SITE PLAN.**~~~~{SCE Note: Seller to provide site plan drawing and a site map for insertion. Seller site plan drawing should show the general arrangement of the Generating Facility.}~~~~**PART IV. SINGLE LINE DIAGRAMS.**~~~~**AC Single Line Diagram of Generating Facility**~~~~{SCE Comment: Seller to provide AC Single Line drawing for insertion. Please make sure it's legible.}~~~~{SCE Comment: Seller to provide AC Single Line diagram(s) showing electrical arrangement of Generating Equipment, Inverters, Unit/Service Transformers, CAISO Controlled Grid Interconnection, Interconnection Transformer(s), Metering, Breakers, and Disconnects, as applicable. To the extent applicable, Seller must include the designation system by which Seller identifies individual Generating Units.}~~

ID# [Number], [Seller's Name]

[RFO Name]

DC Single Line Diagram(s) of [Solar Array of] Generating Facility

~~{SCE Comment: Seller to provide DC Single Line drawing for insertion. Must be on array level and must be legible.}~~

~~{SCE Comment: Seller to provide DC Single Line diagram(s) showing electrical arrangement of Generating Equipment, Inverters, Unit/Service Transformers, CAISO Controlled Grid Interconnection, Interconnection Transformer(s), Metering, Breakers, and Disconnects, as applicable. To the extent applicable, Seller must include the designation system by which Seller identifies individual Generating Units.}~~

*** End of EXHIBIT B ***

EXHIBIT B[-3]***{SCE Note: Delete number and remove all other Product-Specific Exhibit B's}***
BEHIND THE METER DISTRIBUTED GENERATION/ENERGY STORAGE**PROJECT DESCRIPTION****PART I. PRE-INSTALLATION DESCRIPTION.**

The Pre-Installation Description sets forth the items necessary to determine the level of energy savings for a Generating Facility.

A. Pre-Installation Description.

With respect to each generating facility at a Customer Site that will become part of a Generating Facility and the Project, Seller shall provide to SCE in the Pre-Installation Description:

- (a) The Customer's name(s), and the address of the Site where the existing generating facilities will be modified;
- (b) The associated SCE service account number;
- (c) Unless a new Generating Facility will be installed as part of the Project at the Customer Site, the twelve (12) months of Customer solar production data and battery input/output data in 15-minute intervals for the existing generating facility.
- (d) A general description of the Customer's operations at the Site(s).
- (e) Copies of any technical drawings and facility description(s) provided to the SCE interconnection department.
- (f) For Storage-Backed Projects, a description of the nature of the electrical connection between the photovoltaic and storage components of a Generating Facility (the "Coupling Type") as either "DC-coupled", meaning that the storage system's point of connection with the solar array is on the DC side, or "AC-coupled", meaning that the storage system's point of connection with the solar array is on the AC side. Seller may only include Generating Facilities of a similar

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Coupling Type within the Project.

- (g) The system size of the Generating Facility(ies), measured using the CEC's AC system rating, as set forth below:

System size = A x B x C,

where:

A = Performance Test Conditions (PTC) DC kW Rating;

B = number of solar panels in the Generating Facility; and

C = efficiency rating of the inverters.

- (h) The Generating Facility's estimated annual production (hourly production for 12 months in kWh) listed out as:

- (i) Photovoltaic production,
- (ii) energy storage discharge (as applicable),
- (iii) total of photovoltaic production and,
- (iv) total of energy storage (as applicable).

- (i) A Generating Facility description for each Generating Facility including:
- (i) the system size of the Generating Facility measured using the CEC's AC system rating, as set forth in Part I of this Exhibit B, and
 - (ii) the same technical drawings and facility description provided to the T&D Provider as part of Seller's interconnection request for the Generating Facility, including a single-line diagram and an array layout.

Seller's Generating Facility description must include a written description of the Generating Facility, a site plan drawing showing the general arrangement of the Generating Facility, and single-line diagram(s) showing electrical arrangement of generating equipment, inverters, unit/service transformers, interconnection transformers, metering, breakers, disconnects (as applicable) and the battery

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configuration (as applicable) to enable charging and discharging of solar energy. To the extent applicable, Seller must include the designation system by which Seller identifies individual generating units.

PART II. PROJECT MEASUREMENT AND VERIFICATION PROTOCOL AND PRE-INSTALLATION INSPECTION.

For Generating Facilities for Small Commercial Customers or Residential Customers that do not involve modifications ~~or additions to existing equipment, to existing equipment, the Evaluator shall conduct Post-Installation Inspections of all Generating Facilities until, following the completion and acceptance by SCE of five (5) Post-Installation Inspections, the Evaluator shall conduct Post-Installation Inspections only of Generating Facilities selected by SCE.~~ SCE will notify the Seller, within ten (10) Business Days after receipt of Seller's request for unconditional Permission to Operate, whether or not SCE will require a Post-Installation Inspection of such ~~five successful Post-Installation Evaluations of~~ Generating Facilities ~~selected by SCE.~~

A. Pre-Installation Inspection.

The Evaluator shall conduct Pre-Installation Inspections, if a Customer has an existing generating facility, and Post-Installation Inspections on all Generating Facilities.

B. Pre-Installation Inspection Report.

The Pre-Installation Inspection Report, and data from the report, will be provided in a format mutually agreed to by SCE and the Evaluator. At a minimum, the report shall include:

- (a) For all Customers that will have a Generating Facility that is part of the Project, the Customer's Name, retail service account number, and address.
- (b) Verification, and supporting calculations, of the capacity of an existing generating facility that will be modified to be part of a new Generating Facility using the CEC's installed AC capacity system rating.
- (c) Verification, and supporting calculations, of the previous twelve (12) months of Customer solar production data in 15-minute intervals for the existing generating facility to determine the incremental value of the new Generating Facility.
- (d) Verification of the previous twelve (12) months of Customer battery charge and discharge data in 15-minute intervals for the existing energy storage system, if

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applicable, to determine the incremental value of the new Generating Facility.

- (e) An equipment inventory, including nameplate data, location, condition (including photographs) of the existing generation facility.
- (f) The Evaluator's statement as to whether the existing generating facility has received unconditional Permission to Operate (PTO) from SCE.
- (g) A record of any person present during the Pre-Installation Inspection, and the role such individuals were taking.
- (h) A record of any unusual or abnormal conditions or events that occurred during the Pre-Installation Inspection and any actions taken in response thereto.
- (i) The Evaluator's statement of whether the information in the Pre-Installation Description is correct.
- (j) Verification and documentation if the existing generating facility is interconnected:
 - (i) under Rule 21 as Non-Exporting;
 - (ii) *[under Rule 21 as Exporting; or*
 - (iii) *under Wholesale Distribution Access Tariff (WDAT) of the SCE Tariff.] {SCE Note: TBD.}*

PART III. POST-INSTALLATION INSPECTION.

As part of the Post-Installation Inspections, among other things, the Evaluator shall determine:

(a) whether each Generating Facility included in the Project has been completed and installed in accordance with this Exhibit B and is operating as planned and designed; and (b) provide a Post-Installation Inspection Report certifying the Capacity installed at the Site, as measured pursuant to the methodology established in this Exhibit B.

PART IV. POST-INSTALLATION INSPECTION REPORT.

At a minimum, the Post-Installation Inspection Report shall include:

- (a) The Customer's name, retail service account number, and address.

- (b) Equipment inventory, including nameplate data, location, and condition (including photographs).
- (c) A description of the Generating Facility, including:
 - (i) Modules, ~~the~~ Storage ~~Units~~Unit, if applicable, and inverters manufacturer
 - (A) Model number (if model nameplate is not visible, invoice is necessary for verification)
 - (B) Quantity of modules, ~~Storage Units~~, if applicable, and inverters
 - (ii) Installation parameters
 - (A) Tilt (must be within plus or minus three degrees (3°) to pass inspection)
 - (B) Azimuth (must be within plus or minus five degrees (5°) to pass inspection)
 - (C) Standoff height
 - (D) Estimated shading of arrays
 - (iii) Operation
 - (A) Time of inspection, operating parameters, and output at time of inspection.
 - (B) Verification of Metering System operation according to requirements set forth in the Agreement.
 - (C) Verify Storage Unit operating modes (standby, charging, discharging)
 - (D) Storage Unit discharge testing (This requirement can be met by completing items I and II) below:

I. A test report provided by the manufacturer and/or system integrator that demonstrates that the Storage Unit can discharge at its rated capacity for a minimum of two hours. The test report must include:

a. Description of testing approach methodology

b. Load type

c. Ambient temperature

d. Discharge current (in alternating current)

e. Discharge voltage (in alternating current)

f. Inverter efficiency

g. Rated power discharge for complete two-hour period

II. Discharge the Storage Unit at its rated capacity, and record the output to native load, grid or artificial load (depending on what is practical at the installation) for a period of 30 minutes using a logger that measures voltage and current. The time of the test, the type of load served by the Storage Unit, the state of charge at the start of the test and the ambient temperature must also be reported.

- (d) Verification, for each Generating Facility, that the system size of the Generating Facility measured using the CEC's AC system rating, as set forth in Part I of this Exhibit B, is at least 1 kW.
- (e) Verification and documentation if the Generating Facility is interconnected as an Exporting or Non-Exporting project under Rule 21 or Wholesale Distribution Access Tariff (WDAT) of the SCE Tariff.
- (f) A record of any person present during the Post-Installation Inspection, and the roles such individuals were taking.

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- (g) A record of any unusual or abnormal conditions or events that occurred during the Post-Installation Inspection and any actions taken in response thereto.
- (h) The Evaluator's statement as to whether the Generating Facility has been completed and installed in accordance with this Exhibit B.
- (i) The Evaluator's statement as to whether the Generating Facility is operating as planned and designed.
- (j) The Evaluator's statement, and supporting calculations, as to whether the Generating Facility reduced the capacity use at the Site; and the Capacity of the Generating Facility- using the CEC'S AC system rating, as set forth in Part 1 of this Exhibit B.
- (k) The Evaluator's statement, and supporting calculations, as to whether the Generating Facility, when aggregated with all other Generating Facilities constituting the Project, will result in capacity savings and a reduction in energy use that will contribute to the Expected Capacity Savings *[and the Expected Monthly Deferral Savings]*. *{SCE Note: Add in Event of Deficient Deferral Savings for Deferral RFOs}*
- (l) A statement regarding measurement accuracy and data uncertainty.

*** End of EXHIBIT B ***

EXHIBIT B[-4]

{SCE Note: Delete number and remove all other Product-Specific Exhibit B's}

DEMAND RESPONSE

PROJECT DESCRIPTION

PART I. PROJECT AND SITE DESCRIPTION.

1. Project Description.

{SCE Note: Seller must provide description of the Project equipment, systems, control systems and features, including a site plan drawing showing the general arrangement of the Project, and a single-line diagram(s) showing electrical arrangement of the equipment, inverters, unit/service transformers, interconnection transformer(s), metering, breakers, and disconnects (as applicable). To the extent applicable, Seller must include the designation system by which Seller identifies individual storage units.}

2. Site Description.

{SCE Note: Seller must provide a legal description of the site, including a site map.}

PART II. SCE DESIGNATION OF INTENDED USE.

I. Distribution Needs *{SCE Note: initially none of the Product should be allocated toward distribution needs}*

- (a) “Delivery Days” means *[Monday through Friday or Monday through Sunday]*, excluding “Additional Off-peak Days” as defined by NERC on such entity’s website at <http://www.nerc.com>.
- (b) “Delivery Hours” means *[Beginning Time HE ## to Ending Time HE ##]*.
- (c) “Operating Months” means *[Insert Particular Months]*.

Minimum Duration Per Dispatch	Maximum Duration Per Dispatch	Maximum Dispatches Per Resource ID Per Day	Maximum Dispatch Hours Per Resource ID Per Day	Maximum Dispatch Hours Per Resource ID Per Month	Maximum Dispatch Hours Per Term Year

II. Resource Adequacy Requirements *{SCE Note: initially all of the Product should be allocated to Resource Adequacy}*

- (a) “Delivery Days” means *[Monday through Friday or Monday through Sunday]*, excluding “Additional Off-peak Days” as defined by NERC on such entity’s website at <http://www.nerc.com>.
- (b) “Delivery Hours” means *[Beginning Time HE ## to Ending Time HE ##]*.
- (c) “Operating Months” means *[Insert Particular Months]*.

Minimum Duration Per Dispatch	Maximum Duration Per Dispatch	Maximum Dispatches Per Day	Maximum Dispatch Hours Per Day	Maximum Dispatch Hours Per Month	Maximum Dispatch Hours Per Term Year

*****End of Exhibit B*****

EXHIBIT B[-5]

{SCE Note: Delete number and remove all other Product-Specific Exhibit B's}

ENERGY EFFICIENCY (METER-BASED APPROACH)**PROJECT DESCRIPTION****PART II. GEOGRAPHIC AND SERVICE ACCOUNT ELIGIBILITY VERIFICATION.**

A Geographic and Service Account Eligibility Verification is required to determine whether a proposed Measure at a proposed Installation at a Customer Site meets the eligibility requirements of this Agreement.

PART II. PRE-INSTALLATION DESCRIPTION.

The Pre-Installation Description sets forth the pre-Project conditions necessary for determining the Expected Measured Monthly Energy Savings, the Expected Measured Annual Energy Savings, the Expected Measured Monthly Deferral Savings, the Expected Measured Annual Savings, and Expected Capacity Savings.

{SCE Note: Parties to fill-in this section.}

PART III. PROJECT AND MEASURES DESCRIPTION.

This section describes the Project and Measures Description for the Project that will improve baseline conditions at Customer Sites that, in the aggregate, will achieve each of the Expected Measured Energy Savings, Expected Measured Deferral Savings and Expected Capacity Savings.

{SCE Note: Parties to complete this section.}

Parties should provide a description that provides details regarding the Project and each individual Measure that will be used in the Project to achieve each of the Expected Measured Energy Savings, Expected Measured Deferral Savings, and Expected Capacity Savings. Such description may include:

- A discussion of the pre- and post- M&V energy and capacity savings*
- A discussion of how each Measure will save energy and capacity*
- A discussion of how each Measure will comply or exceed Title 20 or Title 24, if*

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ID# [Number], [Seller's Name]

[RFO Name]

applicable

- *Solution codes for each Measure to be part of the Project, and if no solution code for a given Measure exists, Seller to request SCE to create a solution code for the Measure.*
- *Lighting measures should follow the Design Lights Consortium (DLC) Tech Spec for all LED lighting measures; all lighting measures should be UL or Edison Testing Labs (ETL) certified;*
- *Residential lighting needs to incorporate ENERGY STAR in addition to the DLC lists;*
- *For interior residential lighting, the lighting may be on the ENERGY STAR website and not the DLC.*
- *Description of any existing or future Non-IOU Fuel Source(s) or other demand reducing mechanisms and how the savings from those mechanisms will be distinct and separate from the savings resulting from the Measures*

{SCE Note: Parties to complete this table.}

Measure Description	End-Use Technology (e.g., Lighting, HVAC, Other)	Estimated Baseline Energy and Capacity Use	Estimated Post-Installation Energy and Capacity Use	Estimated Post-Installation Energy and Capacity Savings
		[#] kWh	[#] kWh	[#] kWh
		[#] kW	[#] kW	[#] kW
		[#] kWh	[#] kWh	[#] kWh
		[#] kW	[#] kW	[#] kW
		[#] kWh	[#] kWh	[#] kWh

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The contents of this document are subject to restrictions on disclosure as set forth herein.

ID# [Number], [Seller's Name]

[RFO Name]

		[#] kW	[#] kW	[#] kW
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PART IV. MEASUREMENT AND VERIFICATION PROTOCOL.

Seller shall create an M&V Plan for each Installation consistent with the following Measurement and Verification Protocol:

- (a) *[SCE Note: placeholder for generic measurement and verification plan specific to Measures to be used by Seller. Generic plan shall be attached as Attachment [n] to this Exhibit B.]*
- (b) *International Performance Measurement and Verification Protocol: Concepts and Options for Determining Energy and Water Savings, Volume 1, Efficiency Valuation Organization (January 2012) (or its successor), excluding Option D: "Calibrated Simulation." ("IPMVP").*
- (c) *Energy Efficiency Evaluation Protocol, California Public Utilities Commission (2006) (or its successor).*
- (d) *[SCE Note: placeholder for future SCE selection of documents, including Universal Methods Project relevant chapters, CalTRACK, SCE NMEC Procedures Manual, ASHRAE Guideline 14].*

In the event of any conflict between terms contained in this Agreement or any of the other documents identified in clauses (a)-(d) above, the conflict shall be resolved by the following priority of documents: (i) Agreement (including this Exhibit B), (ii) *[SCE Note: placeholder for generic measurement and verification plan specific to Measures to be used by Seller. Generic plan shall be attached as Attachment [n] to this Exhibit B.]*, (iii) Universal Methods Project (iv) SCE NMEC Procedures (v) CalTRACK (vi) IPMVP, and (vii) *Energy Efficiency Evaluation Protocol*.

Seller shall also measure and verify each of the Expected Measured Energy Savings, Expected Measured Deferral Savings, and Expected Capacity Savings by: *[SCE Note: insert specific details as to how measurement and verification will occur. For example:*

- *Identify the independent variables. For each independent variable, identify the source of data (e.g. government weather station), type (continuous or categorical), and data time interval (e.g. hourly, daily, monthly).*

- *Discuss the possible independent variables that were not included in the analysis, and reasons for their exclusion.*
- *Provide the raw data files in .csv format for the dependent and continuous independent variables, for the entire baseline training period.*
- *Document the baseline training period start and end dates; demonstrate coverage of weather data used in the baseline training period, in comparison with the normal weather conditions for that climate zone.*
- *Identify outliers, how they were determined, and how they were resolved; describe how data gaps were resolved, as well as any other steps taken to prepare the data.*
- *Identify non-routine adjustments occurring in baseline period, and how their impacts were resolved (e.g., eliminated period of data where NRE affected energy use and collected more data, etc.).*
- *Describe the mathematical form of the modeling algorithm, and the reasons why it was selected. Describe how the baseline model was developed using this algorithm (e.g., whether different forms of the algorithm were used for different periods of operation). All code and information for developing the model must be provided, to allow the administrator to follow the methodology and duplicate the model development.*
- *Include examples of peer reviewed studies*
- *Describe how the categorical independent variables were used to develop the baseline model.*
- *Report the baseline model's calculated metrics, using Equations 1 and 2 in Section 3.5.*

Criteria 1 ***NDBE < 0.005%***

Criteria 2 ***CV(RMSE) < 25%***

- *Report the savings uncertainty for the estimated or targeted project savings.*

Criteria 3 Savings uncertainty must be less than 50% at the 68% confidence level.

- *Provide the baseline model predictions of energy use for each time interval of the baseline period, in .csv format.*
- *Once the baseline data is collected and an acceptable baseline model is developed, the M&V Plan must be documented.*

- *A checklist of M&V Plan contents described in previous sections is provided below. The M&V Plan must include:*
- *The selected baseline model, modeling algorithm, and modeling approach (use of bins, etc.).*
- *A full description of the baseline model equation, with coefficients. Complex models may be provided in open-source software form (e.g. R or Python). All code and information used to develop the model must be provided, to allow the administrator to follow the methodology and duplicate the model development.*
- *Plots that visualize model predictions with the data, such as scatter plots of consumption vs. independent variables, or plots of residuals, to supplement fitness statistics and modeling narratives.*
- *The baseline model NDBE, CV(RMSE), and R2.*
- *Estimated savings E_{save} and estimated savings uncertainty, ΔE_{save} .*
- *A description of baseline period NREs, their causes, their impacts on the baseline model, and how their impacts were accounted for in the baseline model development.*
- *A description of reporting period activities:*

What data will be collected, and what is its source? How will data be prepared and analyzed?

- *The reporting period start and end dates.*
- *How often savings reports will be provided (savings tracking frequency):*

The data to be provided (raw, prepared, and analyzed data).

- *How reporting period NREs will be identified, and their impacts accounted for, in the savings analysis.*

How normalized savings will be determined:

- *The selection of normalized weather conditions.*
- *The reporting period model development.*
- *Reporting the same model information as for the baseline model.]*

The M&V Protocol must include at the minimum the following information and be substantially in the following format:

I. Project Description

[Provide a general description of the project. This can be copied from an Energy Audit Report or similar document. Description should include contextual information, such as incentive program or project ID number, building type, size, systems and equipment, energy sources, and so on]

II. Energy Conservation Measures

[Add a table listing the ECMs and estimated savings in energy units and dollars. Include the total expected savings per metered energy source as a percentage of baseline annual use.]

[Add brief descriptions of each ECM.]

III. Measurement and Verification Procedures

[Describe how installed measures will be verified (simple observation, functional testing, etc.). Describe what program-specific information will be collected and describe how this information and the verification activities will be reported.]

IV. Measurement Boundary and Energy Meters

- (a) Affected Systems and Equipment. *[Describe all systems and equipment affected by the EE measures that are supplied energy through the meter from which the data is taken. Include figures and sketches as necessary.]*
- (b) Energy Meters. *[For each meter, indicate whether it is a utility- meter, or a meter installed by the owner. Provide meter number and account number for all utility meters.]*

Table 1: Meter List

Meter ID	Energy Source (elec., gas, etc.)	Meter Number (utility meters only)	Non-Utility Meter Type (e.g. BTU, vortex flow, etc.)	Meter Mfgr & Model No. (non-utility meters only)

[For each non-utility meter, in an attachment to the M&V Plan, provide manufacturer specifications describing model number, accuracy, manufacturer calibration requirements. For meters requiring periodic calibration, provide record of most recent calibration (or verification of calibration). Provide corrections to meter readings as determined through calibration requirements.]

V. Baseline Model Development

- (a) Energy Use (Dependent) Variables. *[Identify the energy use variables and their source of data (e.g. utility meter or non-utility meter), and measurement time interval (e.g. sub-hourly, hourly, monthly). Clarify complex situations with line diagrams where necessary (e.g. multiple chilled water loops in a building, measurement point locations for thermal energy data (flow, supply and return temps)]*
- (b) Independent Variables. *[Identify the independent variables and identify their source of data (e.g. government weather station designation, owner occupancy records, etc.), type (continuous or categorical), and measurement time interval (e.g. sub-hourly, hourly, monthly). Describe the logic for the inclusion of these variables in the analysis.]*

Table 2: Independent Variables			
Variable	Source of Data	Type	Time Interval

- (c) Independent Variables Not Included in the Analysis. *[Provide a discussion of possible independent variables that were considered but not included in the analysis and reasons for their exclusion.]*
- (d) Normalized Conditions. *[For the independent variables identified above, provide the following information for normalized conditions: source of data, type (continuous or categorical), and data interval (e.g. sub-hourly, hourly, daily, monthly).]*

Table 3: Independent Variables – Normalized Conditions			
Variable	Source of Data	Type	Time Interval

- (e) Baseline Training Period. *[Document the baseline model training period start and end dates and why these dates were selected.]*
- (f) Coverage Factors. *[Describe the calculations and results of the weather coverage factors for the baseline training period relative to the range of the selected normal conditions weather. For normal conditions not covered, describe whether savings will be claimed and if so, how they will be estimated.]*
- (g) Outliers. *[Identify outliers and how those are determined, describe how data gaps will be resolved]*
- (h) Baseline Period Non-Routine Adjustments. *[Identify NREs occurring in baseline period and how their impacts were resolved (e.g. eliminated period of data where NRE affected energy use and collected more data, etc.). Describe the analysis used, including measurements, models, and procedures, to calculate the baseline period non-routine adjustments. Discuss the potential bias in estimating the non-routine adjustments and methods to mitigate the bias.]*
- (i) Modeling Algorithm. *[Describe the mathematical form of the modeling algorithm, and the reasons why it was selected. Describe how the baseline model was developed using this algorithm (such as whether different forms of the algorithm used for different periods of operation). Describe how the categorical variables were used in the analysis. Describe why the analysis time interval was selected, and how the energy and independent variables were resampled to this time interval. If a proprietary algorithm is used, describe how this algorithm was validated.]*
- (j) Baseline Model Accuracy Metrics. *[Report the baseline model's calculated metrics NMBE, CV, and R2, and compare them to the acceptance criteria.]*
- (k) Estimated Savings and Uncertainty. *[Report the anticipated savings for the combined measures and the resulting estimated savings uncertainty using the ASHRAE Guideline 14 method for the anticipated project savings. Explain whether the estimated savings uncertainty meets the program's criteria.]*

VI. Normalized Savings Calculation

- (a) Reporting Period Data Collection. *[Similar to the baseline period data collection, describe the data to be collected and their sources. Note: reporting period will be one year duration.]*
- (b) Reporting Period. *[Document the planned reporting period start and end dates.]*
- (c) Reporting Period Modeling Algorithm. *[Describe the mathematical form of the reporting period modeling algorithm, and the reasons why it was selected. Describe how the reporting period model will be developed using this algorithm (such as whether different forms of the algorithm will be used for different periods of operation). Describe how the categorical variables will be used in the analysis. Describe why the analysis time interval was selected, and how the energy and independent variables will be resampled to this time interval. If a proprietary algorithm is used, describe how this algorithm was validated.]*
- (d) Reporting Period Model Accuracy Metrics. *[Report the reporting period model's calculated metrics NMBE, CV, and R2, and compare them to the acceptance criteria.]*
- (e) Non-Routine Adjustments. *[Describe how non-routine adjustments occurring in the installation and reporting period will be identified and how their impacts will be estimated. Describe the analysis used, including measurements, models, and procedures, to calculate the baseline period non-routine adjustments. Discuss the potential bias in estimating the non-routine adjustments and methods to mitigate the bias.]*

VII. Normalized Savings Determination

- (a) Normalized Savings. *[Describe how the normalized conditions will be used in the analysis, and how normalized savings will be determined. Describe how non-routine adjustments will be made in the analysis. Use equations where appropriate.]*
- (b) Normalized Savings Uncertainty. *[Describe how normalized savings uncertainty for the project will be determined.]*
- (c) Savings Tracking Frequency. *[Describe how often normalized savings reports will be provided, as well as the data to be provided (raw, prepared, and analyzed data) and the format in which it will be provided.]*

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[Optional: Determine savings at intermediate period (monthly, quarterly), and report savings using graphs.]

***** End of EXHIBIT B *****

EXHIBIT B/-6/

{SCE Note: Delete number and remove all other Product-Specific Exhibit B's}
ENERGY EFFICIENCY (CUSTOMIZED CALCULATED APPROACH)

PROJECT DESCRIPTION**PART I. GEOGRAPHIC AND SERVICE ACCOUNT ELIGIBILITY VERIFICATION.**

A Geographic and Service Account Eligibility Verification is required to determine whether a proposed Measure at a proposed Installation at a Customer Site meets the eligibility requirements of this Agreement.

PART II. PROJECT AND MEASURES DESCRIPTION.

[SCE Note: Parties to complete this section.]

Parties should provide a description that provides as much detail as possible regarding the Project and each individual Measure that will be used in the Project to achieve each of the Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, Expected Winter On-Peak Energy Savings, and Expected Capacity Savings. Such description may include:

- A discussion of the pre- and post- M&V energy and capacity savings
- A discussion of how each Measure will save energy and capacity
- A discussion of how each Measure will save energy and capacity above Title 20, Title 24, or agreed-upon alternative benchmark
- A discussion of how the savings were estimated
- A discussion of the major assumptions in the savings estimation
- A discussion of how the savings will be verified
- Solution codes for each Measure to be part of the Project, and if no solution code for a given Measure exists, Seller to request SCE to create a solution code for the Measure.

- Lighting measures should follow the Design Lights Consortium (DLC) Tech Spec for all LED lighting measures; all lighting measures should be UL or Edison Testing Labs (ETL) certified;
- Residential lighting needs to incorporate ENERGY STAR in addition to the DLC lists;

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The contents of this document are subject to restrictions on disclosure as set forth herein.

- For interior residential lighting, the lighting may be on the ENERGY STAR website and not the DLC.
- Description of any existing or future Non-IOU Fuel Source(s) or other demand reducing mechanisms and how the savings from those mechanisms will be distinct and separate from the savings resulting from the Measures

[SCE Note: Parties to complete this table.]

<u>Measure Description</u>	<u>End-Use Technology (e.g., Lighting, HVAC, Other)</u>	<u>Estimated Baseline Energy and Capacity Use</u>	<u>Estimated Post-Installation Energy and Capacity Use</u>	<u>Estimated Post-Installation Energy and Capacity Savings</u>
		<u>[#] kWh</u>	<u>[#] kWh</u>	<u>[#] kWh</u>
		<u>[#] kW</u>	<u>[#] kW</u>	<u>[#] kW</u>
		<u>[#] kWh</u>	<u>[#] kWh</u>	<u>[#] kWh</u>
		<u>[#] kW</u>	<u>[#] kW</u>	<u>[#] kW</u>
		<u>[#] kWh</u>	<u>[#] kWh</u>	<u>[#] kWh</u>
		<u>[#] kW</u>	<u>[#] kW</u>	<u>[#] kW</u>

PART III. MEASUREMENT AND VERIFICATION PROTOCOL.

The Evaluator shall conduct all Inspections and create an M&V Plan for each Installation consistent with the following Measurement and Verification Protocol. In addition, all Inspections shall be consistent with, as applicable, the:

- (a) [SCE Note: placeholder for generic measurement and verification plan specific to Measures to be used by Seller. Generic plan shall be attached as Attachment [n] to this

Exhibit B.]

- (b) Customized Calculated Savings Guidelines for Non-Residential Programs, Southern California Edison V.17. (or its successor) [and the {RFO-Specific Addendum}] (the “Customized Calculated Savings Guidelines”). [SCE Note: include or delete reference to RFO-specific addendum as appropriate.]
- (c) International Performance Measurement and Verification Protocol: Concepts and Options for Determining Energy and Water Savings, Volume I, Efficiency Valuation Organization (December 2014) (or its successor) (“IPMVP”).
- (d) Energy Efficiency Evaluation Protocol, California Public Utilities Commission (2006) (or its successor).

In the event of any conflict between terms contained in this Agreement or any of the other documents identified in clauses (a)-(d) above, the conflict shall be resolved by the following priority of documents: (i) Agreement (including this Exhibit B), (ii) Attachment [n] to this Exhibit B, (iii) Customized Calculated Savings Guidelines, (iv) IPMVP, and (v) Energy Efficiency Evaluation Protocol.

In establishing the Measurement Baseline for the Project and each Individual Measurement Baseline for each Installation for capacity use (expressed in kW), the Evaluator shall normalize its measurements taken at the time of the Pre-Installation Inspection to be representative of the capacity use at 2:00 p.m. to 5:00 p.m. Pacific Prevailing Time of the three warmest non-holiday weekdays in June, July, August, and September of the TMY3 Weather File at the location of the applicable Installation. For the avoidance of doubt, and with respect to each Individual Measurement Baseline for capacity use, the thirty-six (36) identified hours shall be averaged into a single kW value.

In establishing the Measurement Baseline for the Project and each Individual Measurement Baseline for each Installation for energy use (expressed in kWh), the Evaluator shall normalize its measurements taken at the time of the Pre-Installation Inspection to be representative of the energy use during three time periods: (i) 8:00 a.m. to 9:00 p.m. Pacific Prevailing Time of the three warmest non-holiday weekdays in June, July, August, and September (“Summer On-Peak Hours”) of the TMY3 Weather File at the location of the applicable Installation, (ii) 9:00 p.m. to 8:00 a.m. Pacific Prevailing Time of the three warmest non-holiday weekdays in June, July, August, and September (“Summer Off-Peak Hours”) of the TMY3 Weather File at the location of the applicable Installation, and (iii) 8:00 a.m. to 9:00 p.m. Pacific Prevailing Time of the three warmest non-holiday weekdays in October, November, December, January, February, March,

April and May (“Winter On-Peak Hours”) of the TMY3 Weather File at the location of the applicable Installation.

Expected Summer On-Peak Savings shall be based on measurements normalized to Summer On-Peak Hours; Expected Summer Off-Peak Savings shall be based on measurements normalized to Summer Off-Peak Hours; and Expected Winter On-Peak Savings shall be based on measurements normalized to Winter On-Peak Hours.

In determining Expected Capacity Savings, Expected Summer On-Peak Energy Savings, Expected Summer Off-Peak Energy Savings, and Expected Winter On-Peak Energy Savings, the Evaluator shall normalize its measurements taken at the time of the applicable Primary Post-Installation Inspection or Post-Installation Inspection to be representative of the same hours that were used to measure the Measurement Baseline and each Individual Measurement Baseline. In addition, in making such determinations, any capacity or energy savings amount shall be measured from the applicable Measurement Baseline or Individual Measurement Baseline.

The Evaluator shall also measure and verify each of the Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, Expected Winter On-Peak Energy Savings, and Expected Capacity Savings by: [SCE Note: insert specific details as to how measurement and verification will occur. For example:

- A description of the measurement and verification plan, including pre-and post-monitoring procedures, as well as procedures to ensure the persistence of savings for the full Delivery Period of the Agreement.
- For each Measure, a description of the Measure intent and the operational verification procedures that will be used to verify the successful implementation of the Measure.
- Data analysis procedures and algorithms, including a description of tools employed and how the M&V data will be used in the calculations.
- Field monitoring data points, including specified interval information, the duration of measurement for each parameter, temperature set points, or weather information.
- A description of baseline conditions, including energy demand independent variables (e.g., production rate, ambient temperature, occupancy, operational factors), Non-IOU Fuel Source(s), and outages during baseline periods.

- A description of any adjustments needed for any measurement, including adjustments to each of the Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, Expected Winter On-Peak Energy Savings, and Expected Capacity Savings, based on external factors (e.g., weather, seasonal usage, change in occupancy, etc.).
- A description of building characteristics, including building configuration, U-value of the building envelope, occupancy information, internal loads, and changes in occupancy or operations that may affect monitoring or savings persistence.
- A description of controls regarding data accuracy, including data system accuracy and sensor placement issues.
- Verification and quality assurance procedures including sensor calibration (e.g., for IPMVP Option A – justification of estimated values; for IPMVP Option D – software name, input/output data, measured data, and calibration).]
- A description of how the energy model was calibrated to existing kWh, kW, and therms from past utility billing history or a statement of why this was not performed.

PART IV.

PRE-INSTALLATION INSPECTION.

The Evaluator shall conduct the Pre-Installation Inspection consistent with this Measurement and Verification Protocol, the applicable M&V Plan and the timelines set forth in the Agreement.

The Pre-Installation Inspection Report, and data from the report, will be provided in a format mutually agreeable to by SCE and the Evaluator. At a minimum, the report shall include:

- (a) For each Installation, the Customer's Name, retail service account number, and address.
- (b) A determination of the actual energy use and capacity use of the equipment or process that is the subject of a Measure and the energy use and capacity use of such equipment or process as if such equipment or process satisfied Title 20 or Title 24 [or other measurement baseline].
- (c) For each Installation that is part of the Project, a full description of such Customer's typical operations including the operation of any Non-IOU Fuel Source(s)
- (d) Equipment inventory, including nameplate data, location, condition (including photographs), and equipment operating procedures (e.g., schedules and set points, pressures, temperatures, etc.) that are associated with each Measure and with any Non-IOU Fuel Source(s)
- (e) A record of any person present during the Pre-Installation Inspection, and the role such individuals were taking.
- (f) A record of any unusual or abnormal conditions or events that occurred during the Pre-Installation Inspection and any actions taken in response thereto.
- (g) The Evaluator's statement, including supporting documentation, of whether the Pre-Installation Description is correct.
- (h) The Evaluator's statement, including supporting calculations and documentation, of the Measurement Baseline and the proposed measure(s) (including how it relates to each of the Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, Expected Winter On-Peak Energy Savings, and Expected Capacity Savings).

- (i) A statement regarding measurement accuracy and data uncertainty of measurement equipment.
- (j) Statement regarding any redundant, non-operational equipment for each Installation that is part of the Project. Savings from such units or any other equipment that does not contribute to each of the Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, Expected Winter On-Peak Energy Savings, and Expected Capacity Savings shall not be included in the savings estimate.

PART V. PRIMARY POST-INSTALLATION INSPECTION.

The Evaluator shall conduct each Primary Post-Installation Inspection consistent with this Measurement and Verification Protocol, the applicable M&V Plan. As part of those Inspections, among other things, the Evaluator shall determine whether: (i) the Installation has been completed and installed in accordance with the applicable M&V Plan; (ii) all Measures in the Installation are operating as planned and designed; (iii) the Installation reduced the capacity use at the Site; and (iv) the Installation will result (or has resulted, as applicable) in a reduction in the energy use at the Site.

Each Primary Post-Installation Inspection Report, and data from the report, will be provided in a format mutually agreed to by SCE and the Evaluator. At a minimum, the report shall include:

- (a) For each Installation, the Customer's Name, retail service account number, and address.
- (b) For each Installation, a full description of each Customer's typical operations.
- (c) Equipment inventory, including nameplate data, location, condition (including photographs), and equipment operating procedures (e.g., schedules and set points, pressures, temperatures, etc.) that are associated with each Measure and with any Non-IOU Fuel Source(s).
- (d) A full description of each Measure installed as part of the Installation.
- (e) A record of any person present during the Primary Post-Installation Inspection, and the role such individuals were taking.
- (f) A record of any unusual or abnormal conditions or events that occurred during the Primary Post-Installation Inspection and any actions taken in

response thereto.

- (g) The Evaluator's statement, and supporting documentation, as to whether each Measure in the Installation has been completed and installed in accordance with the applicable M&V Plan.
- (h) The Evaluator's statement, and supporting documentation, as to whether each Measure in the Installation is operating as planned and designed.
- (i) The Evaluator's statement, and supporting calculations and documentation, as to the amount the Installation reduced capacity use at the Site taking into account savings resulting from any Non-IOU Fuel Source(s).
- (j) The Evaluator's statement, and supporting calculations and documentation, as to the amount the Installation will result in a reduction in the energy use at the Site taking into account savings resulting from any Non-IOU Fuel Source(s).
- (k) A statement regarding measurement accuracy and data uncertainty of measurement equipment.
- (l) Statement regarding any redundant, non-operational equipment for each Installation that is part of the Project. Savings from such units or any other equipment that does not contribute to each of the Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, Expected Winter On-Peak Energy Savings, and Expected Capacity Savings shall not be included in the savings estimate.

PART VI. PROJECT SUMMARY REPORT.

For the Project Summary Report, the Evaluator shall determine whether: (i) the Project has been completed and installed in accordance with the applicable M&V Plans; (ii) all Measures in each Installation of the Project are operating as planned and designed; (iii) the Project reduced the capacity use at the Sites in an amount equal to the Expected Capacity Savings; and (iv) the Project will result (or has resulted, as applicable) in a reduction in the energy use at the Sites in an amount equal to each of the Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, Expected Winter On-Peak Energy Savings, and Expected Capacity Savings.

The Evaluator shall prepare the Project Summary Report within the number of Business Days specified in the Agreement after the completion of any final

Primary Post-Installation Inspection for the Project. The report, and data from the report, will be provided in a format mutually agreed to by SCE and the Evaluator. At a minimum, the report shall include:

- (a) For all Customers that are part of the Project, the Customer's Name, retail service account number, and address.
- (b) For all Customers that are part of the Project, a full description of each Customers' typical operations.
- (c) Equipment inventory, including nameplate data, location, condition (including photographs), and equipment operating procedures (e.g., schedules and set points, pressures, temperatures, etc.) that are associated with each Measure and any Non-IOU Fuel Source(s) at each Installation.
- (d) A full description of each Measure installed at each Installation as part of the Project.
- (e) The Evaluator's statement, including supporting documentation, as to whether each Measure at each Installation in the Project has been completed and installed in accordance with the applicable M&V Plan.
- (f) The Evaluator's statement, including supporting documentation, as to whether each Measure at each Installation in the Project is operating as planned and designed.
- (g) The Evaluator's statement, including supporting calculations and documentation, as to whether the Project reduced the capacity use at the Sites in an amount equal to the Expected Capacity Savings taking into account and savings resulting from any Non-IOU Fuel Source(s).
- (h) The Evaluator's statement, including supporting calculations and documentation, as to whether the Project will result in a reduction in the energy use at the Sites in an amount equal to each of Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, Expected Winter On-Peak Energy Savings, and Expected Capacity Savings taking into account savings resulting from any Non-IOU Fuel Source(s).
- (i) A statement regarding measurement accuracy and data uncertainty of measurement equipment.
- (j) A statement regarding any redundant, non-operational equipment for each

Installation that is part of the Project. Savings from such units or any other equipment that does not contribute to each of the Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, Expected Winter On-Peak Energy Savings, and Expected Capacity Savings shall not be included in the savings estimate.

PART VII. POST-INSTALLATION INSPECTION.

Each Post-Installation Inspection Report, and data from the report, will be provided in a format mutually agreed to by SCE and the Evaluator. At a minimum, the report shall include:

- (a) For each Installation that is part of the Project, the Customer's Name, retail service account number, and address.
- (b) For each Installation that is part of the Project, a full description of each Customer's typical operations.
- (c) Equipment inventory, including nameplate data, location, condition (including photographs), and equipment operating procedures (e.g., schedules and set points, pressures, temperatures, etc.) that are associated with each Measure and any Non-IOU Fuel Source(s) at each Installation.
- (d) A full description of each Measure installed in each Installation as part of the Project.
- (e) A record of any person present during the Post-Installation Inspection, and the role such individuals were taking.
- (f) A record of any unusual or abnormal conditions or events that occurred during the Post-Installation Inspection and any actions taken in response thereto.
- (g) The Evaluator's statement, including supporting documentation, as to whether each Measure in each Installation of the Project has been completed and installed in accordance with the applicable M&V Plan.
- (h) The Evaluator's statement, including supporting documentation, as to whether each Measure in each Installation of the Project is operating as planned and designed.
- (i) Taking into account actual capacity savings and savings resulting from any Non-IOU Fuel Source(s), the Evaluator's statement, including

supporting calculations and documentation, as to whether the Project reduced the capacity use at the Sites in an amount equal to the Expected Capacity Savings.

- (j) Taking into account actual energy savings and savings resulting from any Non-IOU Fuel Source(s), the Evaluator's statement, including supporting calculations and documentation, as to whether the Project has resulted in a reduction in the energy use at the Sites in an amount equal to each of the Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, Expected Winter On-Peak Energy Savings, and Expected Capacity Savings.
- (k) A statement regarding measurement accuracy and data uncertainty of measurement equipment.
- (l) A statement regarding any redundant, non-operational equipment for each Installation that is part of the Project. Savings from such units or any other equipment that does not contribute to each of the Expected Summer Off-Peak Energy Savings, Expected Summer On-Peak Energy Savings, Expected Winter On-Peak Energy Savings, and Expected Capacity Savings shall not be included in the savings estimate.

End of Exhibit B

EXHIBIT C**PROJECT PROGRESS REPORT**

[SCE Note: Exhibit is subject to modification for technology specific differences]

From the Effective Date of this Agreement and continuing until the Initial Delivery Date, Seller will provide a monthly Project Progress Report containing, at a minimum, the information listed below, as applicable. In accordance with Section 4.06, the report must be sent via e-mail in the form of a single Adobe Acrobat file or facsimile to SCE's, on the fifth (5th) Business Day of each month.

1. An executive summary;
2. An updated Milestone Schedule
3. PERT or GANT chart showing schedule, percent completion, and percent change from previous report of major items and activities, including Critical Path Milestones, Permits, technical studies, financing, and major equipment purchase orders showing the start dates, and projected completion dates;
4. Description of general work status on:
 - a. Engineering;
 - b. Procurement;
 - c. Permitting (include status of any required regulatory determinations for approval of Federal New Source Review permitting exemptions, expedited permitting processes, and status of acquisition of required emission credits in terms of impact on the Project's permitting schedule, overall Project schedule, and ability of Project to meet Expected Initial Delivery Date);
 - d. Major construction activities in the prior month;
 - e. Testing;
 - f. Electrical interconnection status; and
 - g. Any other required interconnections.
5. Forecast activities for next month;
6. Potential issues affecting the Project.
7. Enumeration and schedule of any support or actions requested of SCE.
8. Pictures, in sufficient quantity and of appropriate detail, in order to document construction and the development of the project leading up to the delivery of the project on Initial Delivery Date.
9. For Projects comprised of an aggregation of customers, a monthly pipeline report in Excel format containing at a minimum the following items for each Customer or Recruited Account: Contract ID, customer name, customer address, customer service

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The contents of this document are subject to restrictions on disclosure as set forth herein.

account number, A-bank substation, B-bank substation, recruitment stage (e.g. Recruit, Under Negotiation, Signed Contract, etc.), status (e.g. Planning/Survey, Installation-in-Progress, Installation Complete, Ready/Online, etc.), interconnection status (if applicable), GFID (if applicable), expected completion date, target online date, and capacity size.

10. For Energy Efficiency Projects, the monthly pipeline report shall also contain the Customer account number, service account address, meter number, approximate square footage of the buildings or facilities, general description of operations (including hours/days of operation), number of Measures to be installed, description of Measures, description of any Non IOU Fuel Source (including photovoltaic, energy storage, or participation in Net Energy Metering), and any corresponding incentives.

Seller must notify SCE in writing of its receipt of any of the following documents below, and make such documents available to SCE within two (2) Business Days after such receipt:

11. All material written commitments regarding construction work at the Project that could impact the completion schedule or Initial Delivery Date;
12. Executed work orders for construction of the Project;
13. Construction agreements;
14. Letters of intent;
15. Precedent agreements; and
16. Engineering assessments of the Project or any Storage Unit.

***** End of EXHIBIT C *****

EXHIBIT D MILESTONE SCHEDULE

Seller has provided dates for development, construction, commissioning, and testing of the Project, showing all significant elements and milestones, as applicable, such as permitting, procurement, financing, engineering, acceptance testing, Seller's Expected Initial Delivery Date, and proposed Delivery Period.

[SCE Note: This list is illustrative only. Seller to insert specific list based on technology and Project]

Line	Projected Completion Date	Milestone
1		Front End Engineering / Permits / Agreements
2		Submit Applicable Transmission Provider Interconnection Application
3		File a CEC Certification and Verification Application
4		Receive a Completed Interconnection System Impact Study (or equivalent)
5		Receive a Completed Interconnection Facilities Study (or equivalent)
6		Finalize Labor Agreement Negotiations
7		Execute a Transmission Provider Interconnection Agreement
8		Receive FERC Acceptance of Interconnection Agreement and Transmission Agreement(s)
9		Receive CEC Certification and Verification or APCD permit if applicable

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The contents of this document are subject to restrictions on disclosure as set forth herein.

Line	Projected Completion Date	Milestone
10		Obtain Control Of All Lands and Rights-Of-Way Comprising The Site
11		Receive CEC Full Notice To Proceed
12		Receive All Other Permits
13		Financing
14		Verify That Seller's Bank Has Received All Required Due Diligence Information
15		Complete Bank Financing
16		Engineering
17		Execute EPC Contract
18		Begin Existing Site Re-Engineering
19		Begin New Storage Unit Engineering Design
20		Lump Sum Estimate Preparation
21		Complete Existing Site Re-Engineering
22		Complete New Storage Unit Engineering Design
23		Construction – Initial Site Work
24		Begin Civil Tasks - CTG's
25		Begin Mechanical Tasks - U/G Piping
26		Begin Electrical Tasks - U/G Electrical
27		Construction

Line	Projected Completion Date	Milestone
28		Begin Construction of the Project - Erect Equipment
29		Civil Tasks - Balance of Plant
30		Mechanical Tasks - A/G Piping
31		Electrical Tasks - A/G Electrical
32		Erect Storage Units <u>Unit</u>
33		Commission Storage Units <u>Unit</u>
34		Complete Construction of the Project
35		Commissioning
36		Begin Start-Up Activities - BOP Systems
37		Conference with SCE Contract Manager regarding startup activities <i>{SCE Comment: Conference should occur no later than 150 days prior to the Commercial Operation Date.}</i>
38		Achieve Initial Operation
39		<u>Establish Project NQC</u>
40		<u>Submit Supply Plan for Month of Expected Initial Delivery Date</u>
39 <u>41</u>		Demonstrate Contract Capacity
40 <u>42</u>		Expected Initial Delivery Date

*** End of EXHIBIT D ***

EXHIBIT E

Notice

<u>[SELLER'S NAME]</u> ("Seller")	SOUTHERN CALIFORNIA EDISON COMPANY ("SCE")
All Notices are deemed provided in accordance with Section 14.02 if made to the address or facsimile numbers provided below:	Unless otherwise specified, all Notices are deemed provided in accordance with Section 14.02 if made to the address or facsimile numbers provided below:
Contract Administration: Attn: Phone: Facsimile:	Contract Administration: <u>In Front of the Meter Products</u> Attn: Director, <u>Energy</u> Contract Management and Administration Street: 2244 Walnut Grove Avenue City: Rosemead, California 91770 Phone: 626-302-3126 Email: Energycontracts@sce.com <u>Behind the Meter Distributed Generation/Distributed Generation & Storage</u> Attn: Contract Manager Customer Distributed Resource Products Street: 1515 Walnut Grove Avenue City: Rosemead, California 91770 Phone: 626-302-0362 Email: lcr.solar@sce.com <u>Demand Response</u> Attn: DR Contract Manager Demand Response Programs & Contracts Street: 1515 Walnut Grove Avenue City: Rosemead, California 91770 Phone: 626-302-0530 Email: daniel.ceballos@sce.com

[SELLER'S NAME] ("Seller")	SOUTHERN CALIFORNIA EDISON COMPANY ("SCE")
	<u>Energy Efficiency</u> Attn: Senior Manager of Customer Energy Efficiency Programs & Contracts Street: 1515 Walnut Grove Avenue City: Rosemead, California 91770 Phone: 626-302-0506 Email: DSM@sce.com
	Cybersecurity: E-mail: cybersecurity@sce.com
Reference Numbers: Duns: Federal Tax ID Number:	Reference Numbers: Duns: 006908818 Federal Tax ID Number: 95-1240335
Collateral: Attn: Street: City: Phone: Email:	Collateral: Attn: Manager of Risk Operations & Collateral Management Street: 2244 Walnut Grove Avenue, G01 Quad 2A2B City: Rosemead, California 91770 Phone: 626-302- 3383 3464 Email: scecollateral@sce.com
Day-Ahead Operations: Attn: Phone: Facsimile: E-mail:	Day-Ahead Operations: Attn: Manager of Day-Ahead Ops. Scheduling Desk Phone: 626-307-4425 or 626-307-4420 Facsimile: 626-307-4413 E-mail: presched@sce.com

[SELLER'S NAME] ("Seller")	SOUTHERN CALIFORNIA EDISON COMPANY ("SCE")
Real-Time Scheduling: Attn: Phone: Facsimile: E-mail:	Real-Time Scheduling: (24/7 Operations Desk): Attn: Manager of Real-Time Ops. Operations Desk Phone: 626-307- 4405 <u>or 4453</u> <u>(Renewable/Non-Dispatchable)</u> <u>Phone: 626-307-44534410 (Dispatchable)</u> <u>Facsimile: 626-307-4416</u> E-mail: realtime@sce.com
Outage Desk: Phone: E-mail:	Outage Desk: (Normal Business Hours): Phone: 626-307- 4420 <u>4425</u> E-mail: genoutages@sce.com
	<u>Grid Control Center (LRCDs):</u> <u>Phone: 626-308-6288</u>

[SELLER'S NAME] ("Seller")	SOUTHERN CALIFORNIA EDISON COMPANY ("SCE")
Payment Invoices: Attn: Phone: Facsimile: E-mail:	Payment Invoices: <u>In Front of the Meter Projects</u> Attn: ECM - Contract Settlements Phone: 626-302-8908 or 626-302- 68393205 Facsimile: 626-302-3276 E-mail: PPFDPowerSettle@sce.com <u>Behind the Meter Projects</u> Submit the original invoice, containing the Purchase Order Number (/SCE Note: TBD), and one (1) copy to: Attn: Accounts Payable Department Southern California Edison Co. Street: PO Box 700 City: Rosemead, California 91770 Phone: 626-302-6501 Also submit one (1) copy to: Contract Administration E-mail: SCEinvoices@sce.com
ACH Routing Information: Financial Institution: [] Branch: [] Address: [] City, State, & Zip: [] Routing Number: [] Account Number: []	ACH Routing Information: Financial Institution: Routing Number: Account Number:
Wire Transfer: BNK: ABA: ACCT:	Wire Transfer: BNK: ABA: ACCT:

[SELLER'S NAME] ("Seller")	SOUTHERN CALIFORNIA EDISON COMPANY ("SCE")
<p>Provide Notice of Event of Default to Contract Administration</p> <p>With additional Notices of an Event of Default to:</p> <p>Attn: Phone: Facsimile: E-mail:</p>	<p>Provide Notice of Event of Default to Contract Administration</p> <p>With additional Notices of an Event of Default for all Projects, to:</p> <p>Attn: Director and Managing Attorney Law Dept., Power Procurement<u>Commercial</u> <u>Transactions Section</u> Southern California Edison Co.</p> <p>Street: 2244 Walnut Grove, Ave. City: Rosemead, California 91770 Email: PPLegalNotice@sce.com</p> <p>And for Behind the Meter Projects, to:</p> <p>Attn: Principal Manager Purchasing GO-3, 3rd Floor</p> <p>Street: 2131 Walnut Grove Ave. City: Rosemead, California 91770 Phone: 626-302-5357</p>
<p>Lender:</p> <p>Attn: Phone: Facsimile: E-mail:</p>	

*** End of EXHIBIT E ***

EXHIBIT F

FORM OF CONSENT TO COLLATERAL ASSIGNMENT AGREEMENT

This Consent to Collateral Assignment Agreement (this “Consent”) is entered into among (i) Southern California Edison Company, a California corporation (“SCE”), (ii) [Name of Seller], a [Legal Status of Seller] (the “Project Company”), and (iii) [Name of Collateral Agent], a [Legal Status of Collateral Agent], as Collateral Agent for the secured parties under the Financing Documents referred to below (such secured parties together with their successors permitted under this Consent in such capacity, the “Secured Parties”, and, such agent, together with its successors in such capacity, the “Collateral Agent”). SCE, Project Company and Collateral Agent are hereinafter sometimes referred to individually as a “Party” and jointly as the “Parties”. Capitalized terms used but not otherwise defined in this Consent shall have the meanings ascribed to them in the Agreement (as defined below).

RECITALS

The Parties enter into this Consent with reference to the following facts:

- A. Project Company and SCE have entered into that certain ~~Distributed~~ Energy Resource Purchase and Sale Agreement, dated as of [Date] [List all amendments as contemplated by Section 3.4] (“Agreement”), pursuant to which Project Company will develop, construct, commission, test and operate the ~~Storage Units~~ Project, as defined in the Agreement (the “Project”) and sell the Product to SCE, and SCE will purchase the Product from Project Company;
- B. As collateral for Project Company’s obligations under the Agreement, Project Company has agreed to provide to SCE certain collateral, which may include Performance Assurance and Security Interests and other collateral described in the Agreement (collectively, the “Agreement Collateral”);
- C. Project Company has entered into that certain [Insert description of financing arrangements with Lender], dated as of [Date], among Project Company, the Lenders party thereto and the Collateral Agent (the “Financing Agreement”), pursuant to which, among other things, the Lenders have extended commitments to make loans to Project Company;
- D. As collateral security for Project Company’s obligations under the Financing Agreement

and related agreements (collectively, the “Financing Documents”), Project Company has, among other things, assigned all of its right, title and interest in, to and under the Agreement and Project’s Company’s owners have pledged their ownership interest in Project Company (collectively, the “Assigned Interest”) to the Collateral Agent pursuant to the Financing Documents; and

- E. It is a requirement under the Financing Agreement and the Agreement that SCE and the other Parties hereto shall have executed and delivered this Consent.

AGREEMENT

In consideration of the foregoing, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound, the Parties hereto hereby agree as follows:

SECTION 1. CONSENT TO ASSIGNMENT, ETC.

1.1 Consent and Agreement.

SCE hereby acknowledges:

- (a) notice of and consents to the assignment as collateral security to Collateral Agent, for the benefit of the Secured Parties, of the Assigned Interest; and
- (b) the right (but not the obligation) of Collateral Agent in the exercise of its rights and remedies under the Financing Documents, to make all demands, give all notices, take all actions and exercise all rights of Project Company permitted under the Agreement (subject to SCE’s rights and defenses under the Agreement and the terms of this Consent) and accepts any such exercise; provided, however, that, insofar as the Collateral Agent exercises any such rights under Agreement or makes any claims with respect to payments or other obligations under the Agreement, the terms and conditions of the Agreement applicable to such exercise of rights or claims shall apply to Collateral Agent to the same extent as to Project Company.

1.2 Project Company’s Acknowledgement.

Each of Project Company and Collateral Agent hereby acknowledges and agrees that SCE is authorized to act in accordance with Collateral Agent’s instructions, and that SCE shall bear no liability to Project Company or Collateral Agent in connection therewith, including any liability for failing to act in accordance with Project Company’s instructions.

1.3 Right to Cure.

If Project Company defaults in the performance of any of its obligations under the Agreement, or upon the occurrence or non-occurrence of any event or condition under the Agreement which would immediately or with the passage of any applicable grace period or the giving of notice, or both, enable SCE to terminate or suspend its performance under the Agreement (an “Agreement Default”), SCE will not terminate or suspend its performance under the Agreement until it first gives written notice of such Agreement Default to Collateral Agent and affords Collateral Agent the right to cure such Agreement Default within the applicable cure period under the Agreement, which cure period shall run concurrently with that afforded Project Company under the Agreement. In addition, if Collateral Agent gives SCE written notice prior to the expiration of the applicable cure period under the Agreement of Collateral Agent’s intention to cure such Agreement Default (which notice shall include a reasonable description of the time during which it anticipates to cure such Agreement Default) and is diligently proceeding to cure such Agreement Default, notwithstanding the applicable cure period under the Agreement, Collateral Agent shall have a period of sixty (60) days (or, if such Agreement Default is for failure by the Project Company to pay an amount to SCE which is due and payable under the Agreement other than to provide Agreement Collateral, thirty (30) days, or, if such Agreement Default is for failure by Project Company to provide Agreement Collateral, [__ ()] Business Days) from the Collateral Agent’s receipt of the notice of such Agreement Default from SCE to cure such Agreement Default; provided, however, that (a) if possession of the Project is necessary to cure any such non-monetary Agreement Default and Collateral Agent has commenced foreclosure proceedings within sixty (60) days after notice of the Agreement Default and is diligently pursuing such foreclosure proceedings, Collateral Agent will be allowed a reasonable time, not to exceed one hundred eighty (180) days after the notice of the Agreement Default, to complete such proceedings and cure such Agreement Default, and (b) if Collateral Agent is prohibited from curing any such Agreement Default by any process, stay or injunction issued by any Governmental Authority or pursuant to any bankruptcy or insolvency proceeding or other similar proceeding involving Project Company, then the time periods specified herein for curing an Agreement Default shall be extended for the period of such prohibition, so long as Collateral Agent has diligently pursued removal of such process, stay or injunction. Collateral Agent shall provide SCE with reports concerning the status of efforts to cure an Agreement Default upon SCE’s reasonable request.

1.4 Substitute Owner.

Subject to Section 1.7, the Parties agree that if Collateral Agent notifies (such notice, a “Financing Document Default Notice”) SCE that an event of default has occurred and is continuing under the Financing Documents (a “Financing Document Event of Default”) then, upon a judicial foreclosure sale, non-judicial foreclosure sale, deed in lieu of foreclosure or other transfer following a Financing Document Event of Default, Collateral Agent (or its designee) shall be substituted for Project Company (the “Substitute Owner”) under the Agreement, and, subject to Sections 1.7(b) and 1.7(c) below, SCE and Substitute Owner will recognize each other as counterparties under the Agreement and will continue to perform their respective obligations (including those obligations accruing to SCE and the Project Company prior to the existence of the Substitute Owner) under the Agreement in favor of each other in accordance with the terms thereof; provided, however, that before SCE is required to recognize the Substitute Owner, the Substitute Owner must have demonstrated to SCE’s reasonable satisfaction that the Substitute Owner has financial qualifications and operating experience [TBD] (a “Permitted Transferee”). For purposes of the foregoing, SCE shall be entitled to assume that any such purported exercise of rights by Collateral Agent that results in substitution of a Substitute Owner under the Agreement is in accordance with the Financing Documents without independent investigation thereof but shall have the right to require that the Collateral Agent and its designee (if applicable) provide reasonable evidence demonstrating the same.

1.5 Replacement Agreements.

Subject to Section 1.7, if the Agreement is terminated, rejected or otherwise invalidated as a result of any bankruptcy, insolvency, reorganization or similar proceeding affecting Project Company, its owner(s) or guarantor(s), and if Collateral Agent or its designee directly or indirectly takes possession of, or title to, the Project (including possession by a receiver or title by foreclosure or deed in lieu of foreclosure) (“Replacement Owner”), SCE shall, and Collateral Agent shall cause Replacement Owner to, enter into a new agreement with one another for the balance of the obligations under the Agreement remaining to be performed having terms substantially the same as the terms of the Agreement with respect to the remaining Term (“Replacement Agreement”); provided, that before SCE is required to enter into a Replacement Agreement, the Replacement Owner must have demonstrated to SCE’s reasonable satisfaction that the Replacement Owner satisfies the requirements of a Permitted Transferee. For purposes of the foregoing, SCE is entitled to assume that any such purported exercise of rights by Collateral Agent that results in a Replacement Owner is in accordance with the Financing Documents without independent investigation thereof but shall have the right to require that the Collateral Agent and its designee (if applicable) provide reasonable evidence demonstrating the same. Notwithstanding the execution and delivery of a Replacement Agreement, to the extent

SCE is, or was otherwise prior to its termination as described in this Section 1.5, entitled under the Agreement, SCE may suspend performance of its obligations under such Replacement Agreement, unless and until all Agreement Defaults of Project Company under the Agreement or Replacement Agreement have been cured.

1.6 Transfer.

Subject to Section 1.7, a Substitute Owner or a Replacement Owner may assign all of its interest in the Project and the Agreement and a Replacement Agreement to a natural person, corporation, trust, business trust, joint venture, joint stock company, association, company, limited liability company, partnership, Governmental Authority or other entity (a “Person”) to which the Project is transferred; provided, however, that the proposed transferee shall have demonstrated to SCE’s reasonable satisfaction that such proposed transferee satisfies the requirements of a Permitted Transferee.

1.7 Assumption of Obligations.

(a) Transferee. Any transferee under Section 1.6 shall expressly assume in a writing reasonably satisfactory to SCE all of the obligations of Project Company, Substitute Owner or Replacement Owner under the Agreement or Replacement Agreement, as applicable, including posting and collateral assignment of the Agreement Collateral. Upon such assignment and the cure of any outstanding Agreement Default, and payment of all other amounts due and payable to SCE in respect of the Agreement or such Replacement Agreement, the transferor shall be released from any further liability under the Agreement or Replacement Agreement, as applicable.

(b) Substitute Owner. Subject to Section 1.7(c), any Substitute Owner pursuant to Section 1.4 shall be required to perform Project Company’s obligations under the Agreement, including posting and collateral assignment of the Agreement Collateral; provided, however, that the obligations of such Substitute Owner shall be no more than those of Project Company under the Agreement.

(c) No Liability. SCE acknowledges and agrees that neither Collateral Agent nor any Secured Party shall have any liability or obligation under the Agreement as a result of this Consent (except to the extent Collateral Agent or a Secured Party is a Substitute Owner or Replacement Owner) nor shall Collateral Agent or any other Secured Party be obligated or required to (i) perform any of Project Company’s obligations under the Agreement, except as provided in Sections 1.7(a) and 1.7(b) and to the extent Collateral Agent or a Secured Party is a Substitute Owner or

Replacement Owner, or (ii) take any action to collect or enforce any claim for payment assigned under the Financing Documents. If Collateral Agent becomes a Substitute Owner pursuant to Section 1.4 or enters into a Replacement Agreement, Collateral Agent shall not have any personal liability to SCE under the Agreement or Replacement Agreement and the sole recourse of SCE in seeking enforcement of such obligations against Collateral Agent shall be to the aggregate interest of the Secured Parties in the Project; provided, however, that such limited recourse shall not limit SCE's right to seek equitable or injunctive relief against Collateral Agent, or SCE's rights with respect to any offset rights expressly allowed under the Agreement, a Replacement Agreement or the Agreement Collateral.

1.8 Delivery of Notices.

SCE shall deliver to Collateral Agent, concurrently with the delivery thereof to Project Company, a copy of each notice, request or demand given by SCE to Project Company pursuant to the Agreement relating to (a) an Agreement Default, (b) any claim regarding Force Majeure by SCE under the Agreement, (c) any notice of dispute under the Agreement, (d) any notice of intent to terminate or any termination notice, and (e) any matter that would require the consent of Collateral Agent pursuant to Section 1.11 or any other provision of this Consent. Collateral Agent acknowledges that delivery of such notice, request and demand shall satisfy SCE's obligation to give Collateral Agent a notice of Agreement Default under Section 1.3. Collateral Agent shall deliver to SCE, concurrently with delivery thereof to Project Company, a copy of each notice, request or demand given by Collateral Agent to Project Company pursuant to the Financing Documents relating to a default by Project Company under the Financing Documents.

1.9 Confirmations.

SCE will, as and when reasonably requested by Collateral Agent from time to time, confirm in writing matters relating to the Agreement (including the performance of same by Project Company); provided, however, that such confirmation may be limited to matters of which SCE is aware as of the time the confirmation is given and such confirmations shall be without prejudice to any rights of SCE under the Agreement as between SCE and Project Company.

1.10 Exclusivity of Dealings.

Except as provided in Sections 1.3, 1.4, 1.8, 1.9 and 2.1, unless and until SCE receives a Financing Document Default Notice, SCE shall deal exclusively with Project Company in connection with the performance of SCE's obligations under the Agreement. From and after such

time as SCE receives a Financing Document Default Notice and until a Substitute Owner is substituted for Project Company pursuant to Section 1.4, a Replacement Agreement is entered into or the Agreement is transferred to a Person to whom the Project is transferred pursuant to Section 1.6, SCE shall, until Collateral Agent confirms to SCE in writing that all obligations under the Financing Documents are no longer outstanding, deal exclusively with Collateral Agent in connection with the performance of SCE's obligations under the Agreement, and SCE may irrevocably rely on instructions provided by Collateral Agent in accordance therewith to the exclusion of those provided by any other Person.

1.11 No Amendments.

To the extent permitted by applicable Laws, SCE agrees that it will not, without the prior written consent of Collateral Agent (not to be unreasonably withheld, delayed or conditioned) (a) enter into any material supplement, restatement, novation, extension, amendment or modification of the Agreement (b) terminate or suspend its performance under the Agreement (except in accordance with Section 1.3) or (c) consent to or accept any termination or cancellation of the Agreement by Project Company.

SECTION 2. PAYMENTS UNDER THE AGREEMENT

2.1 Payments.

Unless and until SCE receives written notice to the contrary from Collateral Agent, SCE will make all payments to be made by it to Project Company under or by reason of the Agreement directly to Project Company. SCE, Project Company, and Collateral Agent acknowledge that SCE will be deemed to be in compliance with the payment terms of the Agreement to the extent that SCE makes payments in accordance with Collateral Agent's instructions.

2.2 No Offset, Etc.

All payments required to be made by SCE under the Agreement shall be made without any offset, recoupment, abatement, withholding, reduction or defense whatsoever, other than that expressly allowed by the terms of the Agreement.

SECTION 3. REPRESENTATIONS AND WARRANTIES OF SCE

SCE makes the following representations and warranties as of the date hereof in favor of

Collateral Agent:

3.1 Organization.

SCE is a corporation duly organized and validly existing under the laws of the state of its incorporation, and is duly qualified, authorized to do business and in good standing in every jurisdiction in which it owns or leases real property or in which the nature of its business requires it to be so qualified, except where the failure to so qualify would not have a material adverse effect on its financial condition, its ability to own its properties or its ability to transact its business. SCE has all requisite power and authority, corporate and otherwise, to enter into and to perform its obligations hereunder and under the Agreement, and to carry out the terms hereof and thereof and the transactions contemplated hereby and thereby.

3.2 Authorization.

The execution, delivery and performance by SCE of this Consent and the Agreement have been duly authorized by all necessary corporate or other action on the part of SCE and do not require any approval or consent of any holder (or any trustee for any holder) of any indebtedness or other obligation of SCE which, if not obtained, will prevent SCE from performing its obligations hereunder or under the Agreement except approvals or consents which have previously been obtained and which are in full force and effect.

3.3 Execution and Delivery; Binding Agreements.

Each of this Consent and the Agreement is in full force and effect, have been duly executed and delivered on behalf of SCE by the appropriate officers of SCE, and constitute the legal, valid and binding obligation of SCE, enforceable against SCE in accordance with its terms, except as the enforceability thereof may be limited by (a) bankruptcy, insolvency, reorganization, moratorium or other similar laws of general application affecting the enforcement of creditors' rights generally and (b) general equitable principles (whether considered in a proceeding in equity or at law).

3.4 No Default or Amendment.

Except as set forth in Schedule A attached hereto: (a) Neither SCE nor, to SCE's actual knowledge, Project Company, is in default of any of its obligations under the Agreement; (b) SCE and, to SCE's actual knowledge, Project Company, has complied with all conditions

precedent to the effectiveness of its obligations under the Agreement; (c) to SCE's actual knowledge, no event or condition exists which would either immediately or with the passage of any applicable grace period or giving of notice, or both, enable either SCE or Project Company to terminate or suspend its obligations under the Agreement; and (d) the Agreement has not been amended, modified or supplemented in any manner except as set forth herein and in the recitals hereto.

3.5 No Previous Assignments.

SCE has no notice of, and has not consented to, any previous assignment by Project Company of all or any part of its rights under the Agreement, except as previously disclosed in writing and consented to by SCE.

SECTION 4. REPRESENTATIONS AND WARRANTIES OF PROJECT COMPANY

Project Company makes the following representations and warranties as of the date hereof in favor of the Collateral Agent and SCE:

4.1 Organization.

Project Company is a [Legal Status of Seller] duly organized and validly existing under the laws of the state of its organization, and is duly qualified, authorized to do business and in good standing in every jurisdiction in which it owns or leases real property or in which the nature of its business requires it to be so qualified, except where the failure to so qualify would not have a material adverse effect on its financial condition, its ability to own its properties or its ability to transact its business. Project Company has all requisite power and authority, corporate and otherwise, to enter into and to perform its obligations hereunder and under the Agreement, and to carry out the terms hereof and thereof and the transactions contemplated hereby and thereby.

4.2 Authorization.

The execution, delivery and performance of this Consent by Project Company, and Project Company's assignment of its right, title and interest in, to and under the Agreement to the Collateral Agent pursuant to the Financing Documents, have been duly authorized by all necessary corporate or other action on the part of Project Company.

4.3 Execution and Delivery; Binding Agreement.

This Consent is in full force and effect, has been duly executed and delivered on behalf of Project Company by the appropriate officers of Project Company, and constitutes the legal, valid and binding obligation of Project Company, enforceable against Project Company in accordance with its terms, except as the enforceability thereof may be limited by (a) bankruptcy, insolvency, reorganization, moratorium or other similar laws of general application affecting the enforcement of creditors' rights generally and (b) general equitable principles (whether considered in a proceeding in equity or at law).

4.4 No Default or Amendment.

Except as set forth in Schedule B attached hereto: (a) neither Project Company nor, to Project Company's actual knowledge, SCE, is in default of any of its obligations thereunder; (b) Project Company and, to Project Company's actual knowledge, SCE, has complied with all conditions precedent to the effectiveness of its obligations under the Agreement; (c) to Project Company's actual knowledge, no event or condition exists which would either immediately or with the passage of any applicable grace period or giving of notice, or both, enable either SCE or Project Company to terminate or suspend its obligations under the Agreement; and (d) the Agreement has not been amended, modified or supplemented in any manner except as set forth herein and in the recitals hereto.

4.5 No Previous Assignments.

Project Company has not previously assigned all or any part of its rights under the Agreement.

SECTION 5. REPRESENTATIONS AND WARRANTIES OF COLLATERAL AGENT

Collateral Agent makes the following representations and warranties as of the date hereof in favor of SCE and Project Company:

5.1 Authorization.

The execution, delivery and performance of this Consent by Collateral Agent have been duly authorized by all necessary corporate or other action on the part of Collateral Agent and Secured Parties.

5.2 Execution and Delivery; Binding Agreement.

This Consent is in full force and effect, has been duly executed and delivered on behalf of Collateral Agent by the appropriate officers of Collateral Agent, and constitutes the legal, valid and binding obligation of Collateral Agent as Collateral Agent for the Secured Parties, enforceable against Collateral Agent (and the Secured Parties to the extent applicable) in accordance with its terms, except as the enforceability thereof may be limited by (a) bankruptcy, insolvency, reorganization, moratorium or other similar laws of general application affecting the enforcement of creditors' rights generally and (b) general equitable principles (whether considered in a proceeding in equity or at law).

SECTION 6. MISCELLANEOUS

6.1 Notices.

All notices and other communications hereunder shall be in writing, shall be deemed given upon receipt thereof by the Party or Parties to whom such notice is addressed, shall refer on their face to the Agreement (although failure to so refer shall not render any such notice or communication ineffective), shall be sent by first class mail, by personal delivery or by a nationally recognized courier service, and shall be directed (a) if to SCE or Project Company, in accordance with [Notice Section of the Agreement] of the Agreement, (b) if to Collateral Agent, to [Collateral Agent Name], [Collateral Agent Address], Attn: [Collateral Agent Contact Information], Telephone: [], Fax: [], and (c) to such other address or addressee as any such Party may designate by notice given pursuant hereto.

6.2 Governing Law; Submission to Jurisdiction.

(a) THIS CONSENT SHALL BE CONSTRUED IN ACCORDANCE WITH, AND THIS CONSENT AND ALL MATTERS ARISING OUT OF THIS CONSENT AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY, THE LAW OF THE STATE OF CALIFORNIA WITHOUT REGARD TO ANY CONFLICTS OF LAWS PROVISIONS THEREOF THAT WOULD RESULT IN THE APPLICATION OF THE LAW OF ANOTHER JURISDICTION. [This Section will be modified, if necessary, to match the Governing Law Section of the Agreement.]

(b) All disputes, claims or controversies arising out of, relating to, concerning or pertaining to the terms of this Consent shall be governed by the dispute resolution provisions of the Agreement. Subject to the foregoing, any legal action or proceeding with respect to this Consent and any action for enforcement of any judgment in respect thereof may be brought in

the courts of the State of California or of the United States of America for the Central District of California, and, by execution and delivery of this Consent, each Party hereby accepts for itself and in respect of its property, generally and unconditionally, the non-exclusive jurisdiction of the aforesaid courts and appellate courts from any appeal thereof. Each Party further irrevocably consents to the service of process out of any of the aforementioned courts in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to its notice address provided pursuant to Section 6.1 hereof. Each Party hereby irrevocably waives any objection which it may now or hereafter have to the laying of venue of any of the aforesaid actions or proceedings arising out of or in connection with this Consent brought in the courts referred to above and hereby further irrevocably waives and agrees not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum. Nothing herein shall affect the right of any Party to serve process in any other manner permitted by law.

6.3 Headings Descriptive.

The headings of the several sections and subsections of this Consent are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Consent.

6.4 Severability.

In case any provision in or obligation under this Consent shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

6.5 Amendment, Waiver.

Neither this Consent nor any of the terms hereof may (a) be terminated, amended, supplemented or modified, except by an instrument in writing signed by SCE, Project Company and Collateral Agent or (b) waived, except by an instrument in writing signed by the waiving Party.

6.6 Termination.

Each Party's obligations hereunder are absolute and unconditional, and no Party has any right, and shall have no right, to terminate this Consent or to be released, relieved or discharged from

any obligation or liability hereunder until SCE has been notified by Collateral Agent that all of the obligations under the Financing Documents shall have been satisfied in full (other than contingent indemnification obligations) or, with respect to the Agreement or any Replacement Agreement, its obligations under such Agreement or Replacement Agreement have been fully performed.

6.7 Successors and Assigns.

This Consent shall be binding upon each Party and its successors and assigns permitted under and in accordance with this Consent, and shall inure to the benefit of the other Parties and their respective successors and assignee permitted under and in accordance with this Consent. Each reference to a Person herein shall include such Person's successors and assigns permitted under and in accordance with this Consent.

6.8 Further Assurances.

SCE hereby agrees to execute and deliver all such instruments and take all such action as may be necessary to effectuate fully the purposes of this Consent.

6.9 Waiver of Trial by Jury.

TO THE EXTENT PERMITTED BY APPLICABLE LAWS, THE PARTIES HEREBY IRREVOCABLY WAIVE ALL RIGHT OF TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR IN CONNECTION WITH THIS CONSENT OR ANY MATTER ARISING HEREUNDER. EACH PARTY FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

6.10 Entire Agreement.

This Consent and any agreement, document or instrument attached hereto or referred to herein integrate all the terms and conditions mentioned herein or incidental hereto and supersede all oral negotiations and prior writings in respect to the subject matter hereof. In the event of any conflict between the terms, conditions and provisions of this Consent and any such agreement, document or instrument, the terms, conditions and provisions of this Consent shall prevail.

6.11 Effective Date.

This Consent shall be deemed effective as of the date upon which the last Party executes this Consent.

6.12 Counterparts; Electronic Signatures.

This Consent may be executed in one or more counterparts, each of which will be deemed to be an original of this Consent and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Consent and of signature pages by facsimile transmission, Portable Document Format (i.e., PDF), or by other electronic means shall constitute effective execution and delivery of this Consent as to the Parties and may be used in lieu of the original Consent for all purposes.

[Remainder of Page Left Intentionally Blank.]

ID# [Number], [Seller's Name]

[RFO Name]

IN WITNESS WHEREOF, the Parties hereto have caused this Consent to be duly executed and delivered by their duly authorized officers on the dates indicated below their respective signatures.

<p>[NAME OF PROJECT COMPANY], [Legal Status of Project Company].</p>		<p>SOUTHERN CALIFORNIA EDISON COMPANY, a California corporation.</p>
<p>By:</p> <p>_____</p> <p>[Name] [Title]</p> <p>Date: _____</p>		<p>By:</p> <p>_____</p> <p>[Name] [Title]</p> <p>Date: _____</p>
<p>[NAME OF COLLATERAL AGENT], [Legal Status of Collateral Agent].</p> <p>By:</p> <p>_____</p> <p>[Name] [Title]</p> <p>Date: _____</p>		

SCHEDULE A

[Describe any disclosures relevant to representations and warranties made in Section 3.4]

SCHEDULE B

[Describe any disclosures relevant to representations and warranties made in Section 4.4]

EXHIBIT G

FORM OF LETTER OF CREDIT

IRREVOCABLE NONTRANSFERABLE STANDBY LETTER OF CREDIT

Bank Reference Number: _____

Issuance Date:

Issuing Bank:

[insert bank name and address]

Applicant:

[insert applicant name and address]

Beneficiary:

Southern California Edison Company

2244 Walnut Grove Avenue

GO#1, Quad ~~2A~~2B

Rosemead, CA 91770

Attn: Manager of Risk Operations and Collateral Management

Available Amount: [insert amount and spell out]

Expiration Date: [insert date]

Ladies and Gentlemen:

_____ (the
“Bank”) hereby establishes this Irrevocable Nontransferable Standby Letter of Credit (“Letter of
Credit”) in favor of Southern California Edison Company, a California corporation (the
“Beneficiary”), for the account of _____, a _____ corporation, also known as ID#
_____ (the “Applicant”), for the amount stated above (the “Available Amount”), effective
immediately.

This Letter of Credit shall be of no further force or effect at 5:00 p.m., California time on the
expiration date stated above or, if such day is not a Business Day (as hereinafter defined), on the
next Business Day (as may be extended pursuant to the terms of this Letter of Credit) (the

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“Expiration Date”).

For the purpose hereof, “Business Day” shall mean any day other than:

1. A Saturday or a Sunday,
2. A day on which banking institutions in the city of Los Angeles, California, are required or authorized by Law to remain closed, or
3. A day on which the payment system of the Federal Reserve System is not operational.

It is a condition of this Letter of Credit that the Expiration Date shall be automatically extended without amendment for one (1) year from the Expiration Date hereof or any future Expiration Date unless at least sixty (60) days prior to such Expiration Date, we send notice to you by certified mail or hand delivered courier, at the address stated below, that we elect not to extend this Letter of Credit for any such additional period.

Subject to the terms and conditions herein, funds under this Letter of Credit are available to Beneficiary by complying presentation on or before 5:00 p.m. California time, on or before the Expiration Date of the following:

1. A copy of this Letter of Credit and all amendments;
2. A copy of the Drawing Certificate in the form of Attachment “A” attached hereto and which forms an integral part hereof, duly completed and bearing the signature of an authorized representative of the Beneficiary signing as such; and
3. A copy of the Sight Draft in the form of Attachment “B” attached hereto and which forms an integral part hereof, duly completed and bearing the signature of an authorized representative of the Beneficiary.

Drawings may also be presented by facsimile transmission (“Fax”) to fax number [insert number] under telephone pre-advice to [insert number] or alternatively to [insert number]; provided that such Fax presentation is received on or before the Expiration Date on this instrument in accordance with the terms and conditions of this Letter of Credit. It is understood that any such Fax presentation shall be considered the sole operative instrument of drawing. In the event of presentation by Fax, the original documents should not also be presented.

Partial drawing of funds shall be permitted under this Letter of Credit, and this Letter of Credit shall remain in full force and effect with respect to any continuing balance; provided, the Available Amount shall be reduced by the amount of each such drawing.

This Letter of Credit is not transferable or assignable. Any purported transfer or assignment shall

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be void and of no force or effect.

All correspondence and any drawings (other than those made by facsimile) hereunder are to be directed to [Bank address/contact].

All notices to Beneficiary shall be in writing and are required to be sent by certified letter, overnight courier, or delivered in person to: Southern California Edison Company, Manager of Risk Operations and Collateral Management, 2244 Walnut Grove Avenue, GO1 Quad 2A, 5 Rosemead, California 91770. Only notices to Beneficiary meeting the requirements of this paragraph shall be considered valid. Any notice to Beneficiary which is not in accordance with this paragraph shall be void and of no force or effect.

Banking charges shall be the sole responsibility of the Applicant.

This Letter of Credit sets forth in full our obligations and such obligations shall not in any way be modified, amended, amplified or limited by reference to any documents, instruments or agreements referred to herein, except only the attachment referred to herein; and any such reference shall not be deemed to incorporate by reference any document, instrument or agreement except for such attachment. Except in the case of an increase in the Available Amount or extension of the Expiration Date, this Letter of Credit may not be amended or modified without the Beneficiary's prior written consent.

The Bank engages with the Beneficiary that Beneficiary's drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored if presented to the Bank on or before the Expiration Date.

Except so far as otherwise stated, this Letter of Credit is subject to the International Standby Practices ISP98 (also known as ICC Publication No. 590), or revision currently in effect (the "ISP"). As to matters not covered by the ISP, the laws of the State of California, without regard to the principles of conflicts of laws thereunder, shall govern all matters with respect to this Letter of Credit.

AUTHORIZED SIGNATURE for Bank

By

Name: [print name]

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The contents of this document are subject to restrictions on disclosure as set forth herein.

ID# [Number], [Seller's Name]

[RFO Name]

Title: [print title]

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The contents of this document are subject to restrictions on disclosure as set forth herein.

ATTACHMENT A**DRAWING CERTIFICATE**

TO [ISSUING BANK NAME & ADDRESS]

IRREVOCABLE NONTRANSFERABLE STANDBY LETTER OF CREDIT

REFERENCE NUMBER: _____

DATE: _____

Southern California Edison Company (the "Beneficiary"), demands *[Issuing Bank Name]* (the "Bank") payment to the order of the Beneficiary the amount of U.S. \$_____ (_____ U.S. Dollars), drawn under the Letter of Credit referenced above (the "Letter of Credit"), for the following reason(s) [check applicable provision]:

[]A. An Event of Default, as defined in that certain *[insert agreement name]* between *[insert counterparty name]* or its successor (the "Counterparty") and Beneficiary, dated as of *[Date of Execution]* (as may be amended from time to time) (the "Agreement") with respect to the Counterparty has occurred and is continuing.

[]B. The Letter of Credit will expire in fewer than twenty (20) Business Days (as defined in the Agreement) from the date hereof, and the Counterparty or its successor has not provided Beneficiary alternative financial security acceptable to Beneficiary.

[]C. The Beneficiary is entitled to retain all or part of the Development Security (as defined in the Agreement).

Unless otherwise provided herein, capitalized terms which are used and not defined herein shall have the meaning given each such term in the Letter of Credit.

Authorized Signature for Beneficiary:

SOUTHERN CALIFORNIA EDISON COMPANY

By:

Name: [print name]

Title: [print title]

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ATTACHMENT B

SIGHT DRAFT

[INSERT DATE]

TO:

[ISSUING BANK NAME & ADDRESS]

PAY AT SIGHT TO THE ORDER OF SOUTHERN CALIFORNIA EDISON COMPANY (THE "BENEFICIARY") THE AMOUNT OF USD [INSERT AMOUNT] DRAWN UNDER [ISSUING BANK NAME] IRREVOCABLE NON-TRANSFERABLE STANDBY LETTER OF CREDIT NUMBER [INSERT NUMBER] ISSUED ON [INSERT DATE].

FUNDS PAID PURSUANT TO THE PROVISIONS OF THE LETTER OF CREDIT SHALL BE WIRE TRANSFERRED TO THE BENEFICIARY IN ACCORDANCE WITH THE FOLLOWING INSTRUCTIONS:

[INSERT WIRING INSTRUCTION]

AUTHORIZED SIGNATURE
SOUTHERN CALIFORNIA EDISON COMPANY

NAME: [PRINT NAME]

TITLE: [PRINT TITLE]

EXHIBIT H
OPERATIONAL NOTICE FORMS
OUTAGE SCHEDULE REPORT

Actual Outage Schedule Reports submitted under this Agreement should be provided in Excel.

DATE OF UPDATE	
RESOURCE NAME	

Replicate for each Storage Unit

Scheduled
Outages

Start Date	HE	End Date	HE	MW Available

ID# [Number], [Seller's Name]

[RFO Name]

AVAILABILITY NOTICE

Operating Day: _____

Station: _____ Issued By: _____

Unit: _____ Issued At: _____

Unit 100% Available No Restrictions: _____

Stored Energy Level: _____

Hour Ending	Available Capacity to Discharge	Available Capacity to Charge	Minimum Output	AGC Available	AGC Min Limit	AGC Max Limit	Storage Capacity Available to Charge	Storage Capacity Available to Discharge	Comments
	(MW)	(MW)	(MW) (non AGC)	YES/NO	(MW)	(MW)	(MWh)	(MWh)	
1:00									
2:00									
3:00									
4:00									
5:00									
6:00									
7:00									
8:00									
9:00									
10:00									
11:00									
12:00									
13:00									
14:00									

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The contents of this document are subject to restrictions on disclosure as set forth herein.

ID# [Number], [Seller's Name]

[RFO Name]

15:00									
16:00									
17:00									
18:00									
19:00									
20:00									
21:00									
22:00									
23:00									
0:00									

Comments: _____

SELF-SCHEDULE REQUEST

2017 SCE/EPM SCE Outage Desk: 626-302-3400

Tolling Agreement Self-Schedule Request

--

CAISO ID:

Requested Timing:		Date	Hour
Start		1/1/2018	HE8
End		1/1/2018	HE19

Ancillary Services Available? No

	Pmax	Pmin	
Capacity Available:	10	1	MW

Will the self-schedule conform to all RDT Parameters? **Yes**

Total Fuel Burn During Run: MMBtu

Comments/Description:

Associated OMS # (if applicable): [illegible]

[RFO Name]

[illegible]

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Appendix G.2 - Page 222

EXHIBIT I/-1/

{SCE Note: Delete number and remove all other Product-Specific Exhibit C's}

IN FRONT OF THE METER ENERGY STORAGE**TESTING PROTOCOLS****INITIAL COMMERCIAL OPERATION,
CONTRACT CAPACITY & ANCILLARY SERVICES, AND LRCD CAPACITY &
ENERGY CAPACITY VERIFICATION TESTS**

[SCE Note: Protocols may need to be adjusted based on storage process technology]

Storage Unit

This Exhibit I sets forth the protocols for (i) the Initial Commercial Operation Test that ~~each~~the Storage Unit must successfully complete in order to achieve Commercial Operation and which sets the level of ~~SU~~ Contract Capacity for such Storage Unit, (ii) the Contract Capacity & Ancillary Services Test, and (iii) the LRCD Capacity & Energy Capacity Verification Test. The Initial Commercial Operation Test, Contract Capacity & Ancillary Services Tests, and the LRCD Capacity & Energy Capacity Verification test are sometimes referred to in this Exhibit I individually as a “Test” and jointly as the “Tests.”

PART I. GENERAL.

The Initial Commercial Operation Test, the Contract Capacity & Ancillary Services Test, and the LRCD Capacity & Energy Capacity Verification Tests shall be conducted in accordance with Prudent Electrical Practices and the provisions of this Exhibit I.

PART II. REQUIREMENTS APPLICABLE TO ALL TESTS.

A. Test Elements. The Test shall include the following test elements (unless SCE otherwise agrees in writing in its sole discretion):

- Electrical output at P_{MAX} and/or Maximum Discharging Capacity
- Electrical input at P_{MIN} and/or Maximum Charging Capacity
- At 100% SEP, the amount of energy discharged at a rate of P_{MAX} and/or Maximum Discharging Capacity

- At 0% SEP, the amount of energy charged at a rate of PMIN and/or Maximum Charging Capacity

B. Parameters. During any Test, at a minimum, the following parameters shall be measured and recorded simultaneously for each Storage Unit at least every one (1) minute:

- (1) Time;
- (2) Net electrical energy output to the Delivery Point (kWh);
- (3) Net electrical energy input from the Delivery Point (kWh);
- (4) Active power at the Delivery Point (kW);
- (5) Reactive power at the Delivery Point (kVAR);
- (6) Stored Energy Level (MWh); and
- (7) *[SCE Note: Any other parameter specific to the storage process technology.]*

During any Test, at a minimum, the following parameters shall be measured and recorded simultaneously for each Storage Unit at least every thirty (30) minutes:

- (1) Relative humidity (%);
- (2) Barometric pressure (inches Hg) near the horizontal centerline of the Storage Unit; and
- (3) Temperature (°F).

C. Test Showing. Seller must demonstrate to SCE's reasonable satisfaction, that the Storage Unit:

- (1) successfully started in *[SCE Note: TBD based on storage process technology and operating restrictions set forth in Exhibit B]*;
- (2) operated for at least *[SCE Note: TBD based on storage process technology and operating restrictions set forth in Exhibit B]* at the Expected ~~SU~~ Contract Capacity or Discharging Capacity;

- (3) operated for at least *[SCE Note: TBD based on storage process technology and operating restrictions set forth in Exhibit B]* at Charging Capacity;
- (4) has a Storage Capacity of an amount that is; at least; equal to the ~~SU Contracted~~Expected Contract Energy Capacity; and
- (5) Can deliver energy to the Interconnection Point for *[four (4) consecutive hours] [____ () consecutive hours]* at a rate equal to the ~~SU~~ Contract Capacity (as established under Part III.E. of this Exhibit I). *[SCE Note: TBD based on storage process technology and operating restrictions set forth in Exhibit B]*

D. Test Conditions.

- (i) At all times during a Test, the Storage Unit(~~s~~)₂, including all auxiliary equipment, shall be operated in compliance with the Test Plan, Prudent Electrical Practices and all operating protocols recommended, required or established by the manufacturer for operation at PMAX and PMIN.
- (ii) SCE in its sole discretion may elect to shorten the run periods or waive a particular portion of a Test at any time. Such election or waiver during one Test does not shorten any run period or waive any portion of any subsequent Test.
- (iii) Abnormal Conditions. If abnormal operating conditions occur during a Test, SCE may postpone or reschedule all or part of such Test in its reasonable discretion in accordance with Part II.F. or Part II.G., below.
- (iv) Applicable Laws and Permits. The Storage Unit(~~s~~) shall be operated in compliance with all Applicable Laws and Permits, including those governing safety, noise, air and water emissions during any Test.
- (v) Instrumentation and Metering. Seller shall provide all instrumentation, metering and data collection equipment required to perform the Test. Seller shall calibrate or cause to be calibrated all such instrumentation, metering and data collection equipment no more than three (3) months prior to the date of the Test. Calibration shall be traceable to National Institute of Standards and Technology (NIST) standards from an International Organization for Standardization (ISO) 17025 accredited laboratory. All electrical metering for the Tests shall utilize the Storage ~~Unit(s)~~Unit's CAISO metering equipment or other metering deemed acceptable by SCE in its sole discretion. These electrical meters shall be

calibrated to CAISO standards. Copies of all calibration certificates shall be provided to SCE at least five (5) Business Days prior to the Test.

Permanently installed instruments shall include but not be limited to revenue metering devices located in the switchyard where the Project is located. Whenever possible, all data will be accessed through the Storage Unit's control system.

- E. Test Records. Seller shall provide all records associated with Part II.A. through C. no later than four (4) Business Days following completion of a Test. The records shall include copies of the raw data taken during the Test (in Microsoft Excel format or equivalent).
- F. Incomplete Test. If any Test is not completed in accordance herewith, SCE may in its sole discretion: (i) accept the Test results up to the time the Test stopped (other than in the case such Test is an Initial Commercial Operation Test); (ii) require that the portion of the Test not completed, be completed within a reasonable specified time period; or (iii) require that the Test be entirely repeated. Notwithstanding the above, if Seller is unable to complete a Test due to a Seller's Force Majeure or the actions or inactions of SCE or the CAISO, Seller shall be permitted to reconduct such Test as a Seller Initiated Test under Section 5.03(c)(iii) on dates and at times reasonably acceptable to SCE.
- G. Retest. After the successful completion of a Test, Seller has the right, for any reason, to conduct a maximum of two (2) "Retests" at Seller's sole expense including cost of charging the Storage Unit(s). For the avoidance of doubt, the limitation on retesting set forth in the preceding sentence applies only to an Initial Commercial Operation Test, Contract Capacity & Ancillary Services Test, or LRCD Capacity & Energy Capacity Verification Test.

If the test records and data provided by Seller to SCE in accordance with Part II.E. are not in accord with the records and notes of the SCE representative who attended such Test on SCE's behalf, SCE may require the Test to be repeated or conducted by SCE or a testing firm of SCE's choice and attended by Seller's representatives at Seller's expense.

The records from any Retest shall be used to determine Storage Unit performance as of the date of the original Test being repeated.

- H. Final Report. Within fifteen (15) Business Days after the completion of a Test (including a Retest), Seller shall prepare and submit to SCE a written report of the Test. At a minimum, the report shall include:
- (1) a record of the personnel present during all or any part of the Test, whether serving in an operating, testing, monitoring or other such participatory role;
 - (2) Time and date of all tests;
 - (3) Ambient conditions (temperature, pressure, and humidity) during each test;
 - (42) a record of any unusual or abnormal conditions or events that occurred during the Test and any actions taken in response thereto;
 - (53) the measured Test data for each aspect of the Test;
 - (64) the level of ~~SU~~ Contract Capacity, Charging Capacity, Discharging Capacity, Storage Capacity, Round Trip Efficiency Factor, Idle Loss, and Ramp Rate determined by the Test, including supporting calculations; and
 - (75) Seller's statement of either Seller's acceptance of the Test or Seller's rejection of the Test results and reason(s) therefore.

Within ten (10) Business Days after receipt of such report, SCE shall notify Seller in writing of either SCE's acceptance of the Test results or SCE's rejection of the Test and reason(s) therefore.

If SCE rejects the results of any Test or Retest, or Seller rejects the results of the first Initial Commercial Operation Test, such Test shall be repeated in accordance with Part II.G.

- I. Operating Personnel. During any Test, the same operating personnel shall operate the Storage Unit~~(s)~~ that Seller contemplates will operate the Storage Unit~~(s)~~ during the Delivery Period.
- J. SCE Representative. SCE shall be entitled to have at least two (2) representatives from SCE and one (1) independent third party witness present to witness each Test and shall be allowed unrestricted access to the area from where the plant is being controlled (e.g., plant control room), and unrestricted access to inspect the

instrumentation necessary for Test data acquisition prior to commencement of any Test. SCE shall be responsible for all costs, expenses and fees payable or reimbursable to the representative and the third party, if any.

PART III. INITIAL COMMERCIAL OPERATION TEST.

A. Test Plan. ~~Test~~Tests 1, 2, 3, 4 depicted in Part VI of this Exhibit I shall be conducted as follows:-

i. Non-Tolling In Front of the Meter Energy Storage Projects without an Energy Put Option and for which the Product includes Local Resource Constrained Day dispatch rights: Tests 1 and 2.

i.ii. Non-Tolling In Front of the Meter Energy Storage Projects with an Energy Put Option and Tolling In Front of the Meter Energy Storage Projects: Tests 1, 2, 3, and 4. If the Contract Capacity determined from Test 1 is equal to the Expected Contract Capacity and Discharge Capacity specified in Exhibit B, SCE may (but is not obligated to) waive the requirement of conducting Test 2. If Test 2 is waived, the measurements from Test 1 shall be used to calculate the parameters listed in Step 5 of Test 2.

B. Test Duration. The Initial Commercial Operation Test shall take place on five (5) consecutive days unless SCE determines in its sole discretion that more or less time is needed.

C. Test Dates. Seller shall provide SCE with seven (7) Business Days' Notice of Seller's proposed dates for the Initial Commercial Operation Test. SCE shall confirm the dates in writing prior to the first date of the Test.

Seller may, but is not required to, schedule the Initial Commercial Operation Test to occur during any test performed by or for the EPC Contractor.

D. Costs. The Initial Commercial Operation Test is a Seller Initiated Test.

E. Determination of Contract Capacity. The ~~SU~~ Contract Capacity shall be calculated as defined in Test 1 of this Exhibit.

PART IV. CONTRACT CAPACITY & ANCILLARY SERVICES TEST

A. Test Plan. ~~Test~~Tests 2 and 4 depicted in Part VI of this Exhibit I shall be conducted~~:-~~.

- B. Instrumentation and Metering. The Parties shall use the same instrumentation and metering as was used in the Initial Commercial Operation Test, unless the Parties otherwise agree in writing.
- C. Test Duration. Each Contract Capacity & Ancillary Services Test shall take place on three (3) consecutive days unless SCE determines in its sole discretion that more or less time is needed.
- D. Test Dates. Seller is responsible for scheduling each Contract Capacity & Ancillary Services Test on days that are acceptable to SCE and that fall between June 1 and September 30 of the Calendar Year in which the Test is required. The date of any such Test shall be confirmed in writing by SCE to Seller prior to the date of the Test. The Parties should attempt but are not required to schedule such Test on days that SCE will or is likely to dispatch the Storage Unit.
- E. Costs. Responsibility for costs and allocation of income for a Contract Capacity & Ancillary Services Test is as set forth in Section 5.03(c) of Attachment 1.
- F. No Adjustment to Contract Capacity. Notwithstanding any other provision in the Agreement, Contract Capacity shall not be adjusted to conform to the results of any Contract Capacity & Ancillary Services Test.

PART V. LRCD CAPACITY & ENERGY CAPACITY VERIFICATION TEST

- A. Test Plan. Test 2 depicted in Part VI of this Exhibit I shall be conducted.
- B. Instrumentation and Metering. The Parties shall use the same instrumentation and metering as was used in the Initial Commercial Operation Test, unless the Parties otherwise agree in writing.
- C. Test Duration. Each LRCD Capacity & Energy Capacity Verification Test shall take place on ~~five~~three (3) consecutive days unless SCE determines in its sole discretion that more or less time is needed.
- D. Test Dates. Seller is responsible for scheduling LRCD ~~capacity & energy capacity verification tests~~Capacity & Energy Capacity Verification Tests on days that are acceptable to SCE and that fall between April 1st and June 30 of the Calendar Year in which the Test is required. The date of any such Test shall be confirmed in writing by SCE to Seller prior to the date of the Test.

- E. Costs. Responsibility for costs and allocation of income for a LRCD Capacity & Energy Capacity Verification Tests is as set forth in Section 5.03(c) of Attachment 1.
- F. No Adjustment to Contract Capacity. Notwithstanding any other provision in the Agreement, Contract Capacity shall not be adjusted to conform to the results of any LRCD Capacity & Energy Capacity Verification Tests.

PART VI. TEST PLANS.

Any Test shall be performed according to the provisions of this Exhibit I, and the test plan (“Test Plan”) below.

A. Test 1 –~~SU~~ Contract Capacity Determination.

STEP 1: Test begins when the Storage Unit has reached 0% SEP

STEP 2: Within 15 minutes following the completion of Step 1, begin charging the Storage Unit at its maximum capacity but not exceeding its Charging Capacity

- Measure: time, active and reactive power, charge energy and Stored Energy Level
- Step 2 ends when the Storage Unit output can no longer maintain the requested capacity or when 100% SEP is reached

STEP 3: Within 15 minutes following the completion of Step 2, begin discharging the Storage Unit at its maximum capacity but not exceeding its Discharging Capacity

- Measure: time, active and reactive power, discharge energy and Stored Energy Level
- Step 3 ends when the Storage Unit output can no longer maintain the requested capacity or when 0% SEP is reached

STEP 4: Repeat step 2 and 3 one more time

STEP 5: Calculate the ~~Storage Unit SU~~ Contract Capacity as follow:

- Average the discharge energy obtained in step 3 for the two discharge tests performed (refer as the averaged discharge energy in this section)

- Divide the averaged discharged energy by four (4) hours [SCE Note: Revise for storage product with duration different than four hours]
- The smaller of the calculated value above or the Expected Contract Capacity is the ~~SU~~ Contract Capacity

STEP 6:

- Report the ~~SU~~ Contract Capacity

B. Test 2 - Charging Capacity, Discharging Capacity, Storage Capacity, and Round Trip Efficiency Factor verification.

STEP 1: Test begins when the Storage Unit has reached 0% SEP.

STEP 2: Within 15 minutes following the completion of Step 1, begin charging the Storage Unit at its Charging Capacity

- Measure: time, active and reactive power, charge energy and Stored Energy Level
- Step 2 ends when the Storage Unit output can no longer maintain its Charging Capacity or when 100% SEP is reached

STEP 3: Within 15 minutes following the completion of Step 2, begin discharging the Storage Unit ~~to~~ at ~~SU~~ Contract Capacity

- Step 3 ends when the Storage Unit output can no longer maintain its ~~SU~~ Contract Capacity or when 0% SEP is reached
- Measure: time, active and reactive power, discharge energy and Stored Energy Level

STEP 4: Repeat step 2 and 3 one more time

STEP 5: Calculate the Charging Capacity, Discharging Capacity, Storage Capacity, and Round Trip Efficiency Factor verification as follow:

- Average the charge energy obtained in step 2 for the two charge tests performed (refer as averaged charge energy in this section)
- Average the charge duration obtained in step 2 for the two charge tests performed (refer as averaged charge duration in this section)

- Average the discharge energy obtained in step 3 for the two discharge tests performed (refer as averaged discharge energy in this section)
- Average the discharge duration obtained in step 3 for the two discharge tests performed (refer as averaged discharge duration in this section)
- The Round Trip Efficiency Factor is the averaged discharged energy divided by the averaged charge energy
- The Storage Capacity is the averaged discharged energy
- The Charging Capacity is the averaged ~~discharge~~charge energy divided by the average charge duration
- The Discharging Capacity is the averaged discharge energy divided by the average discharge duration

STEP 6: Report the Charging Capacity, Discharging Capacity, Storage Capacity, and Round Trip Efficiency Factor

C. Test 3 - Idle Loss Documentation.

STEP 1: Test begins when the Storage Unit has reached 0% SEP.

STEP 2: Within 15 minutes following the completion of Step 1, begin charging the Storage Unit at its Charging Capacity

- Measure: time, active and reactive power, charge energy and Stored Energy Level
- Step 2 ends when the Storage Unit output can no longer maintain its Charging Capacity or when 100% SEP is reached

STEP 3: Do not charge or discharge the Storage Unit for 24h

- Measure: time and Stored Energy Level
- Step 3 ends after 24 hours

STEP 4: Begin discharging the Storage Unit at its ~~SU~~Contract Capacity

- Step 4 ends when the Storage Unit output can no longer maintain the requested capacity or when 0% SEP is reached
- Measure: time, active and reactive power, discharge energy and Stored Energy Level

STEP 5: Calculate the Idle Loss as follow:

- The 24 hour idle loss, expressed in percentage, is the discharge energy captured in Step 4 divided by the Storage Capacity times s one hundred (100)

STEP 6: Report the Idle Loss

D. Test 4 - Ramp Rates Verification.

STEP 1: Test begins when the Storage Unit is within 40% to 60% SEP.

STEP 2: Command the Storage Unit to charge at its Charging Capacity

- Measure: time and active and reactive power
- Step 2 ends when the Storage Unit output has reached its Charging Capacity

STEP 3: Hold the Storage Unit at its Charging Capacity for five (5) min

- Measure: time and active and reactive power
- Step 3 ends after five (5) minutes

STEP 4: Command the Storage Unit to discharge at its ~~SU~~ Contract Capacity

- Measure: time and active and reactive power
- Step 4 ends when the Storage Unit output has reached its ~~SU~~ Contract Capacity

STEP 5: Hold the Storage Unit at its ~~SU~~ Contract Capacity for five (5) min

- Measure: time and active and reactive power
- Step 5 ends after five (5) minutes

STEP 6: Command the Storage Unit to charge at its Charging Capacity

- Measure: time and active and reactive power
- Step 6 ends when the Storage Unit output has reached its Charging Capacity

STEP 7: Hold the Storage Unit at its Charging Capacity for five (5) min

- Measure: time and active and reactive power
- Step 7 ends after five (5) minutes

STEP 8: Command the Storage Unit to go to zero (0) power output

- Measure: time and active and reactive power
- Step 8 ends when the Storage Unit output has reached zero (0) power output

STEP 9: Hold the Storage Unit at zero (0) power output for five (5) min

- Measure: time and active and reactive power
- Step 9 ends after five (5) minutes

STEP 10: Command the Storage Unit to discharge at its ~~SU~~ Contract Capacity

- Measure: time and active and reactive power
- Step 10 ends when the Storage Unit output has reached its ~~SU~~ Contract Capacity

STEP 11: Hold the Storage Unit at its ~~SU~~ Contract Capacity for five (5) min

- Measure: time and active and reactive power
- Step 11 ends after five (5) minutes

STEP 12: Calculate the charging Ramp Rate, discharging Ramp Rate, positive Ramp Rate, and negative Ramp Rate as follow:

- The charging Ramp Rate is the Charging Capacity divided by the duration of Step 2
- The discharging Ramp Rate is the ~~SU~~ Contract Capacity divided by the duration of Step 10

- The negative Ramp Rate is the sum of the Charging Capacity and the ~~SU~~ Contract Capacity divided by the duration of Step 4
- The positive Ramp Rate is the sum of the Charging Capacity and the ~~SU~~ Contract Capacity divided by the duration of Step 6

STEP 13: Report the charging Ramp Rate, discharging Ramp Rate, the positive and negative Ramp Rate

*** End of EXHIBIT I ***

ID# [Number], [Seller's Name]

[RFO Name]

EXHIBIT J

VARIABLE CHARGES

Variable O&M Charge, Variable Asset Replacement Charge Information				
	VARC Tiers	Lower Boundary (% of BET, exclusive)	Upper Boundary (% of BET, exclusive)	
	VARC Tier 1	100%	[X]	
	VARC Tier 2	[X]	*0%	
	Year	Variable O&M Charge (\$/MWh)	VARC Tier 1 Charge (\$/MWh)	VARC Tier 2 Charge (\$/MWh)
Base year (CPI Factor is equal to 1):	[X]	[X]	[X]	[X]
Escalation by CPI Factor starting base year plus one:		[Yes or No]	[Yes or No]	[Yes or No]
Expected Initial Delivery Date and Contract Year Start Date	Calendar Year End Date	Variable O&M Charge (\$/MWh)	VARC Tier 1 Charge (\$/MWh)	VARC Tier 2 Charge (\$/MWh)
[01/01/2000]	[12/31/2000]	[X]	[X]	[X]
[01/01/2001]	[12/31/2001]	[X]	[X]	[X]
[01/01/2002]	[12/31/2002]	[X]	[X]	[X]
[01/01/2003]	[12/31/2003]	[X]	[X]	[X]
[01/01/2004]	[12/31/2004]	[X]	[X]	[X]
[01/01/2005]	[12/31/2005]	[X]	[X]	[X]
[01/01/2006]	[12/31/2006]	[X]	[X]	[X]
[01/01/2007]	[12/31/2007]	[X]	[X]	[X]
[01/01/2008]	[12/31/2008]	[X]	[X]	[X]
[01/01/2009]	[12/31/2009]	[X]	[X]	[X]
[01/01/2010]	[12/31/2010]	[X]	[X]	[X]
[01/01/2011]	[12/31/2011]	[X]	[X]	[X]

*** End of EXHIBIT J ***

EXHIBIT K[-3/]***{SCE Note: Delete number and remove all other Product-Specific Exhibit P's}*****IN FRONT OF THE METER DISTRIBUTED GENERATION*****Seller's Estimate of Lost Output***

Lost Output, as used in Section 6.06, that is limited to Lost Output Events described in subsections (a), (b) or (d) of the definition of Lost Output Event, shall be estimated by Seller in accordance with the procedures described in this Exhibit K. Lost Output as a consequence of Lost Output Events described in Subsection (c) of the definition of Lost Output Event shall be determined by SCE in accordance with the definition of Curtailment Lost Output and shall not be included in the Lost Output Workbook defined in this Exhibit K.

Seller shall (1) collect the measurement data and perform the engineering calculations specified below in one (1) or more Microsoft Excel Workbooks (the "Lost Output Workbook") provided in a form and naming convention approved by SCE and (2) electronically send the Lost Output Workbook to an address provided by SCE.

SCE shall have the right to verify all data by inspecting measurement instruments and reviewing Generating Facility Operating records.

Seller shall update the Lost Output Workbook each month and shall include the latest revision of the Lost Output Workbook with its monthly Lost Output Report.

1. Log of Lost Output Events.

The log of Lost Output Events must be created on a single, dedicated worksheet that is arranged with:

- (a) One (1) column for a unique Lost Output Event number;
- (b) One (1) column for the Term Year number;
- (c) One (1) column for the start date;
- (d) One (1) column for the start time;
- (e) One (1) column for the end date;
- (f) One (1) column for the end time;
- (g) One (1) column for the duration;

- (h) One (1) column for the cause;
- (i) One (1) column for the total of Metered Amounts during all of the Settlement Intervals of the Lost Output Event, recorded as set forth in Item 4(i) in this Exhibit K;
- (j) One (1) column for the total of the Lost Output *preliminary* results during all of the Settlement Intervals of the Lost Output Event, calculated as set forth in Item 4(m) in this Exhibit K;
- (k) One (1) column for the total of the Lost Output *final* results during all of the Settlement Intervals of the Lost Output Event, calculated as set forth in Item 4(n) in this Exhibit K; and
- (l) One (1) row for each Lost Output Event.

2. Generating Facility Energy Yield Curve.

Seller shall create a table to estimate the Generating Facility's Metered Amounts, in kWhs, as a function of the recorded plane of array insolation, in kWh per square meter, at the Site as described in Exhibit K (the "Generating Facility Energy Yield Curve") on a single dedicated worksheet that is arranged with:

- (a) One (1) column for an item number;
- (b) One (1) column for the plane of array insolation;
- (c) One (1) column for the manufacturer's estimate of the electric energy that can be produced by a single Inverter Block Unit at each increment of plane of array insolation;
- (d) Multiple columns for an energy yield curve which estimates the electric energy that could be produced by the entire Generating Facility at each plane of array insolation increment and number of in service Inverter Block Units calculated by:
 - (i) Multiplying the Inverter Block Unit manufacturer's estimate of the electric energy that will be produced by a single unit, set forth in Item 2(c);
 - (ii) Times the total number of in service Inverter Block Units; and then
 - (iii) Adjusting the results for the estimated impacts of one (1) Inverter Block Unit on another and for electric losses within the Generating Facility;

- (e) Multiple columns for each Term Year energy yield curve which includes a simple average of all Metered Amount data points, set forth in Item 3(f), at each plane of array insolation increment and number of in service Inverter Block Units; and
- (f) One (1) row for each watt-hour per square meter of plane of array insolation.

Seller shall also create a single chart which plots all of energy yield curves set forth in Item 2(d) and Item 2(e) of this Exhibit K on the Generating Facility Energy Yield Curve worksheet.

3. Plane of Array Insolation Data Collection.

Seller shall record Settlement Interval plane of array insolation, in watt-hours per square meter, and Metered Amounts in the Settlement Interval in the Lost Output Workbook on individual Term Year worksheets.

Each Term Year worksheet must be arranged with:

- (a) One (1) column for an item number;
- (b) One (1) column for the date;
- (c) One (1) column for the beginning time;
- (d) One (1) column for the weekday;
- (e) One (1) column for each recorded plane of array insolation measurement;
- (f) One (1) column for each Metered Amounts quantity;
- (g) One (1) column for a forecast of Metered Amounts determined by:
 - (i) Multiplying the recorded plane of array insolation measurement set forth in Item 3(e) of this Exhibit K;
 - (ii) Times the appropriate value in the Generating Facility Energy Yield Curve, set forth in Item 2(e) of this Exhibit K, for the first Term Year;
- (h) One (1) column for the number of Inverter Block Units in service; and
- (i) One (1) row for each Settlement Interval period.

4. Detailed Estimate of Lost Output.

Seller's detailed estimate of the Lost Output amounts during the Delivery Period shall be presented on a single worksheet organized as follows:

- (a) One column for an item number;
- (b) One (1) column for the Lost Output Event number;
- (c) One (1) column for the state date;
- (d) One (1) column for the start time;
- (e) One (1) column for the end date;
- (f) One (1) column for the end time;
- (g) One (1) column for the weekday;
- (h) One (1) column for the plane of array insolation;
- (i) One (1) column for Metered Amounts;
- (j) One (1) column for the number of Inverter Block Units in service.
- (k) One (1) column for a preliminary estimate of the Metered Amounts that would have been produced by the Generating Facility, but for the Lost Output Event:
 - (i) Multiplying the plane of array insolation:
 - (ii) Times the appropriate initial energy yield curve as follows:
 - (1) For the first eleven (11) months of the first Term Year the appropriate initial energy yield curve must be the energy yield curve set forth in Item 2(d) of this Exhibit K;
 - (2) For the first eleven (11) months of any Term Year, other than the first Term Year, the appropriate initial energy yield curve must be the energy yield curve set forth in Item 2(e) of this Exhibit K for the previous Term Year;
- (l) One (1) column for a final estimate of the Metered Amounts that would have been produced by the Generating Facility, but for the Lost Output Event calculated by:
 - (i) Multiplying the plane of array insolation;

- (ii) Times the final energy yield curve from Item 2(e) of this Exhibit K for the Term Year being calculated;
 - (m) One (1) column for the preliminary estimate of Lost Output calculated by:
 - (i) Subtracting the actual Metered Amount quantities set forth in Item 4(i) of this Exhibit K;
 - (ii) From the preliminary estimate of the Metered Amounts that would have been produced by the Generating Facility, but for the Lost Output Event, calculated in Item 4(k); and
 - (n) One (1) column for the final estimate of Lost Output calculated by
 - (i) Subtracting the actual Metered Amount quantities set forth in Item 4(i) of this Exhibit K;
 - (ii) From the estimate of Metered Amounts that would have been produced by the Generating Facility, but for the Lost Output Event, calculated in Item 4(l) of this Exhibit K; and
 - (o) One (1) row for each Settlement Interval.
5. Generating Facility Performance Factor Calculation.

Seller shall calculate a Generating Facility performance factor value for each calendar month and each Term Year on a dedicated worksheet organized with three tables.

- (a) The first table must contain the monthly Metered Amount totals and must consist of:
 - (i) One (1) column for the month number;
 - (ii) One (1) column for the month name;
 - (iii) One (1) column for the year number;
 - (iv) One (1) column for the monthly Metered Amount totals for each Term Year from the plane of array insolation data collection worksheet column set forth in Item 3(f) of this Exhibit K; and
 - (v) One (1) row for each month;

- (b) The second table must contain the monthly totals of forecasted Metered Amount and must consist of:
 - (i) One (1) column for the month number;
 - (ii) One (1) column for the month name;
 - (iii) One (1) column for the year number;
 - (iv) One (1) column for the monthly totals of forecasted Metered Amount for each Term Year from the plane of array insolation data collection worksheet column set forth in Item 3(g) of this Exhibit K; and
 - (v) One (1) row for each month; and
 - (c) The third table must contain monthly performance factors and must consist of:
 - (i) One (1) column for the month number;
 - (ii) One (1) column for the month name;
 - (iii) One (1) column for the year number;
 - (iv) One (1) column for a monthly Generating Facility performance factor result and a Term Year Generating Facility performance factor results calculated by:
 - (1) Dividing the appropriate value in the first table;
 - (2) By the appropriate value in the second table;
 - (v) One (1) row for each month; and
 - (vi) One (1) row for the Term Year Generating Facility performance factor results.
6. Periodic Review of Lost Output Calculation.
- From time to time, SCE may review the variation in the Lost Output preliminary and final results to determine if other variables, including temperature, precipitation, solar altitude or azimuth angles or other parameters measured pursuant to Exhibit L, should be incorporated into the Lost Output calculations.
7. Assignment of Lost Output Estimate to an Independent Consultant.

The Parties can by mutual agreement elect to have the estimate of Lost Output prepared by an independent consultant.

*** End of EXHIBIT K ***

EXHIBIT L[-2]***{SCE Note: Delete number and remove all other Product-Specific Exhibit O's}*****IN FRONT OF THE METER DISTRIBUTED GENERATION***Meteorological Station Specifications*

Pursuant to Section 5.02(f), Seller shall install and maintain a minimum of one (1) stand-alone meteorological equipment station for each one (1) square mile (or portion thereof) of the Site. Each station shall be equipped with instruments and equipment that meet or exceed those specifications set forth in the CAISO's PIRP/EIRP protocol and are compatible with the requirements of SCE. SCE and Seller acknowledge that SCE may update this Exhibit L from time to time in order to accommodate industry standards, the CAISO PIRP/EIRP protocol and the needs of SCE.

SCE and Seller shall develop the technical specifications for meteorological stations, which will meet these basic requirements.

Seller shall maintain the meteorological station in accordance with Prudent Electrical Practices and equipment specifications. Seller shall perform annual calibrations of all instruments. In addition, any solar irradiance sensor must be cleaned weekly or after storm events, following manufacturers recommended cleaning procedures.

PART I. EQUIPMENT STATIONS.

(a) Each equipment station shall be comprised of the following:

- (i) One (1) heated wind sensor and direction sensor;
- (ii) One (1) shielded and aspirated air temperature sensor;
- (iii) One (1) relative humidity sensor;
- (iv) One (1) barometric pressure sensor (with DCP sensor);

- (i) One (1) secondary standard thermopile pyranometer for each collector plane orientation in the Site with the sensor(s) oriented at the same inclination and aspect as the collector plane(s);
{SCE Note: For fixed tilt Solar projects}

A minimum of one thermopile pyranometer for each inverter block mounted in a representative location on an associated tracker. Such thermopile pyranometers shall include either:

- (1) One (1) secondary standard thermopile pyranometer mounted on a tracker associated with each inverter block, or
- (2) For each equipment station, at least one (1) secondary standard thermopile pyranometer mounted on a tracker associated with an inverter block near the equipment station, and for the thermopile pyranometers associated with the remaining balance of inverter blocks, first class and second class thermopile pyranometers may be installed only if they are calibrated and adjusted in accordance with Section 5.02(f) of the Agreement;
{SCE Note: For tracking Solar projects}

- (vi) One (1) total global radiation sensor horizontal to the ground plane (only 1 such sensor shall be required under this Agreement); and
- (vii) One (1) diffuse radiation sensor (only 1 such sensor shall be required under this Agreement).

(b) In addition, Seller shall report:

- (i) Solar altitude angle;
- (ii) Solar azimuth angle;
- (iii) Precipitation;
- (iv) Individual tracking assembly angle set points; and
- (v) The actual tracking assembly angles.

(c) All sensors shall be set at a height location representing the height from ground level of the solar collection point, for example, two (2) meters above ground level.

PART II. ATTRIBUTES OF METEOROLOGICAL STATION LOCATIONS.

The station location(s) should be unencumbered by any shadow or equipment. The station tower is to be placed in front of the solar collectors on the southern side of the Site.

PART III. COMMUNICATION.

Seller shall communicate meteorological data to SCE via a system consistent with SCE's employed methods at the time of installation. The equipment installed will need to be approved by SCE.

PART IV. EQUIPMENT REQUIREMENTS.

SCE currently requires equipment with quality levels, compatibility and functional specifications that meet or exceed those of the equipment set forth below in this Item 5. Any equipment different from that listed below must have the approval of SCE before installation at the Site.

(a) MET System.

- (i) GroundWork Zenith or equivalent including following modules and functions:
 - Data acquisition system including Campbell Scientific CR1000X datalogger or equivalent with 72 MB Flash memory and 2GB memory card for data logging and storage.
 - Uninterruptible power supply including solar photovoltaic module and UL 508A listed power enclosure with Campbell Scientific CH200 charging regulator or equivalent and battery.
 - Array-mounted enclosure with terminal blocks for landing tracker-mounted thermopile pyranometer wiring.
- (ii) GroundWork Orbit or equivalent, including the following modules and functions:
 - Array-mounted enclosure with terminal blocks for landing thermopile pyranometer cables at each inverter block without an associated MET system.

(b) Sensors.

- (i) Tower-mounted Lufft WS500 all-in-one weather sensor or equivalent with the following specifications:
 - Wind speed (m/s) and direction (°): accuracy +/- 0.3 m/s with 0.1 m/s resolution, <3° RMSE >1.0 m/s with 0.1° resolution.

- Ambient air temperature (°C): accuracy +/- 0.2°C with 0.1°C resolution.
 - Barometric Pressure (hPa): accuracy +/- 0.5 mbar with 1 mbar resolution.
 - Relative Humidity (%): accuracy +/- 2% with 0.1% resolution.
- (ii) Tower-mounted TE525 tipping bucket rain gauge or equivalent with accuracy +/- 1% (up to 2.54 mm/hr) and 0.254 mm resolution.
- (iii) Tower-mounted Delta-T SPN1 Sunshine Pyranometer or equivalent for site diffuse horizontal irradiance with accuracy +/-5% (daily integral) with 0.6 W/m² resolution.
- (iv) Tower-mounted Hukseflux SR30 or equivalent secondary standard thermopile pyranometer with heating and ventilation for site global horizontal irradiance.
- (v) Array-mounted Hukseflux SR30 or equivalent secondary standard thermopile pyranometer with heating and ventilation for site plane of array irradiance.
- (c) Powering.
- Power enclosure with 115 VAC integration and backup uninterruptible power supply with a minimum of five (5) days of autonomy in the event of AC power loss.
- (d) Communication.
- (i) Data served via Modbus or DNP3 over Ethernet, Fiber optic, or RS485
- (ii) Output variables mapped according to a standardized, well-documented data map.

*** End of EXHIBIT L ***

EXHIBIT M[-3/]*{SCE Note: Delete number and remove all other Product-Specific Exhibit M's}***BEHIND THE METER DISTRIBUTED GENERATION****DATA VALIDATION RULES**

Check	Purpose
Time Check of Meter Reading Device/system	Check for time drift of meter reading device/system outside standard
Meter ID Check	Check for the following: <ul style="list-style-type: none">• Meter ID reported correctly• Meter has not been changed out• Data is being reported for correct meter
Time Check of Meter	Check for time drift of meter clock outside standard
Pulse Overflow Check	Check for the following: <ul style="list-style-type: none">• Improper scaling factor in meter• Improperly sized transformer• Hardware problem
Test Mode Check	Check that data collected when meter was in test mode represents test production rather than actual production

Sum Check	<p>Check for the following in combination meter/recorder installations:</p> <ul style="list-style-type: none"> • Crossed channels between meter & recorder • Pulse relay problems <p>Check for the following in all installations:</p> <ul style="list-style-type: none"> • Invalid PT & CT ratios • Invalid meter constants
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*** End of EXHIBIT M ***

PUBLIC APPENDIX G.3

Attachment 1 to 2020 *Pro Forma* Renewable Power Purchase Agreement

ATTACHMENT 1

IN FRONT OF THE METER ENERGY DISTRIBUTED GENERATION PROVISIONS

ARTICLE 1. PURCHASE AND SALE OF PRODUCT

1.02 Project.

- (a) Project. The “Project” consists of Seller’s electric generating facility as more particularly described in Exhibit B (the “Generating Facility”), Prevention Equipment, and Protective Apparatus, together with all materials, equipment systems, structures, features and improvements necessary to produce electric energy at the facility, excluding the Site, land rights and interests in land.
- (b) Name. *[Generating Facility Name]*.
- (c) Delivery Point. At the point of interconnection with the CAISO Controlled Grid, *[insert name or location]* as set forth in the single-line diagram of the CAISO Controlled Grid interconnection set forth in Exhibit B.
{SCE Note: Placeholder for identifying location on CAISO Controlled Grid.}
- (d) Interconnection Point. *[insert name or location]*.
- (e) Interconnection Queue Position. *[Number(s) to be inserted]*
- (f) Location of Site. *[Generating Facility Address]*, as further described in Exhibit B.
- (g) Description. As set forth in Exhibit B.
- (h) ERR Type. *[Generation Technology]*.
- (i) Site Location and Control.
 - (i) This Agreement is specific to the Site set forth in Section 1.02(c) of this Attachment 1. Seller may change the location of the Site only upon SCE’s prior written consent, which consent is in SCE’s sole discretion.
 - (ii) Seller shall have Site Control from the Effective Date continuing throughout the Term.
 - (iii) Seller shall provide SCE with prompt Notice of any change in the status of Seller’s Site Control.

1.03 Contracted Amount.

Attachment 1-1 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

The “Contracted Amount” consists of, collectively, the Contract Capacity and the Expected Annual Net Energy Production, as set forth below.

- (a) Contract Capacity: [Number] MW. *{SCE Note: This should equal the maximum expected output at the Delivery Point, not to exceed the interconnection capacity. Minimum of 250 kW}.* [The Contract Capacity may be reduced as set forth in Section 2.04(q) of this Attachment 1.] *{SCE Note: Remove bracketed sentence from Distribution Deferral and other reliability RFOs}*

[AC Nameplate Capacity: [Number] MW. *{SCE Note: This should be the sum of all Inverter Block Unit Capacities within the Generating Facility}*

Installed DC Rating: [Number] kW_{PDC}. *{SCE Note: This should be the amount of Direct Current electric energy generating capacity that Seller commits to install at the Site.}* [The Installed DC Rating may be reduced as set forth in Section 2.04(q) of this Attachment 1.] *{SCE Note: Remove bracketed sentence from Distribution Deferral and other reliability RFOs}* *{SCE Note: For Solar Photovoltaic.}*

- (b) Expected Annual Net Energy Production.

The Expected Annual Net Energy Production for each Term Year will be the value calculated in accordance with the following formula:

Expected Annual Net Energy Production, in kWh = $A \times B \times C [- D]$ *{SCE Note: for Excess-Sales only}*

Where:

[A = As of the Effective Date and until SCE’s verification of Seller’s installation of the Generating Facility pursuant to Section 5.03 of this Attachment 1, the Installed DC Rating set forth in Section 1.03(a) of this Attachment 1. After the verification pursuant to Section 5.03 of this Attachment 1, the Demonstrated Installed DC Rating.] *{SCE Note: Solar Photovoltaic}*

[A = Contract Capacity.] *{SCE Note: All technologies except Solar Photovoltaic}*

[B = Annual Energy Yield Factor: [Number] kWh AC per kW_{PDC} per year. *{SCE Note: this should be the annual AC energy in kWh that is expected to be delivered to SCE per*

Attachment 1-2 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

installed peak DC power in kW_{PDC} of Photovoltaic Modules}]
{SCE Note: Solar Photovoltaic}

[B = [Number] % capacity factor x 8,760 hours per year.] {SCE Note: All technologies except Solar Photovoltaic}

[C = Annual degradation factor in each Term Year as follows:] {SCE Note: Solar Photovoltaic}

[C = Annual production factor in each Term Year as follows:] {SCE Note: Only applicable to Baseload projects with predictable production variation over time due to technology type}

<u>Term Year</u>	<u>Annual [Degradation/ Production] Factor</u>
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	

Attachment 1-3 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

18	
19	
20	

[D = [___kWh] {SCE Note: Expected Annual Site Host Load kWh per Term Year for Excess-Sales only}

(c) Expected Monthly Net Energy Production.

For each month in the Delivery Period, “Expected Monthly Net Energy Production” equals the applicable Expected Annual Net Energy Production divided by twelve (12).

(d) Expected Monthly Net Deferral Production.

Subject to any adjustment as otherwise provided herein, the “Expected Monthly Net Deferral Production” for each month in the Delivery Period is the applicable “Monthly Deferral Production” amount identified in the table below times the applicable Annual Degradation Factor. For purposes of determining whether Qualified Amounts satisfy meeting Expected Monthly Net Deferral Production, and subject to any other limitations in this Agreement, such Qualified Amounts must be generated during the applicable hours identified in the table below.

<u>Month</u>	<u>Applicable Hours</u>	<u>Monthly Deferral Production (in kWh)</u>
<i>January</i>	<i>(e.g., Weekdays 1:00 pm PPT to 6:00 pm PPT)</i>	
<i>February</i>		
<i>March</i>		
<i>April</i>		
<i>May</i>		
<i>June</i>		

Attachment 1-4 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

<i>July</i>		
<i>August</i>		
<i>September</i>		
<i>October</i>		
<i>November</i>		
<i>December</i>		

[SCE Note: Above times and quantities will be based on SCE's requirements as outlined in SCE's RFO Instructions and Seller's offer, or, if applicable, on value included in Seller's offer.]

1.04 Price.

Subject to Section 3.06 of this Attachment 1, the Product Price is *[Dollar amount text]* dollars *(\$[Number])* per MWh, *[escalated at [Number text] percent ([Number]%) per Term Year]* {SCE Note: include if escalation is applicable}.

1.05 Exclusive Rights.

SCE's exclusive rights to the Product and all benefits derived therefrom shall be subject to the following conditions:

- (a) No action taken by SCE under Section 1.05 constitutes a transfer of, or a release of SCE of, its obligations under this Agreement.
- (b) Subject to Seller's obligations under this Agreement, SCE shall be responsible for any costs arising from or directly related to SCE's accounting for or otherwise claiming Green Attributes, Capacity Attributes and Resource Adequacy Benefits.

1.06 Resource Adequacy Provisions.

Seller's responsibilities pursuant to Section 1.06 shall also include:

Attachment 1-5 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

Commencing on the Initial Delivery Date and continuing throughout the Delivery Period, Seller shall ensure that the Generating Facility has Full Capacity Deliverability Status such that, for each applicable month during the Delivery Period, the Qualifying Capacity of the Generating Facility equals the Net Qualifying Capacity for such applicable month.

1.07 Conveyance of Entire Output, Conveyance of Green Attributes, Capacity Attributes and Resource Adequacy Benefits.

- (a) Metered Amounts. Seller shall dedicate and convey the entire Metered Amounts throughout the Delivery Period to SCE. Seller shall convey title to and risk of loss of all Metered Amounts to SCE at the Delivery Point. “Metered Amounts” means the electric energy produced by the Generating Facility, expressed in kWh, as recorded by the CAISO Approved Meter(s), or Check Meter(s), as applicable.

- (b) Green Attributes. Seller hereby provides and conveys all Green Attributes associated with all electricity generation from the Project to SCE as part of the Product being delivered. Seller represents and warrants that Seller holds the rights to all Green Attributes from the Project, and Seller agrees to convey and hereby conveys all such Green Attributes to SCE as included in the delivery of the Product from the Project.
{SCE Note: For Full Buy-Sell only.}

Green Attributes. Seller hereby provides and conveys all Green Attributes associated with all Qualified Amounts. Seller represents and warrants that Seller holds the rights to all Green Attributes associated with all Qualified Amounts, and Seller agrees to convey and hereby conveys all such Green Attributes to SCE as included in the delivery of the Product from the Project.
{SCE Note: For Excess-Sales only.}

- (c) Capacity Attributes and Resource Adequacy Benefits. Seller shall dedicate and convey any and all Capacity Attributes and Resource Adequacy Benefits generated by, associated with or attributable to the Generating Facility throughout the Delivery Period to SCE and SCE shall be given sole title to all such Capacity Attributes and Resource Adequacy Benefits in order for SCE to meet its resource adequacy obligations under any Resource Adequacy Rulings.
- (d) Further Action by Seller. Commencing at least six (6) months before the Initial Delivery Date and throughout the Delivery Period, Seller shall, at its own cost, take all actions and execute all documents or instruments necessary to effectuate the use of the Green Attributes, Capacity Attributes and Resource Adequacy Benefits for SCE’s sole benefit throughout the Delivery Period, which actions include:

Attachment 1-6 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

- (i) Cooperating with and encouraging the regional entity responsible for resource adequacy administration to certify or qualify the Contract Capacity for resource adequacy purposes;
- (ii) Testing the Generating Facility in order to certify the Generating Facility for resource adequacy purposes;
- (iii) Complying with all current and future CAISO Tariff provisions that address resource adequacy and are applicable to the Generating Facility, including provisions regarding performance obligations and penalties, if applicable;
- (iv) Committing to SCE the entire Metered Amounts of the Generating Facility;
- (v) Pursuing and obtaining any and all Capacity Attributes and Resource Adequacy Benefits to the extent that Applicable Laws, including as may be changed after the Effective Date, allow for any Capacity Attributes or Resource Adequacy Benefits to be obtained other than by the completion of Delivery Network Upgrades (as defined in the CAISO Tariff and as applicable to the Project); and
- (vi) Complying with Applicable Laws regarding the certification and transfer of Renewable Energy Credits, including participation in WREGIS or other process recognized under Applicable Laws for the registration, transfer or ownership of Green Attributes associated with the Generating Facility. SCE will take all actions to be the Account Holder and Qualified Reporting Entity, and the party responsible for registering the Generating Facility as a Registered Generating Unit. Seller shall provide SCE with all supporting documents requested for registration approval, as required by WREGIS.

If Seller has sold Product (or product that would be considered “Product” under this Agreement if it were attributable to the Delivery Period) to any party other than SCE with respect to a period that is prior to the Initial Delivery Date, Seller shall, or shall cause such party to: (i) take all actions necessary for SCE to be the Account Holder as of the Initial Delivery Date, and (ii) take all actions necessary for SCE to be the Qualified Reporting Entity prior to the generation of any WREGIS Certificates associated with deliveries of Product on and after the Initial Delivery Date. SCE agrees to transfer all WREGIS Certificates associated with generation from the Generating Facility prior to the Initial Delivery Date to Seller or Seller’s designee.

- (e) Restrictions on Sales Related to Unincluded Capacity.

Attachment 1-7 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

- (i) Neither Party will have any liability for failure to purchase or deliver Product associated with or attributable to capacity in excess of the [SCE Note: Solar Photovoltaic only] Demonstrated Contract Capacity (“Unincluded Capacity”), subject to the remainder of this Section 1.07(e).
- (ii) Neither Seller nor Seller’s Affiliates may sell, or enter into an agreement to sell, electric energy, Green Attributes, Capacity Attributes or Resource Adequacy Benefits associated with or attributable to Unincluded Capacity from any generating facility installed at the Site to a party other than SCE for a period of two (2) years following a reduction of Contract Capacity pursuant to Section 2.04(q) of this Attachment 1.
- (iii) With respect to Seller’s Affiliates, the prohibition on contracting and sale as set forth in Section 1.07(e)(ii) of this Attachment 1 will not apply if, before entering into the contract or making a sale to a party other than SCE, any Seller’s Affiliate wishing to enter into a contract or sale provides SCE with a written offer to sell the electric energy, Green Attributes, Capacity Attributes and Resource Adequacy Benefits related to Unincluded Capacity to SCE on terms and conditions materially similar to or no less favorable to SCE than the terms and conditions contained in this Agreement and SCE fails to accept such offer within forty-five (45) days after SCE’s receipt thereof; provided, any Seller’s Affiliate wishing to enter into a contract or sale must:
 - (A) Build a new generating facility separate from the Generating Facility to produce such additional electric energy and associated attributes;
 - (B) Establish an entity other than Seller to act as the seller for such additional electric energy and associated attributes;
 - (C) Meter such additional generating capacity separately from the Generating Facility, to SCE’s reasonable satisfaction; and
 - (D) Separately interconnect such additional generating capacity to the T&D Provider’s system, to SCE’s reasonable satisfaction.

If the preceding conditions are met, Seller’s Affiliates (but not Seller) will be free to sell such additional electric energy and associated attributes to third parties.

(f) [Bioenergy Benefits.

Attachment 1-8 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

For all electric generation using biomethane as fuel, Seller shall transfer to SCE sufficient renewable and environmental attributes of biomethane production and capture to ensure that there are zero (0) net emissions associated with the production of electricity from the Generating Facility using the biomethane.

For all electric generation using biomethane as fuel, neither SCE nor Seller may make a marketing, regulatory, or retail claim that asserts that a procurement contract to which that entity was a party resulted, or will result, in greenhouse gas reductions related to the destruction of methane if the capture and destruction is required by law. If the capture and destruction of the biomethane is not required by law, neither SCE nor Seller may make a marketing, regulatory, or retail claim that asserts that a procurement contract to which that entity was a party resulted, or will result, in greenhouse gas reductions related to the destruction of methane, unless the environmental attributes associated with the capture and destruction of the biomethane pursuant to that contract are transferred to SCE and retired on behalf of the retail customers consuming the electricity associated with the use of that biomethane, or unless Seller's procurement contract with the source of biomethane prohibits the source of biomethane from separately marketing the environmental attributes associated with the capture and destruction of the biomethane sold pursuant to that contract, and such attributes have been retired.] {SCE Note: Biomethane projects only.}

ARTICLE 2. TERM AND DELIVERY PERIOD

2.04 Initial Delivery Date.

The conditions to the “Initial Delivery Date” shall also include:

- (a) Seller has completed the installation and testing of the Project for purposes of financing, Permits, the interconnection agreement, operating agreements, the EPC agreement and manufacturer's warranties;
- (b) Seller has received an Independent Engineer's certification that the Project has been completed in all material respects (except punch list items that do not materially and adversely affect the ability of the Project to operate as intended);
- (c) The Demonstrated Contract Capacity is equal to or greater than [seventy-five percent (75%) of] {SCE Note: Remove for Distribution Deferral Contracts} the Contract Capacity as of the Effective Date;
- (d) Seller has taken all steps necessary to allow SCE to be designated as the Account Holder in accordance with Section 1.07(d) of this Attachment 1;
- (e) Seller has obtained CEC Pre-Certification;

Attachment 1-9 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

- (f) Seller has taken all steps necessary to ensure that SCE becomes authorized by the CAISO to Schedule the electric energy produced by the Project with the CAISO;
- (g) Seller has obtained certification (the “CAISO Certification”) for the Generating Facility that such Generating Facility meets the certification and testing requirements for a generating facility set forth in the CAISO Tariff, including certification and testing;
- (h) SCE has been authorized by the CAISO to Schedule the electric energy produced by the Project with the CAISO;
- (i) Seller has demonstrated to SCE’s reasonable satisfaction that Seller has executed all necessary T&D Provider and CAISO agreements;
- (j) Seller has provided to SCE the number filed by the T&D Provider with FERC as a representation for all net electric energy losses or avoided losses, as filed by SCE at FERC, associated with the transmission of electric energy through the electric system from the high voltage side of the Project’s substation bus bar to the interface with the CAISO Controlled Grid, also known as the distribution loss factor (the “DLF”);
- (k) Seller has received:
 - (i) authority from FERC, pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824d, for wholesale sales of electric energy, capacity and ancillary services at market-based rates, and
 - (ii) all other approvals and authorizations required for Seller to perform its obligations under this Agreement;
- (l) Seller has executed a “Participating Generator Agreement” or “Participating Load Agreement,” as applicable, “Meter Service Agreement For CAISO Metered Entities,” as those terms are defined in the CAISO Tariff, and any other forms or agreements required by the CAISO with respect to the Project, and delivered true and complete copies of all such forms and agreements to SCE;
- (m) Seller has entered into and complied in all material respects with all obligations under all interconnection agreements required to enable parallel operation of the Project with the T&D Provider’s electric system and the CAISO Controlled Grid;
- (n) Seller is Forecasting to SCE in accordance with Section 6.04 of this Attachment 1;

Attachment 1-10 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

- (o) Seller has registered with the NERC as the Project's Generator Owner and Generator Operator if Seller is required to be a registered entity pursuant to the NERC Reliability Standards; and
- (p) Seller has obtained and delivered to SCE a certification that the Project is Fully Deliverable, as determined by the CAISO, for the purposes of counting an amount equal to the Contract Capacity towards SCE's RA Compliance Obligations.
- (q) Modification of Contract Capacity. *{SCE Note: Remove Section 2.04(q) from Distribution Deferral and other reliability RFOs}*
 - (i) If the Contract Capacity set forth in Section 1.03(a) is greater than the Demonstrated Contract Capacity and the Demonstrated Contract Capacity is equal to or greater than seventy-five percent (75%) of the Contract Capacity as of the Effective Date,
 - (A) The Contract Capacity will be reduced to an amount equal to the Demonstrated Contract Capacity;
 - (B) The Expected Annual Net Energy Production will be recalculated using such adjusted Contract Capacity; and
 - (C) Prior to the Initial Delivery Date (and as a condition to its occurrence), Seller shall pay SCE an amount equal to the product of *[Dollar amount text]* dollars (*[\$Number]*)*{SCE Comment: amount to be provided by SCE}* per kW and the difference (in kW) between the original Contract Capacity set forth in Section 1.03(a) and the Demonstrated Contract Capacity; provided that, with SCE's consent, Seller may elect to apply its Development Security toward this payment. *{SCE Comment: For all technologies except Solar Photovoltaic}*
 - (ii) */If the Installed DC Rating set forth in Section 1.03(a) is greater than the Demonstrated Installed DC Rating {and the Demonstrated Contract Capacity is equal to or greater than seventy-five percent (75%) of the Contract Capacity as of the Effective Date},*
 - (A) The Installed DC Rating will be reduced to an amount equal to the Demonstrated Installed DC Rating;
 - (B) The Expected Annual Net Energy Production will be recalculated using such adjusted Installed DC Rating; and
 - (C) Prior to the Initial Delivery Date (and as a condition to its occurrence), Seller shall pay SCE an amount equal to the

Attachment 1-11 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

product of *[Dollar amount text]* dollars (*[\$[Number]]*){*SCE Comment: amount to be provided by SCE*} per kW and the difference (in kW) between the original Installed DC Rating set forth in Section 1.03(a) and the Demonstrated Installed DC Rating; provided that, with SCE's consent, Seller may elect to apply its Development Security toward this payment.]
{*SCE Comment: For Solar Photovoltaic*}

(r) Obligations Prior to Commencement of the Delivery Period.

(i) Seller's Interconnection Queue Position.

Seller must not (A) withdraw the Interconnection Queue Position identified in Section 1.02(e) of this Attachment 1, (B) assign or transfer that Interconnection Queue Position to any entity, or (C) utilize the Interconnection Queue Position for the benefit of any power purchase and sale agreement other than this Agreement, in each case, without SCE's prior written consent.

ARTICLE 3. PAYMENTS

3.01 Payment Mechanisms.

- (a) "Invoicing Party": SCE
- (b) "Paying Party": SCE for Product Payments; Seller for Product Replacement Damage Amounts; and SCE or Seller, as applicable, for other amounts payable under this Agreement from time to time
- (c) "Invoice Date": The last Business Day of the month following the Invoice Calculation Period for which payment obligations are calculated
- (d) "Payment Date": The last Business Day of the month following the Invoice Calculation Period for which payment obligations are calculated
- (e) "Invoice Calculation Period": a calendar month
- (f) Other Payment and Invoicing Requirements.

The invoice shall include documentation supporting any SCE penalties, Negative LMP Costs, CAISO Costs, CAISO Sanctions, or other applicable revenues, charges and offsets which affected the net amount in the invoice.

3.02 Obligation to Pay and Invoice.

- (a) Throughout the Delivery Period, SCE shall purchase Product generated by the Generating Facility and delivered at the Delivery Point in accordance with this Agreement, CAISO Tariff and Applicable Law, provided, subject to Section 3.02(b) of this Attachment 1, SCE has no obligation to purchase from Seller any Product that is not or cannot be delivered to the Delivery Point as a result of any circumstance, including:
 - (i) An outage of the Generating Facility;
 - (ii) A Force Majeure under Article 8; or
 - (iii) A reduction or curtailment of deliveries in accordance with Section 6.01(f) of this Attachment 1, except as set forth in Section 3.02(b) of this Attachment 1.
 - (iv) An increase in the Site Host Load. *{SCE Note: For Excess-Sales only.}*
- (b) Subject to Section 3.03(b)(ii) of this Attachment 1, SCE will be obligated to pay Seller for any Curtailed Product in each Term Year, in accordance with Article 3.

3.03 Cost Responsibility Upon Commercial Operation.

(a) SCE Cost Responsibility.

Upon the Initial Delivery Date and for the remainder of the Delivery Period,

- (i) Except under the circumstances set forth in Section 3.03(b)(ii) of this Attachment 1, SCE shall make monthly Product Payments to Seller for Product delivered to SCE calculated in the manner described in Section 2.03 of this Attachment 1;
- (ii) Except as set forth in Section 3.03(b) of this Attachment 1, SCE shall be responsible for all CAISO Costs and CAISO Sanctions and have the right to receive all CAISO Revenues/; and
- (iii) To the extent that SCE requires Seller to participate in the PIRP/EIRP program, SCE shall be responsible for PIRP/EIRP forecasting fees/.
{SCE Note: For Intermittent Only.}

(b) Seller Cost Responsibility.

Upon the Initial Delivery Date and for the remainder of the Delivery Period:

Attachment 1-13 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

- (i) *[If in any hour of any month in the Delivery Period Seller fails to comply with its Forecasting requirements under Section 6.03 of this Attachment 1 with respect to Seller's Forecast of available capacity only, and the sum of Energy Deviations for each of the Settlement Intervals in that hour exceed the Performance Tolerance Band, then Seller is liable for an SCE penalty equal to one hundred fifty percent (150%) of the Product Price in Section 1.04 for each MWh of Energy Deviation, or any portion thereof, in that hour.] {SCE Note: Intermittent Only}*

[Seller shall be responsible for all CAISO Costs for all Settlement Intervals where Energy Deviations exceed the Performance Tolerance Band.] {SCE Note: Baseload Only}

“Energy Deviations” in kWh, means the absolute value of the difference, in kWh, in any Settlement Interval between (A) *[Forecast-Derived Energy] {SCE Note: Intermittent Only} [Expected Energy] {SCE Note: Baseload Only}*; and (B) Metered Amounts plus Lost Output.

The “Performance Tolerance Band,” shall be expressed in kWh, and is calculated as follows:

*[Performance Tolerance Band = 3% * Contract Capacity * one (1) hour] {SCE Note: Intermittent Only}*

*[Performance Tolerance Band = 3% * Contract Capacity / The number of Settlement Intervals in the hour] {SCE Note: Baseload Only}*

- (ii) SCE will not be obligated to pay Seller for any Product that Seller delivers in violation of Section 6.01(f) of this Attachment 1, and Seller shall pay all CAISO Sanctions and CAISO Costs, and SCE shall retain all CAISO Revenues resulting from such violation of Section 6.01(f) of this Attachment 1.
- (iii) If during any Settlement Interval Seller delivers Metered Amounts, expressed in MWh, in excess of the product of *[Number] {SCE Note: bracketed number should equal the lesser of the Contract Capacity and the maximum expected output at the Delivery Point, not to exceed the interconnection capacity}*, expressed in MW, multiplied by the length of such Settlement Interval, expressed in hours, then all such excess MWh in such Settlement Interval shall not be included in Qualified Amounts, and if there is a Negative LMP during such Settlement Interval, Seller shall pay to SCE an amount equal to the

Attachment 1-14 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

absolute value of the Negative LMP times such excess MWh (“Negative LMP Costs”).

- (iv) If during any Term Year Seller delivers Metered Amounts, together with Curtailed Product, that are in the aggregate in excess of one hundred percent (100%) of the Expected Annual Net Energy Production, as set forth in Section 1.03(b) of this Attachment 1, for such Term Year and such Metered Amounts are not (A) subject to Section 3.03(b)(iii) of this Attachment 1 or (B) delivered in violation of Section 6.01(f) of this Attachment 1, then Seller shall be responsible for and pay all CAISO Sanctions and CAISO Costs and Seller shall be entitled to all CAISO Revenues with respect to all such excess Metered Amounts in such Term Year.
- (v) Seller must reimburse SCE for all CAISO Sanctions incurred by SCE as a result of Seller’s failure to adhere to its obligations under the CAISO Tariff or any CAISO directive, as such directive may be communicated to Seller by SCE, or as set forth in Sections 3.03(b)(ii), 3.03(b)(iii), and 6.01(f) of this Attachment 1. The CAISO Sanctions will be available for billing approximately one hundred twenty (120) days following the last day of the calendar month in which the event giving rise to the sanction occurs, or thirty (30) days after the CAISO final settlement data is available to SCE, whichever is sooner.
- (vi) Seller shall make monthly payments calculated in the manner described in Section 3.04 of this Attachment 1.

3.04 Product Payment Calculations After Initial Delivery Date.

Monthly payments for Product delivered to SCE as of the Initial Delivery Date in accordance with the terms of this Agreement (“Product Payments”), will equal the sum of (i) all Product Payments for all periods in the month and (ii) any payments for Paid Curtailed Product *[and (iii) any lost Federal Production Tax Credits as set forth in Section 3.05(d)] {SCE Note: for Sellers that are eligible for the Federal Production Tax Credit}*, in the month.

Each “Product Payment” will be calculated pursuant to the following formula: Product Payment = $A \times (B - C - D) + E$

Where:

A = Product Price specified in Section 1.04 in \$/kWh
(i.e., \$/MWh/1000).

B = The sum of Qualified Amounts in kWh.

Attachment 1-15 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

- C = Any electric energy produced by the Generating Facility for which SCE is not obligated to pay Seller as set forth in Section 3.03(b)(ii) of this Attachment 1.
- D = Any electric energy produced by the Generating Facility with respect to which Seller is responsible for Negative LMP Costs as set forth in Section 3.03(b)(iii) of this Attachment 1.
- E = CAISO Revenues with respect to electric energy produced by the Generating Facility for which Seller is responsible for Negative LMP Costs as set forth in Section 3.03(b)(iii) of this Attachment 1.

3.05 Seller's Energy Delivery Obligation.

On the commencement of the first Term Year and for every Term Year thereafter, Seller is subject to the electric energy delivery requirements and damages for failure to perform as set forth in this Section 3.05.

(a) Performance Requirements.

(i) Seller's Energy Delivery Obligation.

[["Seller's Energy Delivery Obligation" for the twenty-four (24) month period immediately preceding the end of each Term Year commencing at the end of the second Term Year ("Deficiency Calculation Period") is one hundred forty percent (140%) of the Expected Annual Net Energy Production.] {SCE Note: Wind only.}]

[["Seller's Energy Delivery Obligation" for the twenty-four (24) month period immediately preceding the end of each Term Year commencing at the end of the second Term Year ("Deficiency Calculation Period") is one hundred seventy percent (170%) of the average of the two (2) Expected Annual Net Energy Production amounts applicable to the Deficiency Calculation Period.] {SCE Note: All other intermittent technologies.}]

[["Seller's Energy Delivery Obligation" for the twelve (12) month period immediately preceding the end of each Term Year commencing at the end of the first Term Year ("Deficiency Calculation Period") is ninety percent (90%) of the Expected Annual Net Energy Production.] {SCE Note: Baseload technologies.}]

[["Seller's Energy Delivery Obligation" for each month in the Delivery Period is eighty percent (80%) of the applicable Expected Monthly Net Energy Production.]

Attachment 1-16 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

“Seller’s Deferral Delivery Obligation” for each month in the Delivery Period is eighty-five percent (85%) of the applicable Expected Monthly Net Deferral Production.] {SCE Note: replace for Distribution Deferral Contracts}

(ii) Event of Deficient Energy Deliveries.

[[At the end of each Term Year commencing with the end of the second Term Year,] [For each month in the Delivery Period] {SCE Note: Monthly obligation for Distribution Deferral Contracts} if the sum of Qualified Amounts plus any Lost Output (calculated in accordance with Exhibit K) in the applicable Deficiency Calculation Period does not equal or exceed Seller’s Energy Delivery Obligation, then an “Event of Deficient Energy Deliveries” will be deemed to have occurred and the shortfall amount (in kWh) will be the “Energy Shortfall Amount.”] {SCE Note: Wind and solar only.}

[At the end of each Term Year if the sum of the Qualified Amounts plus any Lost Output (calculated in accordance with Exhibit K) during the Term Year does not equal or exceed Seller’s Energy Delivery Obligation, then an “Event of Deficient Energy Deliveries” will be deemed to have occurred and the shortfall amount (in kWh) will be the “Energy Shortfall Amount.”] {SCE Note: All other technologies.}

[For each month in the Delivery Period, if the sum of the Qualified Amounts plus any Lost Output (calculated in accordance with Exhibit K) does not equal or exceed the applicable Seller’s Deferral Delivery Obligation, then an “Event of Deficient Deferral Deliveries” will be deemed to have occurred and the shortfall amount (in kWh) will be the “Deferral Shortfall Amount”.] {SCE Note: add for Distribution Deferral Contracts}

(b) Product Replacement Damage Amount.

The Parties acknowledge that the damages sustained by SCE associated with an Event of Deficient Energy Deliveries *[for an Event of Deficient Deferral Deliveries]* would be difficult or impossible to determine, or that obtaining an adequate remedy would be unreasonably time consuming or expensive, and therefore agree that Seller shall pay SCE as liquidated damages an amount calculated under this Section 3.05(b) which is intended to compensate SCE for Seller’s failure to perform.

If an Event of Deficient Energy Deliveries *[for an Event of Deficient Deferral Deliveries]* occurs, Seller shall pay the “Product Replacement Damage Amount” calculated as follows:

Attachment 1-17 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

Product Replacement Damage Amount = $A * B$

Where:

A = the Energy Shortfall Amount for the applicable Deficiency Calculation Period

B = the largest Product Price for the applicable Deficiency Calculation Period, expressed in \$/kWh

[Replacement Formula for Distribution Deferral Contracts:

Product Replacement Damage Amount = $\max (X,Y)$

Where:

*$X = A1 * B * C$*

*$Y = A2 * B * C$*

$A1$ = the Energy Shortfall Amount for the applicable Deficiency Calculation Period

$A2$ = the Deferral Shortfall Amount for the applicable Deficiency Calculation Period

B = the largest Product Price for the applicable Deficiency Calculation Period, expressed in \$/kWh

C = the largest Product Payment Allocation Factor for the applicable Deficiency Calculation Period

- (i) Within ninety (90) days after the end of the applicable Deficiency Calculation Period, SCE shall calculate any Product Replacement Damage Amount, and shall provide Notice to Seller of any Product Replacement Damage Amount owing, including a detailed explanation of, and rationale for, its calculation methodology, annotated work papers and source data.
 - (ii) Seller shall have thirty (30) days after receipt of SCE's Notice to review SCE's calculation and either pay the entire Product Replacement Damage Amount claimed by SCE or pay any undisputed portion and provide Notice to SCE of the portion Seller disputes along with a detailed explanation of, and rationale for, Seller's calculation methodology, annotated work papers and source data.
 - (iii) The Parties shall negotiate in good faith to resolve any disputed portion of the Product Replacement Damage Amount and shall, as part of such good faith negotiations, promptly provide information or
- Attachment 1-18 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

data relevant to the dispute as each Party may possess which is requested by the other Party.

- (iv) If the Parties are unable to resolve a dispute regarding any Product Replacement Damage Amount within thirty (30) days after the sending of a Notice of dispute by Seller, either Party may submit the dispute to mediation and arbitration as provided in Article 12.

(c) Continuing Obligations of Seller.

Notwithstanding any payment of a Product Replacement Damage Amount, all of Seller's obligations under Section 1.07 of this Attachment 1 shall continue to apply.

3.06 Allocation of Resource Adequacy Capacity Product Payments and Charges.

During the Delivery Period, if the Project is subject to the terms of

- (a) the Availability Standards, "Non-Availability Charges," and "Availability Incentive Payments," as those terms are defined by the CAISO Tariff, and as contemplated under the CAISO Tariff, or
- (b) any similar standards, charges or payments that may be implemented for resources providing flexible capacity resource adequacy attributes or other types of Resource Adequacy Benefits,

any Availability Incentive Payments and other resulting payments will be for the benefit of Seller and for Seller's account and any Non-Availability Charges and other resulting charges are the responsibility of Seller and for Seller's account.

ARTICLE 4. DESIGN AND CONSTRUCTION OF PROJECT

4.05 Provision of Information.

Items to be provided by Seller pursuant to Section 4.05 shall include:

- (a) All applications and approvals or disapprovals relating to CEC Pre-Certification, CEC Certification, CEC Verification, any Permit and PIRP/EIRP (if SCE requests Seller to apply to be in PIRP/EIRP);
- (b) All final and revised copies of material reports, studies and analyses furnished by the CAISO or any T&D Provider, and any correspondence related thereto, concerning the interconnection of the Generating Facility to the T&D Provider's electric system or the transmission of electric energy on the T&D Provider's electric system;

Attachment 1-19 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

- (c) All notifications of adjustments in the DLF used by the T&D Provider in the administration of the transmission service agreement for the Generating Facility within thirty (30) days of receiving such notification from the T&D Provider;
- (d) All *[reports prepared by an Independent Engineer concerning the electric energy producing potential of the Site or assessing the solar resource potential at the Site] [Geothermal Reservoir Report] [Final Wind Report] {SCE Note: select appropriate technology or remove}*, and any revisions thereto, for the time period beginning on the Effective Date and ending on the last day of the first Term Year;
- (e) All Generating Facility and metering information as may be requested by SCE, including the following, at least thirty (30) days before the Initial Delivery Date:

For the Generating Facility:

- (A) Site plan drawings for the Generating Facility;
- (B) Electrical one-line diagrams;
- (C) Control and data-acquisition details and configuration documents;
- (D) Major electrical equipment specifications;
- (E) General arrangement drawings;
- (F) Longitude and latitude of *[the centroid and each corner of the Site] {SCE Note: Solar only.} [each generator] {SCE Note: All other technologies.}*;
- (G) Artist renderings of the Site, if any;
- (H) Aerial photographs of the Site, if any;
- (I) Inverter specification;
- (J) [Site plan drawing of the geothermal well field;*
- (K) Process flow diagrams;*
- (L) Piping and instrumentation diagrams;*
- (M) Production and injection well flow rates and volumes;*
- (N) Wellhead pressures;*

Attachment 1-20 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

- (O) *Geothermal fluid chemistry;*
- (P) *Non-condensable gas composition;*
- (Q) *Current Inverter specification;]*
- (R) *[Photovoltaic module specification;*
- (S) *Solar energy collection grid diagrams;]*
- (T) *[Wind Turbine specification;*
- (U) *Wind energy collection grid diagrams;*
- (V) *Topographical maps showing the location of all Wind Turbines, and specifying the Wind Turbine model and Site-specific identification number; and]*
- (W) *[Map showing the location of the Meteorological Equipment, including specifying the longitude and latitude of such.] {SCE Note: Include subsections above when applicable to the Generating Facility.}*
- (X) Utility transmission/distribution one-line diagram;
- (Y) Physical location, address or descriptive identification;
- (Z) Telephone number of control room;
- (AA) Telephone number for operational issues; and
- (BB) Telephone number for administrative issues;
- (f) A complete set of as-built drawings of the Generating Facility including civil, structural, mechanical and electric drawings and final process instrumentation diagrams, no later than ninety (90) days following the Initial Delivery Date; and
- (g) *[The names of the Interconnection Point and the Delivery Point within thirty (30) days after Seller's receipt of such information from the T&D Provider or CAISO, as applicable.] {SCE Note: Applicable if the official names of the Interconnection Point or Delivery Point are not known as of the Effective Date.}*

Attachment 1-21 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

ARTICLE 5. INTERCONNECTION; METERING; TESTING

5.01 Transmission and Interconnection.

Additional interconnection requirements for the Project pursuant to Section 5.01 shall include:

- (a) Seller shall obtain and maintain throughout the Delivery Period any and all interconnection and transmission service rights and Permits required to effect delivery of the electric energy from the Generating Facility to the Delivery Point.
- (b) Seller shall comply with the CAISO Tariff, including securing and maintaining in full force all required CAISO agreements, certifications and approvals.
- (c) Seller shall secure through the CAISO the Resource ID that is to be used solely for the Generating Facility.
- (d) Seller shall comply with the requirements of Appendix CC of the CAISO Tariff, or its equivalent successor.

5.02 Metering, Communications, Dispatch and Telemetry.

(a) CAISO Approved Meter.

Seller shall, at its own cost, install, maintain and test all CAISO Approved Meters pursuant to the CAISO Tariff.

(b) Check Meter.

Seller will permit SCE to furnish and install one SCE revenue-quality meter section or meter, which will include those devices normally supplied by SCE or Seller under the applicable utility electric service requirements (a “Check Meter”) on the high voltage side of the step-up transformer, substation, or any other location at SCE’s sole discretion, associated with the Generating Facility in compliance with the applicable utility electric service requirements. Each Check Meter must be interconnected with SCE’s communication network to permit:

- (i) Periodic, remote collection of revenue quality meter data; and
- (ii) Back-up real-time transmission of operating-quality meter data.

(c) SCE’s Access to Meters.

- (i) Subject to Section 4.02, Seller hereby grants SCE reasonable access to all CAISO Approved Meters and Check Meters for meter readings and any purpose necessary to effectuate this Agreement.

Attachment 1-22 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

- (ii) Seller shall promptly provide SCE access to all meter data and data acquisition services both in real-time, and at later times, as SCE may reasonably request.
 - (iii) Prior to the Initial Delivery Date, Seller shall provide instructions to the CAISO granting authorizations or other documentation sufficient to provide SCE with access to the CAISO Approved Meter(s) and to Seller's settlement data on the Operational Metering Analysis and Reporting System operated and maintained by the CAISO as the repository of settlement quality meter data or its successor.
- (d) CAISO Approved Meter Maintenance.
- (i) Seller shall test and calibrate the CAISO Approved Meter(s), as necessary, but in no event will the period between testing and calibration dates be greater than twelve (12) months.
 - (ii) Seller shall bear its own costs for any meter check or recertification of the CAISO Approved Meter(s).
 - (iii) Seller shall replace each CAISO Approved Meter battery at least once every thirty-six (36) months or such shorter period as may be recommended by the CAISO Approved Meter manufacturer.
 - (iv) Notwithstanding the foregoing, if a CAISO Approved Meter battery fails, Seller shall replace such battery within one (1) day after becoming aware of its failure.
 - (v) Seller shall use certified test and calibration technicians to perform any work associated with the CAISO Approved Meter(s).
 - (vi) Seller shall inform SCE of test and calibration dates, provide SCE with access to observe and witness such testing and calibration, and provide SCE certified results of tests and calibrations within thirty (30) days after completion.

(e) SCADA and Telemetry System.

All communication, metering, telemetry, and associated operation equipment will be centralized into the Project's SCADA. Seller shall configure the SCADA so that SCE may access it via an automated system to remotely monitor, dispatch, and control the Project in real-time ("Generation Management System") from SCE's Generation Operations Center. Seller shall link the systems via an approved SCE communication network, utilizing existing industry standard network protocol, as approved by SCE. The connection will be bidirectional in nature and used by the Parties to exchange all data points to and from the Generation Operations Center.

Attachment 1-23 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

Seller shall be responsible for the costs of installing, configuring, maintaining and operating the SCADA and internal site links for the Project.

Seller shall be responsible for designing, furnishing, installing, operating, maintaining and testing a real-time Telemetry System capable of interconnecting to the GMS, the CAISO Approved Meter(s), if any, and the Project's control system with the CAISO infrastructure network (data highway) used by all CAISO participants to exchange data to and from resources and CAISO (the "Energy Communication Network").

The Telemetry System shall be designed in accordance with the CAISO monitoring and communication requirements and must be capable of:

- (i) Reporting data from each CAISO Approved Meter;
- (ii) Providing the status of key control points from the Project's control system;
- (iii) Routing resource unit set points to the Project's control system; and
- (iv) Communicating availability of the Project pursuant to Section 5.02(g) of this Attachment 1.

The Telemetry System must include a remote intelligent gateway, internet connection, interconnecting cabling and all service agreements required for accessing the Energy Communication Network.

The above-mentioned connections and data transfer must be fully functional before the Initial Delivery Date.

- (f) /Meteorological Station(s) and Reporting Requirements./ {SCE Note: Intermittent Only} {SCE Note: replace with "Intentionally Omitted" for all other technologies}

/Seller, at its own expense, shall install and maintain one (1) or more stand-alone meteorological stations at the Generating Facility in accordance with Exhibit L to monitor and report weather data to both the CAISO and SCE.

The station(s) must be installed at least sixty (60) days before Commercial Operation.

The station(s) must be equipped with the Meteorological Equipment, as may be modified by Seller at SCE's direction from time to time to reflect the CAISO's PIRP/EIRP protocol and the requirements of Exhibit K.

The station(s) must be designed to collect and record data in accordance with CAISO's PIRP/EIRP protocols and the requirements of Exhibit K.

Attachment 1-24 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

Seller shall submit to SCE for review and approval, Seller's technical specifications for the meteorological station(s) along with a site plan showing the location of the station(s), the location of all [photovoltaic modules, inverters,] *[Wind Turbines, the wind rose for the Site,] [Solar Generating Units,]* and other prominent features, as applicable. *{SCE Comment: Intermittent only.}*

[Seller shall calibrate all first and second class thermopile pyranometers to the same nationally recognized standard and apply temperature correction to the measurement. Seller's Telemetry System shall transmit the calibrated data to SCE. Such temperature correction shall be based upon a calibration of the actual instrument or to a generic temperature curve that is supported by data from a nationally recognized testing laboratory to be representative of the exact vintage and model of instruments to be used by Seller. Furthermore, Seller shall calibrate all thermopile pyranometers, regardless of type, every Term Year and upon SCE's reasonable request.] {SCE Note: Solar photovoltaic only.}

(g) Real-Time Communication of Availability.

- (i) Prior to the Initial Delivery Date, Seller shall install a telecommunication system and demonstrate to SCE's reasonable satisfaction that the system interfaces with the Web Client and the GMS to provide SCE with Seller's cumulative available capacity of the Project on a real-time basis.
- (ii) Seller shall maintain the telecommunications path, the hardware, and software to provide quality data to SCE throughout the Delivery Period.
- (iii) Upon Notice from SCE, Seller shall repair or have corrected as soon as possible, but no later than five (5) days after receipt of such Notice any:
 - (A) Inoperable telecommunications path;
 - (B) Inoperable software; or
 - (C) Faulty instrumentation.

(h) SCE's Check Meter.

(i) Providing Access to Seller.

Before Commercial Operation, SCE shall provide to Seller remote access to the Check Meter through a website as specified by SCE. SCE may change the website and protocols from time to time.

Attachment 1-25 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

(ii) Testing of Check Meter.

SCE may test and recalibrate the Check Meter(s) at least once every Term Year. The Check Meter(s) will be locked or sealed, and the lock or seal will be broken, only by a SCE representative. Seller has the right to be present whenever such lock or seal is broken. SCE shall replace the battery of the Check Meter(s) at least once every 36 months; provided, if a Check Meter battery fails, SCE shall promptly replace such battery.

(iii) Use of Check Meter for Back-Up Purposes.

- (A) SCE may routinely compare the Check Meter data to the CAISO Approved Meter data after adjusting the Check Meter for any compensation introduced by the CAISO into the CAISO Approved Meter.
- (B) If the deviation between the CAISO Approved Meter data and the Check Meter data for any comparison is greater than 0.3%, SCE shall provide Notice to Seller of such deviation and the Parties will mutually arrange for a meter check or recertification of the Check Meter or CAISO Approved Meter, as applicable.
- (C) SCE will bear its own costs for any meter check or recertification of the Check Meter.

(iv) Testing procedures and standards for the Check Meter(s) will be the same as for a comparable SCE-owned revenue-grade meter. Seller has the right to have representatives present during all such tests.

5.03 Testing.

(a) Demonstration of Contract Capacity.

Seller shall provide at least [thirty (30) days prior Notice to SCE of the date] {SCE Note: Intermittent only.} [ten (10) Business Days prior Notice to SCE of the date and hour ("Demonstration Hour")] {SCE Note: Baseload only.} during which Seller intends to demonstrate the Contract Capacity. Upon SCE's request, Seller shall make reasonable efforts to reschedule this demonstration.

[SCE shall complete a site visit on this date to verify that the Generating Facility was developed in accordance with Exhibit B and to determine the Generating Facility's total rated electric Alternating Current energy generating capacity which will equal the sum of the [Inverter Block Unit Capacity of all Inverter Block Units in the Generating Facility] {SCE Note: Solar Photovoltaic Only} [manufacturer's nameplate ratings of all installed Wind Turbines,

Attachment 1-26 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

consistent with Prudent Electrical Practices and accepted industry standards, as indicated on the nameplates physically attached to the individual Wind Turbine generators,] {SCE Note: Wind Only} [Metered Amounts for the Demonstration Hour] {SCE Note: All other technologies} (the “Demonstrated Contract Capacity”) [and the sum of the Photovoltaic Module DC Ratings for all photovoltaic modules of the Generating Facility actually installed at the Site (the “Demonstrated Installed DC Rating”).] {SCE Note: Solar Photovoltaic Only}] {SCE Note: Intermittent Only}

[Unless SCE provides timely Notice to Seller that additional days are required to substantiate data, SCE shall, within thirty (30) days after Seller’s Notice of the Demonstration Hour, retrieve interval data downloaded from the CAISO Approved Meter or Check Meter for the twelve (12) hour periods before and after the Demonstration Hour; and SCE may, at its sole discretion, complete a site visit within thirty (30) days after SCE’s receipt of Seller’s Notice of the Demonstration Hour to verify that the Generating Facility was developed in accordance with the Generating Facility and Site Description set forth in Exhibit B.] {SCE Note: Baseload Only}

If the Demonstrated Contract Capacity is not equal to or greater than the Contract Capacity as of the Effective Date, then, subject to meeting the Initial Delivery Deadline, Seller may retest the Generating Facility by repeating the process set forth in this Section 5.03(a).

(b) RA Capacity Qualification Tests.

Seller shall schedule and complete any RA Capacity Qualification Tests required by the CPUC, any other applicable Governmental Authority, or the CAISO and provide all information required by the CPUC, any other applicable Governmental Authority, or the CAISO, in order for the Generating Facility to obtain published results from CAISO regarding its NQC and EFC. Seller shall complete such activities in sufficient time to achieve the Initial Delivery Date by the Initial Delivery Date, but in no event later than sixty (60) days prior to the Initial Delivery Date.

5.04 Certification.

(a) Obtaining and Maintaining CEC Certification and CEC Verification.

(i) Within one hundred eighty (180) days after the Effective Date, Seller shall file an application or other appropriate request for provisional certification of the proposed Generating Facility as an ERR by the CEC upon submission by a facility of a complete CEC-RPS-1B application and required supplemental information (“CEC Pre-Certification”).

Attachment 1-27 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

- (ii) Within thirty (30) days after the Initial Delivery Date, Seller shall file an application or other appropriate request with the CEC for certification by the CEC that the Generating Facility is an ERR for purposes of the California Renewables Portfolio Standard and that all electric energy produced by the Generating Facility qualifies as generation from an ERR for purposes of the California Renewables Portfolio Standard (“CEC Certification”).
- (iii) Seller shall take all necessary steps, including making or supporting timely filings with the CEC, to obtain and to maintain throughout the Delivery Period (i) CEC Certification and (ii) verification by the CEC based on ongoing reporting by Seller that the Generating Facility is an ERR for purposes of the California Renewables Portfolio Standard and that all electric energy produced by the Generating Facility qualifies as generation from an ERR for purposes of the California Renewables Portfolio Standard (“CEC Verification”).
- (iv) Upon request by SCE, Seller shall provide copies of all correspondence and documentation exchanged between the CEC and Seller.

(b) CAISO Certification.

Seller shall provide all CAISO Certification test results for each initial or subsequent test of the Project within three (3) Business Days after Seller’s receipt. Nothing in this Agreement, including the Exhibits, shall be amended to reflect the outcome of any CAISO Certification.

ARTICLE 6. SELLER’S OPERATION, MAINTENANCE AND REPAIR OBLIGATIONS

6.01 Seller’s Operation and Record Keeping Obligations.

In addition to the obligations set forth in Section 6.01, Seller shall:

- (a) Comply with operating orders, CAISO Tariff provisions, and Applicable Laws relating to the Product. SCE shall have no liability for the failure of Seller to comply with such operating orders, CAISO Tariff provisions, or Applicable Laws, including any penalties, charges or fines imposed on Seller for such noncompliance.
- (b) Keep a daily operations log for the Generating Facility that shall include the following information:
 - (i) Availability of the *[Inverter Block Units and associated inverters]* *{SCE Note: Solar Photovoltaic only.} [Generating Facility] {SCE Note: All other technologies.};*

Attachment 1-28 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

- (ii) Circuit breaker trip operations;
 - (iii) Any significant events related to the Operation of the Generating Facility;
 - (iv) Real and reactive power and energy production;
 - (v) Changes in Operating status;
 - (vi) Protective apparatus operations;
 - (vii) Any unusual conditions found during inspections;
 - (viii) Electric energy production, fuel consumption and efficiency (if applicable); and
 - (ix) Status and settings of generator controls including automatic voltage regulator and power system stabilizer.
- (c) *[Maintain complete records of the Generating Facility's plane of array insolation, other pertinent meteorological conditions and operational status of each Inverter Block Unit.] {SCE Note: Solar Photovoltaic only.}*
- [Log changes in the generator output setting if it is "block-loaded" to a specific kW capacity.]*
{SCE Note: Baseload only.}
- [Maintain complete records of the Generating Facility's wind speeds and other pertinent meteorological conditions and operational status of each Wind Turbine.]*
{SCE Note: Wind only.}
- [Maintain complete records of the Generating Facility's direct normal insolation, other pertinent meteorological conditions and operational status of each Solar Generating Unit.]*
{SCE Note: Solar Thermal only.}
- [Maintain complete records of the Generating Facility's fuel consumption if a biomass or landfill generating facility, or geothermal fluid consumption if a geothermal generating facility.]*
{SCE Note: Biomass and Geothermal only.}
- (d) Keep a maintenance log for the Generating Facility that shall include information on maintenance (both breakdown and preventative) performed, outages, inspections, manufacturer recommended services and replacement, electrical characteristics of the generators, control settings or adjustments of equipment and protective devices.

Attachment 1-29 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

- (e) Maintain documentation of all procedures applicable to the testing and maintenance of the Generating Facility protective devices as necessary to comply with NERC Reliability Standards applicable to protection systems for large electric generators, if Seller is required to be a registered entity pursuant to the NERC Reliability Standards.
- (f) Promptly curtail the production of the Generating Facility:
 - (i) Upon notice from SCE that Seller has been instructed by the CAISO or T&D Provider to curtail energy deliveries; provided, solely the action of the CAISO issuing a Schedule shall not by itself, without other factors, constitute an instruction by the CAISO to curtail energy deliveries pursuant to this Section 6.01(f)(i);
 - (ii) Upon notice that Seller has been given a curtailment instruction or similar instruction in order to respond to an Emergency; or
 - (iii) If SCE issues a Curtailment Order.

Notices of curtailment may be oral or written and must be made in accordance with accepted industry practices for such notices.
- (g) At least thirty (30) days prior to the start of the Delivery Period, and whenever such information changes during the Delivery Period, within ten (10) days after such change, provide accurate and complete operating characteristics of the Generating Facility in compliance with the CAISO Tariff.

6.03 Scheduling Coordinator Services.

Seller shall comply with all applicable CAISO Tariff procedures, protocol, rules and testing as necessary for SCE to submit Bids for the electric energy produced by the Generating Facility.

- (a) Designating SCE as Scheduling Coordinator.
 - (i) At least thirty (30) days before the Initial Delivery Date, Seller shall take all actions and execute and deliver to SCE all documents necessary to authorize or designate SCE as the Scheduling Coordinator throughout the Delivery Period.
 - (ii) Throughout the Delivery Period, Seller shall not authorize or designate any other party to act as Scheduling Coordinator, nor shall Seller perform, for its own benefit, the duties of Scheduling Coordinator.
 - (iii) Seller is responsible for and shall pay SCE an amount equal to the costs (including the costs of SCE employees or agents) SCE incurs, as

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determined in SCE's sole discretion, as a result of SCE being designated as the Generating Facility's Scheduling Coordinator including the costs associated with the registration of the Generating Facility with the CAISO, and the installation, configuration, and testing of all equipment and software necessary for SCE to act as Scheduling Coordinator or to Schedule the Generating Facility ("SC Set-Up Fee"); provided, the SC Set-up Fee shall not exceed twenty thousand dollars (\$20,000).

(b) Replacement of SCE as Scheduling Coordinator.

At least forty-five (45) days before the end of the Delivery Period, or as soon as practicable before the date of any termination of this Agreement before the end of the Delivery Period, Seller shall take all actions necessary to terminate the designation of SCE as Seller's Scheduling Coordinator as of hour ending 24:00 on the last day of the Delivery Period. These actions include the following:

- (i) Seller shall submit to the CAISO a designation of a new Scheduling Coordinator for Seller to replace SCE;
- (ii) Seller shall cause the newly designated Scheduling Coordinator to submit a letter to the CAISO accepting the designation; and
- (iii) Seller shall inform SCE of the last date on which SCE will be Seller's Scheduling Coordinator. SCE must consent to any date other than the last day of the Delivery Period, such consent not to be unreasonably withheld.

(c) Scheduling Coordinator.

Commencing on the Initial Delivery Date, SCE shall act as Seller's Scheduling Coordinator and carry out all duties as Scheduling Coordinator in accordance with CAISO Tariff protocols.

(d) Termination of Scheduling Coordinator.

SCE shall submit a letter to the CAISO identifying the date on which SCE resigns as Seller's Scheduling Coordinator on the first to occur of the following:

- (i) Thirty (30) days before the end of the Delivery Period;
- (ii) The date of any Notice from Seller of suspension of its performance pursuant to Section 10.02; or
- (iii) The date of any early termination of this Agreement.

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The contents of this document are subject to restrictions on disclosure as set forth herein.

6.04 Forecasting.

- (a) The Parties shall abide by the Forecasting and Scheduling requirements and procedures described below and shall agree upon reasonable changes to these requirements and procedures from time to time, as necessary to: (i) accommodate changes to their respective generation technology and organizational structure; (ii) address changes in the operating and Scheduling procedures of both SCE and the CAISO, including automated forecast and outage submissions; and (iii) comply with the CAISO Tariff.
- (b) Seller shall use commercially reasonable efforts to operate the Generating Facility so that the available capacity or electric energy from the Generating Facility conforms with its Forecasts.
- (c) No later than thirty (30) days before any day designated for Commercial Operation, Seller shall provide SCE, via the Web Client, with a 30-day, hourly Forecast of either or both:
 - (i) Capacity, in MW; or
 - (ii) Electric energy, in MWhas directed by SCE, for the thirty (30) day period commencing on the Initial Delivery Date.
- (d) If, after submitting the Forecast pursuant to Section 6.03(c) of this Attachment 1, Seller learns that Commercial Operation will occur on a date and time other than that reflected on the Forecast, Seller shall provide an updated Forecast reflecting the new Initial Delivery Date at the earliest practicable time but no later than 5:00 p.m. on the Wednesday before the revised Initial Delivery Date, if Seller has learned of the new Initial Delivery Date by that time, but in no event less than three (3) Business Days before the actual Initial Delivery Date.
- (e) If the Web Client becomes unavailable, Seller shall provide SCE with the Forecast by (in order of preference unless the Parties agree to a different order) electronic mail, facsimile transmission or, as a last resort, telephonically to Real-Time Scheduling, as set forth in Exhibit E.
- (f) The Forecast, and any updated Forecasts, must:
 - (i) Not include any anticipated or expected electric energy losses after the CAISO Approved Meter or Check Meter; and
 - (ii) Limit hour-to-hour Forecast changes to no less than two hundred fifty (250) kWh, or 0.25 MW, as applicable, during any period when the Web Client is unavailable. Seller shall have no restriction on hour-to-hour Forecast changes when the Web Client is available.

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- (g) Commencing on or before 5:00 p.m. of the Wednesday before the first week covered by the Forecast provided pursuant to Section 6.03(c) of this Attachment 1 above and on or before 5:00 p.m. every Wednesday thereafter until the end of the Delivery Period, Seller shall update the Forecast for the thirty (30) day period commencing on the Sunday following the weekly Wednesday Forecast update submission. Seller shall use the Web Client, if available, to supply this weekly update or, if the Web Client is not available, Seller shall provide SCE with the weekly Forecast update by e-mailing SCE.

(h) Forecasting Electric Energy.

If Seller is Forecasting electric energy, in accordance with SCE's instructions, and Seller learns of any change in the [total] [excess] {SCE Note: "excess" for Excess-Sales only.} electrical energy output of the Generating Facility for a period covered by the most recent Forecast update resulting from any cause, including an unplanned outage[or Site Host Load changes] {SCE Note: For Excess-Sales only.}, before the time that the next weekly update of the Forecast is due which results in variance in expected energy in any hour of plus (+) or minus (-) three percent (3%) from the energy reported in the most recent Forecast update, Seller shall provide an updated Forecast to SCE. This updated Forecast must be submitted to SCE by no later than:

- (i) 5:00 a.m. on the day before any day impacted by the change, if the change is known to Seller at that time. If the Web Client is not available, Seller shall e-mail these changes to presched@sce.com and immediately follow up with a phone call to SCE's Day-Ahead Scheduling Desk in accordance with Exhibit E;
- (ii) Thirty (30) minutes before the commencement of any hour impacted by the change, if the change is known to Seller at that time; or
- (iii) If the change is not known to Seller by the timeframes indicated in (i) or (ii) above, within twenty (20) minutes after Seller became aware or, using best efforts, should have become aware of the commencement of the event which caused the energy forecast change, e-mail changes to realtime@sce.com and immediately telephone SCE's Real-Time Scheduling in accordance with Exhibit E.

(i) Forecasting Available Capacity.

- (i) Seller shall provide an updated Forecast to SCE if (x) Seller learns of any change in the total available capacity of the Generating Facility for a period covered by the most recent Forecast update resulting from any cause, including an unplanned outage before the time that the next weekly update of the Forecast is due which Seller is required to report under the provisions of the CAISO Tariff related to PIRP/EIRP

and under other applicable provisions of the CAISO Tariff related to availability and outage reporting and (y) one of the following conditions is met:

- (A) Seller is Forecasting available capacity, in accordance with SCE's instructions;
 - (B) Seller does not provide real-time communication of availability as provided in Section 5.02(g) of this Attachment 1;
 - (C) The telecommunications path to obtain real-time data is inoperable; or
 - (D) Instrumentation is providing faulty or incorrect data.
- (ii) This updated Forecast must be submitted to SCE via the Web Client by no later than:
- (A) 5:00 a.m. on the day before any day impacted by the change, if the change is known to Seller at that time. If the Web Client is not available, Seller shall e-mail these changes to presched@sce.com and immediately telephone SCE's Day-Ahead Scheduling Desk in accordance with Exhibit E;
 - (B) Thirty (30) minutes before the commencement of any hour impacted by the change, if the change is known to Seller at that time; or
 - (C) If the change is not known to Seller by the timeframes indicated in (A) or (B) above, within twenty (20) minutes after Seller becomes aware or, using best efforts, should have become aware of the event which caused the availability change, e-mail changes to realtime@sce.com and immediately telephone SCE's Real-Time Scheduling in accordance with Exhibit E.
- (iii) Seller's updated Forecast must reflect the following information:
- (A) The beginning date and time of the change;
 - (B) The expected ending date and time of the event;
 - (C) The expected availability, in MW (if so instructed by SCE);
 - (D) The expected energy, in MWh (if so instructed by SCE); and

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The contents of this document are subject to restrictions on disclosure as set forth herein.

- (E) Any other information required by the CAISO as communicated to Seller by SCE.

6.05 Scheduled Outages.

- (a) Commencing at least sixty (60) days before the Initial Delivery Date and throughout the Delivery Period, Seller shall, no later than January 1, April 1, July 1 and October 1 of each year, submit to SCE, using the Web Client, Seller's schedule of proposed planned outages ("Outage Schedule") for the following twenty-four month period.
- (b) Unless agreed in writing and coordinated in advance by the Parties, no outages shall be scheduled or planned from each *[May 1 through September 30 or TBD]* during the Delivery Period. If Seller has a previously scheduled outage that becomes coincident with a CAISO-declared system emergency, Seller shall make all reasonable efforts to reschedule such scheduled outage.
- (c) Seller shall provide the following information for each proposed planned outage:
 - (i) Description of the work to be performed during the planned outage;
 - (ii) Start date and time;
 - (iii) End date and time; and
 - (iv) Capacity online, in MW, during the planned outage.
- (d) SCE shall notify Seller in writing of any request for changes to the Outage Schedule, and Seller shall, consistent with Prudent Electrical Practices, accommodate SCE's requests regarding the timing of any planned outage; provided that the CAISO agrees to such changed timing.
- (e) Seller must provide Notice to SCE at least sixty (60) days prior to the start of any planned outage.
- (f) Seller shall cooperate with SCE to arrange and coordinate all Outage Schedules with the CAISO in compliance with the CAISO Tariff.
- (g) If a condition occurs at the Generating Facility which causes Seller to revise its planned outages, Seller shall promptly provide Notice to SCE, using the Web Client (with a second Notice to SCE's Outage Desk if the planned outage is more than three months in the future), of such change (including an estimate of the length of such planned outage) as required in the CAISO Tariff after the condition causing the change becomes known to Seller.

Attachment 1-35 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

- (h) Seller shall promptly prepare and provide to SCE upon request, using the Web Client, all reports of actual or forecasted outages that SCE may reasonably require for the purpose of enabling SCE to comply with Section 761.3 of the California Public Utilities Code, the CAISO Tariff, or any Applicable Law mandating the reporting by investor owned utilities of expected or experienced outages by electric energy generating facilities under contract to supply electric energy.

6.06 Lost Output Report.

- (a) Monthly Report; SCE Review.

Commencing on the Initial Delivery Date and continuing throughout the Delivery Period, Seller shall calculate Lost Output and prepare and provide to SCE a Lost Output Report by the tenth (10th) Business Day of each month in accordance with Exhibit K.

SCE will have thirty (30) days after receipt of Seller's monthly Lost Output Report or Supplemental Lost Output Report to review such report.

Upon SCE's request, Seller shall promptly provide to SCE any additional data and supporting documentation necessary for SCE to audit and verify any matters in the Lost Output Report.

- (b) Disputes of Lost Output.

If SCE disputes Seller's Lost Output calculation, SCE shall provide Notice to Seller within thirty (30) days after receipt of Seller's Lost Output Report and include SCE's calculations and other data supporting its position.

The Parties shall negotiate in good faith to resolve any Disputes regarding the Lost Output calculation. If the Parties are unable to resolve a dispute through negotiation within thirty (30) days after SCE's giving the dispute Notice, either Party may submit the dispute to mediation and arbitration as provided in Article 12 (Disputes).

Seller will have no right to claim any Lost Output for any month that was not identified in the original Lost Output Report for that month; provided, Seller may supplement the amount of Lost Output claimed ("Supplemental Lost Output") for the month with a supplemental Lost Output Report ("Supplemental Lost Output Report") if Seller can demonstrate that Seller neither knew nor could have known through the exercise of reasonable diligence about the Supplemental Lost Output within the foregoing thirty (30) day period and Seller provides the Supplemental Lost Output Report within ten (10) Business Days after learning the facts which provide the basis for the Supplemental Lost Output claim; provided further, in no event will SCE be

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The contents of this document are subject to restrictions on disclosure as set forth herein.

obligated to accept a Supplemental Lost Output Report after thirty (30) days following the end of the applicable Term Year.

6.07 Operational Notices.

(a) Actual Availability Report.

- (i) Throughout the Delivery Period, Seller shall prepare and provide to SCE a report with the sum of the capacity, in MWs, of all *[inverters]* *{SCE Note: Solar Photovoltaic Only}* *[generating units]* *{SCE Note: all other technologies}* of the Generating Facility that were available at the end of the Settlement Interval, as measured by Seller's SCADA equipment, (an "Actual Availability Report") for each month. The data presented in the Actual Availability Report must not reflect any electric energy losses between the CAISO Approved Meter or Check Meter and the Delivery Point.

This report must be created on a single, dedicated worksheet in a form provided by SCE and set forth in Exhibit H and must be delivered electronically to SCE no later than the seventh (7th) Business Day following the end of the month which is the subject of the Actual Availability Report.

- (ii) Upon SCE's request, Seller shall promptly provide to SCE any additional data and supporting documentation necessary for SCE to audit and verify any matters set forth in the Actual Availability Report.

(b) [Seller's Provision of Historic Data.] *{SCE Note: Solar or Wind}* *{SCE Note: Replace with "Intentionally Omitted" for all other technologies}*

- (i) *[Seller shall provide to SCE a minimum of one (1) year of recorded meteorological data from the Site not later than ninety (90) days before Initial Delivery Date.*

Seller shall provide data from additional years if any such data is available.

(ii) Data Parameters.

For each equipment station that is installed, Seller shall provide the following data to the extent such data has been recorded:

- (A) *[Total global irradiance;]* *{SCE Note: Solar only}*
(B) Wind direction;

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The contents of this document are subject to restrictions on disclosure as set forth herein.

- (C) Wind speed;
- (D) Air temperature;
- (E) Barometric pressure;
- (F) Relative humidity;
- (G) Elevation of the station; and
- (H) Latitude and longitude of the station.

(iii) Format of Data.

Seller shall provide the data:

- (A) In the format to be specified by SCE; and
- (B) In the interval in which such data was recorded.] *{SCE Note: Solar and Wind only. For wind, SCE will require such information from Seller if the Site is in an area for which SCE has no historic information.}*

(c) Notice of Cessation or Termination of Service Agreements.

Seller shall provide Notice to SCE within one (1) Business Day after termination of, or cessation of service under, any agreement necessary to deliver Product to SCE at the Delivery Point or to meter the Metered Amounts.

(d) Communication Protocols.

The communication protocols in this Section 6.06(d) shall be modified, at SCE's reasonable discretion, as market conditions and rules evolve.

(i) Intra-day Communication.

All communications and notices between the Parties that occur intra-day and intra-hour for the applicable day shall be provided electronically or telephonically as SCE directs to the applicable Party.

If to Seller, such notices and communications shall be provided to the following contact, in order of priority, (1) [____], (2) [____], (3) [____]. If to SCE, such notices and communications shall be provided to Real-Time Scheduling, as set forth in Exhibit E. Each Party shall confirm all intra-day communication either electronically or via telephone as soon as practicable.

Attachment 1-38 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

(ii) Communication Failure.

In the event of a failure of the primary communication link between Seller and SCE, both Parties will try all available means to communicate, including cell phones or additional communication devices.

(iii) System Emergency.

SCE and Seller shall communicate as soon as possible all changes to the schedule requested by the CAISO as a result of a system emergency or by the T&D Provider as a result of an LRCD.

(iv) Staffing.

The Parties will have available 24 hours a day, seven days a week, personnel available to communicate regarding the implementation of this Section 6.07(d).

ARTICLE 9. REPRESENTATIONS, WARRANTIES, AND COVENANTS

9.02 Additional Seller Representations and Warranties.

Seller and, if applicable, its successors, represents and warrants that throughout the Delivery Term of this Agreement:

- (a) 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.
- (b) Seller has no knowledge of any plans by SCE or another T&D Provider to seek to construct a transmission or distribution line through or on the Site.
- (c) Seller has not used, granted, pledged, assigned or otherwise committed any portion of the generating capacity of the Generating Facility to meet the Resource Adequacy Requirements of, or to confer Resource Adequacy Benefits on, any entity other than SCE during the Delivery Period.

9.04 Seller Covenants.

Seller's covenants pursuant to Section 9.04 include:

- (a) Seller shall take all actions necessary for the Project to qualify and be certified by the CEC as an ERR and to qualify under the requirements of the California Renewables Portfolio Standard.

Attachment 1-39 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

- (b) 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.

- (c) 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.
- (b) Seller shall maintain the Project as Fully Deliverable for the purposes of counting the Product, in an amount equal to the Contract Capacity, towards RA Compliance Obligations. If the Project is Fully Deliverable by means of Interim Deliverability Status, Seller shall promptly notify SCE, with supporting documentation, when the Project is certified by the CAISO as having Full Capacity Deliverability Status.
- (d) Throughout the Delivery Period, Seller will not use, grant, pledge, assign or otherwise commit any portion of the generating capacity of the Generating Facility to meet the Resource Adequacy Requirements of, or to confer Resource Adequacy Benefits on, any entity other than SCE.

ARTICLE 10. EVENTS OF DEFAULT

10.01 Events of Default.

In addition to those Events of Default listed in Section 10.01(b), with respect to Seller, the occurrence of any of the following shall be considered an Event of Default:

- (a) Seller removes from the Site equipment upon which the Contract Capacity has been based, except for the purposes of replacement, refurbishment, repair or

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maintenance, and the equipment is not returned within five (5) Business Days after Notice from SCE;

- (b) Seller fails to take any actions necessary to dedicate, convey or effectuate the use of any and all Green Attributes for SCE's sole benefit as specified in Sections 1.01(b) and 1.07 of this Attachment 1; or
- (c) Seller does not have Site Control in accordance with Section 1.02(h) of this Attachment 1;
- (d) Seller transfers or assigns the Interconnection Queue Position or the interconnection agreement;
- (e) The occurrence of an Event of Deficient Energy Deliveries during two (2) Term Years, whether consecutive or non-consecutive.
- (f) *[The occurrence of an Event of Deficient Deferral Deliveries during two (2) months, whether consecutive or non-consecutive.]*
- (g) Seller fails to provide all of the Capacity Attributes associated with the Project;
- (h) *[Seller installs generating capacity in excess of the Contract Capacity and such excess generating capacity is not removed within five (5) Business Days after Notice from SCE.] {SCE Note: Intermittent Only}*

[The Metered Amounts in any one hour interval, in kWh, exceed one hundred fifteen percent (115%) of the Contract Capacity, in kW, to this Agreement, (an "Event of Excess Deliveries"), and within ten (10) Business Days after Notice from SCE, Seller fails to demonstrate to SCE's satisfaction that Seller has identified the reason that the Event of Excess Deliveries occurred and that Seller has employed or is employing best efforts to ensure that no additional Events of Excess Deliveries will occur throughout the Delivery Period.] {SCE Note: Baseload only.}
- (i) *[Seller installs Direct Current electric energy generating capacity in excess of the Installed DC Rating and such excess Direct Current energy generating capacity is not removed within five (5) Business Days after Notice from SCE.] {SCE Note: Solar Photovoltaic only}*
- (j) The Generating Facility consists of an ERR type(s) different than that specified in Section 1.02(h) of this Attachment 1.
- (k) Except where there has been a change in Applicable Laws that would affect Seller's status as an ERR, and Seller has made commercially reasonable efforts in accordance with Section 9.04(b) of this Attachment 1 to comply with the change in law, the Generating Facility fails to qualify as an ERR.

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The contents of this document are subject to restrictions on disclosure as set forth herein.

- (l) Except where there has been a change in Applicable Law that would affect the eligibility of electric energy to qualify as renewable energy for the purposes of the California Renewables Portfolio Standard and Seller has made commercially reasonable efforts in accordance with Section 9.04(c) of this Attachment 1 to comply with the change in law, any electric energy from the Generating Facility and sold or to be sold to SCE hereunder fails to qualify as eligible renewable energy for purposes of the California Renewables Portfolio Standard.
- (m) Seller fails to obtain and maintain Full Capacity Deliverability Status.
- (n) *[Seller fails to provide to SCE a copy of the certification identified in Public Utilities Code Sections 2821(d)(1) and (e)(1) as evidence of Seller's compliance with Public Utilities Code Section 2821(c) within thirty (30) days of Seller's receipt of such documentation from the State Water Resources Control Board or in no event later than sixty (60) days after the Initial Delivery Date.] {SCE Note: Hydro only.}*

ARTICLE 13. INDEMNIFICATION

13.01 SCE's Indemnification Obligations.

SCE's indemnification obligations pursuant to Section 13.01 shall also extend to any NERC Standards Non-Compliance Penalties which are solely due to SCE's negligence in performing its role as Seller's Scheduling Coordinator throughout the Delivery Period, so long as Seller has fully complied with the obligations of a Generator Operator and Generator Owner as set forth in all applicable NERC Reliability Standards.

13.02 Seller's Indemnification Obligations.

Seller's indemnification obligations pursuant to Section 13.02 shall also extend to:

- (a) Seller's failure to fulfill its obligations regarding Resource Adequacy Benefits as set forth in Sections 1.01(b), 1.06, and 1.07 of this Attachment 1;
- (b) NERC Standards Non-Compliance Penalties or an attempt by any Governmental Authority, person or entity to assess such NERC Standards Non-Compliance Penalties against SCE, except to the extent solely due to SCE's negligence in performing its role as Seller's Scheduling Coordinator during any Delivery Period as set forth in Section 6.03 of this Attachment 1;
- (c) SCE's transfer to Seller or Seller's designee of WREGIS Certificates generated by the Generating Facility prior to the Initial Delivery Date pursuant to Section 1.07(d) of this Attachment 1; and

- (d) the disqualification by WREGIS or any Governmental Authority of any Renewable Energy Credits transferred to SCE, or the failure to transfer any Renewable Energy Credits to SCE within four (4) months after the generation of the associated Metered Amounts.

Attachment 1-43 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

Attachment 1-1 (EE)

The contents of this document are subject to restrictions on disclosure as set forth herein.

PUBLIC APPENDIX G.4

Redline of Attachment 1 to 2019 *Pro Forma* Renewable Power Purchase Agreement

ATTACHMENT 1

IN FRONT OF THE METER ENERGY DISTRIBUTED GENERATION PROVISIONS

ARTICLE 1. PURCHASE AND SALE OF PRODUCT

1.02 Project.

- (a) Project. The “Project” consists of Seller’s electric generating facility as more particularly described in Exhibit B ~~[and, with respect to the Shared Facilities, Seller’s interests in such Shared Facilities]~~ (the “Generating Facility”), Prevention Equipment, and Protective Apparatus, together with all materials, equipment systems, structures, features and improvements necessary to produce electric energy at the facility, excluding the Site, land rights and interests in land. ~~{SCE Note: Bracketed language only applicable to projects that have Shared Facilities.}~~
- (b) Name. *[Generating Facility Name]*.
- (c) Delivery Point. At the point of interconnection with the CAISO Controlled Grid, *[insert name or location]* as set forth in the single-line diagram of the CAISO Controlled Grid interconnection set forth in Exhibit B.
{SCE Note: Placeholder for identifying location on CAISO Controlled Grid.}
- (d) Interconnection Point. *[insert name or location]*.
- (e) Interconnection Queue Position. *[Number(s) to be inserted]*
- (f) Location of Site. *[Generating Facility Address]*, as further described in Exhibit B.
- (g) Description. As set forth in Exhibit B.
- (h) ERR Type. *[Generation Technology]*.
- (i) Site Location and Control.
 - (i) This Agreement is specific to the Site set forth in Section 1.02(c) of this Attachment 1. Seller may change the location of the Site only upon SCE’s prior written consent, which consent is in SCE’s sole discretion.
 - (ii) Seller shall have Site Control from the Effective Date continuing throughout the Term.

Attachment 1-1 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

- (iii) Seller shall provide SCE with prompt Notice of any change in the status of Seller's Site Control.

1.03 Contracted Amount.

The "Contracted Amount" consists of, collectively, the Contract Capacity and the Expected Annual Net Energy Production, as set forth below.

- (a) Contract Capacity: [Number] MW. *{SCE Note: This should equal the maximum expected output at the Delivery Point, not to exceed the interconnection capacity. Minimum of 250 kW}. [The Contract Capacity may be reduced as set forth in Section 2.04(q) of this Attachment 1.] {SCE Note: Remove bracketed sentence from Distribution Deferral and other reliability RFOs}*

[AC Nameplate Capacity: [Number] MW. {SCE Note: This should be the sum of all Inverter Block Unit Capacities within the Generating Facility}

Installed DC Rating: [Number] kW_{PDC}. *{SCE Note: This should be the amount of Direct Current electric energy generating capacity that Seller commits to install at the Site.} [The Installed DC Rating may be reduced as set forth in Section 2.04(q) of this Attachment 1.] {SCE Note: Remove bracketed sentence from Distribution Deferral and other reliability RFOs} {SCE Note: For Solar Photovoltaic.}*

- (b) Expected Annual Net Energy Production.

The Expected Annual Net Energy Production for each Term Year will be the value calculated in accordance with the following formula:

Expected Annual Net Energy Production, in kWh = $A \times B \times C [- D]$ *{SCE Note: for Excess-Sales only}*

Where:

[A = As of the Effective Date and until SCE's verification of Seller's installation of the Generating Facility pursuant to Section 5.03 of this Attachment 1, the Installed DC Rating set forth in Section 1.03(a) of this Attachment 1. After the verification pursuant to Section 5.03 of this Attachment 1, the Demonstrated Installed DC Rating.] *{SCE Note: Solar Photovoltaic}*

[A = Contract Capacity.] *{SCE Note: All technologies except Solar Photovoltaic}*

Attachment 1-2 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

[B = Annual Energy Yield Factor: *[Number]* kWh AC per kW_{PDC} per year. *{SCE Note: this should be the annual AC energy in kWh that is expected to be delivered to SCE per installed peak DC power in kW_{PDC} of Photovoltaic Modules}* *{SCE Note: Solar Photovoltaic}*

[B = *[Number]* % capacity factor x 8,760 hours per year.] *{SCE Note: All technologies except Solar Photovoltaic}*

[C = Annual degradation factor in each Term Year as follows:] *{SCE Note: Solar Photovoltaic}*

[C = Annual production factor in each Term Year as follows:] *{SCE Note: Only applicable to Baseload projects with predictable production variation over time due to technology type}*

<u>Term Year</u>	<u>Annual</u> <u><i>[Degradation/</i></u> <u><i>[Production]</i></u> Factor
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
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15	

Attachment 1-3 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

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19	
20	

[D = [____ kWh] {SCE Note: Expected Annual Site Host Load kWh per Term Year for Excess-Sales only}

(c) Expected Monthly Net Energy Production.

For each month in the Delivery Period, “Expected Monthly Net Energy Production” equals the applicable Expected Annual Net Energy Production divided by twelve (12).

(d) Expected Monthly Net Deferral Production.

Subject to any adjustment as otherwise provided herein, the “Expected Monthly Net Deferral Production” for each month in the Delivery Period is the applicable “Monthly Deferral Production” amount identified in the table below times the applicable Annual Degradation Factor. For purposes of determining whether Qualified Amounts satisfy meeting Expected Monthly Net Deferral Production, and subject to any other limitations in this Agreement, such Qualified Amounts must be generated during the applicable hours identified in the table below.

<u>Month</u>	<u>Applicable Hours</u>	<u>Monthly Deferral Production (in kWh)</u>
<i>January</i>	<i>(e.g., Weekdays 1:00 pm PPT to 6:00 pm PPT)</i>	
<i>February</i>		
<i>March</i>		
<i>April</i>		

Attachment 1-4 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

<i>May</i>		
<i>June</i>		
<i>July</i>		
<i>August</i>		
<i>September</i>		
<i>October</i>		
<i>November</i>		
<i>December</i>		

[SCE Note: Above times and quantities will be based on SCE's requirements as outlined in SCE's RFO Instructions and Seller's offer, or, if applicable, on value included in Seller's offer.]

1.04 Price.

Subject to Section 3.06 of this Attachment 1, the Product Price is *[Dollar amount text]* dollars *(\$[Number])* per MWh, *[escalated at [Number text] percent ([Number]%) per Term Year]* {SCE Note: include if escalation is applicable}.

1.05 Exclusive Rights.

SCE's exclusive rights to the Product and all benefits derived therefrom shall be subject to the following conditions:

- (a) No action taken by SCE under Section 1.05 constitutes a transfer of, or a release of SCE of, its obligations under this Agreement.
- (b) Subject to Seller's obligations under this Agreement, SCE shall be responsible for any costs arising from or directly related to SCE's accounting for or otherwise claiming Green Attributes, Capacity Attributes and Resource Adequacy Benefits.

Attachment 1-5 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

1.06 Resource Adequacy Provisions.

Seller's responsibilities pursuant to Section 1.06 shall also include:

Commencing on the Initial Delivery Date and continuing throughout the Delivery Period, Seller shall ensure that the Generating Facility has Full Capacity Deliverability Status such that, for each applicable month during the Delivery Period, the Qualifying Capacity of the Generating Facility equals the Net Qualifying Capacity for such applicable month.

1.07 Conveyance of Entire Output, Conveyance of Green Attributes, Capacity Attributes and Resource Adequacy Benefits.

- (a) Metered Amounts. Seller shall dedicate and convey the entire Metered Amounts throughout the Delivery Period to SCE. Seller shall convey title to and risk of loss of all Metered Amounts to SCE at the Delivery Point. "Metered Amounts" means the electric energy produced by the Generating Facility, expressed in kWh, as recorded by the CAISO Approved Meter(s), or Check Meter(s), as applicable.

- (b) Green Attributes. Seller hereby provides and conveys all Green Attributes associated with all electricity generation from the Project to SCE as part of the Product being delivered. Seller represents and warrants that Seller holds the rights to all Green Attributes from the Project, and Seller agrees to convey and hereby conveys all such Green Attributes to SCE as included in the delivery of the Product from the Project.
{SCE Note: For Full Buy-Sell only.}

Green Attributes. Seller hereby provides and conveys all Green Attributes associated with all Qualified Amounts. Seller represents and warrants that Seller holds the rights to all Green Attributes associated with all Qualified Amounts, and Seller agrees to convey and hereby conveys all such Green Attributes to SCE as included in the delivery of the Product from the Project.
{SCE Note: For Excess-Sales only.}

- (c) Capacity Attributes and Resource Adequacy Benefits. Seller shall dedicate and convey any and all Capacity Attributes and Resource Adequacy Benefits generated by, associated with or attributable to the Generating Facility throughout the Delivery Period to SCE and SCE shall be given sole title to all such Capacity Attributes and Resource Adequacy Benefits in order for SCE to meet its resource adequacy obligations under any Resource Adequacy Rulings.
- (d) Further Action by Seller. Commencing at least six (6) months before the Initial Delivery Date and throughout the Delivery Period, Seller shall, at its own cost, take all actions and execute all documents or instruments necessary to effectuate the use of the Green Attributes, Capacity Attributes and Resource

Attachment 1-6 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

Adequacy Benefits for SCE's sole benefit throughout the Delivery Period, which actions include:

- (i) Cooperating with and encouraging the regional entity responsible for resource adequacy administration to certify or qualify the Contract Capacity for resource adequacy purposes;
- (ii) Testing the Generating Facility in order to certify the Generating Facility for resource adequacy purposes;
- (iii) Complying with all current and future CAISO Tariff provisions that address resource adequacy and are applicable to the Generating Facility, including provisions regarding performance obligations and penalties, if applicable;
- (iv) Committing to SCE the entire Metered Amounts of the Generating Facility;
- (v) Pursuing and obtaining any and all Capacity Attributes and Resource Adequacy Benefits to the extent that Applicable Laws, including as may be changed after the Effective Date, allow for any Capacity Attributes or Resource Adequacy Benefits to be obtained other than by the completion of Delivery Network Upgrades (as defined in the CAISO Tariff and as applicable to the Project); and
- (vi) Complying with Applicable Laws regarding the certification and transfer of Renewable Energy Credits, including participation in WREGIS or other process recognized under Applicable Laws for the registration, transfer or ownership of Green Attributes associated with the Generating Facility. SCE will take all actions to be the Account Holder and Qualified Reporting Entity, and the party responsible for registering the Generating Facility as a Registered Generating Unit. Seller shall provide SCE with all supporting documents requested for registration approval, as required by WREGIS.

If Seller has sold Product (or product that would be considered "Product" under this Agreement if it were attributable to the Delivery Period) to any party other than SCE with respect to a period that is prior to the Initial Delivery Date, Seller shall, or shall cause such party to: (A*i*) take all actions necessary for SCE to be the Account Holder as of the Initial Delivery Date, and (B*ii*) take all actions necessary for SCE to be the Qualified Reporting Entity prior to the generation of any WREGIS Certificates associated with deliveries of Product on and after the Initial Delivery Date. SCE agrees to transfer all WREGIS Certificates associated with generation from the

Attachment 1-7 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

Generating Facility prior to the Initial Delivery Date to Seller or Seller's designee.

(e) Restrictions on Sales Related to Unincluded Capacity.

- (i) Neither Party will have any liability for failure to purchase or deliver Product associated with or attributable to capacity in excess of the Demonstrated Installed DC Rating or the *{SCE Note: Solar Photovoltaic only}* Demonstrated Contract Capacity ("Unincluded Capacity"), subject to the remainder of this Section 1.07(e).
- (ii) Neither Seller nor Seller's Affiliates may sell, or enter into an agreement to sell, electric energy, Green Attributes, Capacity Attributes or Resource Adequacy Benefits associated with or attributable to Unincluded Capacity from any generating facility installed at the Site to a party other than SCE for a period of two (2) years following a reduction of Contract Capacity pursuant to Section 2.04(q) of this Attachment 1.
- (iii) With respect to Seller's Affiliates, the prohibition on contracting and sale as set forth in Section 1.07(e)(ii) of this Attachment 1 will not apply if, before entering into the contract or making a sale to a party other than SCE, any Seller's Affiliate wishing to enter into a contract or sale provides SCE with a written offer to sell the electric energy, Green Attributes, Capacity Attributes and Resource Adequacy Benefits related to Unincluded Capacity to SCE on terms and conditions materially similar to or no less favorable to SCE than the terms and conditions contained in this Agreement and SCE fails to accept such offer within forty-five (45) days after SCE's receipt thereof; provided, any Seller's Affiliate wishing to enter into a contract or sale must:
 - (A) Build a new generating facility separate from the Generating Facility to produce such additional electric energy and associated attributes;
 - (B) Establish an entity other than Seller to act as the seller for such additional electric energy and associated attributes;
 - (C) Meter such additional generating capacity separately from the Generating Facility, to SCE's reasonable satisfaction; and
 - (D) Separately interconnect such additional generating capacity to the T&D Provider's system, to SCE's reasonable satisfaction.

Attachment 1-8 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

If the preceding conditions are met, Seller's Affiliates (but not Seller) will be free to sell such additional electric energy and associated attributes to third parties.

(f) [Bioenergy Benefits.

For all electric generation using biomethane as fuel, Seller shall transfer to SCE sufficient renewable and environmental attributes of biomethane production and capture to ensure that there are zero (0) net emissions associated with the production of electricity from the Generating Facility using the biomethane.

For all electric generation using biomethane as fuel, neither SCE nor Seller may make a marketing, regulatory, or retail claim that asserts that a procurement contract to which that entity was a party resulted, or will result, in greenhouse gas reductions related to the destruction of methane if the capture and destruction is required by law. If the capture and destruction of the biomethane is not required by law, neither SCE nor Seller may make a marketing, regulatory, or retail claim that asserts that a procurement contract to which that entity was a party resulted, or will result, in greenhouse gas reductions related to the destruction of methane, unless the environmental attributes associated with the capture and destruction of the biomethane pursuant to that contract are transferred to SCE and retired on behalf of the retail customers consuming the electricity associated with the use of that biomethane, or unless Seller's procurement contract with the source of biomethane prohibits the source of biomethane from separately marketing the environmental attributes associated with the capture and destruction of the biomethane sold pursuant to that contract, and such attributes have been retired.] {SCE Note: Biomethane projects only.}

ARTICLE 2. TERM AND DELIVERY PERIOD

2.04 Initial Delivery Date.

The conditions to the "Initial Delivery Date" shall also include:

- (a) Seller has completed the installation and testing of the Project for purposes of financing, Permits, the interconnection agreement, operating agreements, the EPC agreement and manufacturer's warranties;
- (b) Seller has received an Independent Engineer's certification that the Project has been completed in all material respects (except punch list items that do not materially and adversely affect the ability of the Project to operate as intended);

Attachment 1-9 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

- (c) The Demonstrated Contract Capacity is equal to or greater than [seventy-five percent (75%) of] *{SCE Note: Remove for Distribution Deferral Contracts}* the Contract Capacity as of the Effective Date;
- (d) Seller has taken all steps necessary to allow SCE to be designated as the Account Holder in accordance with Section 1.07(d) of this Attachment 1;
- (e) Seller has obtained CEC Pre-Certification;
- (f) Seller has taken all steps necessary to ensure that SCE becomes authorized by the CAISO to Schedule the electric energy produced by the Project with the CAISO;
- (g) Seller has obtained certification (the “CAISO Certification”) for the Generating Facility that such Generating Facility meets the certification and testing requirements for a generating facility set forth in the CAISO Tariff, including certification and testing;
- (h) SCE has been authorized by the CAISO to Schedule the electric energy produced by the Project with the CAISO;
- (i) Seller has demonstrated to SCE’s reasonable satisfaction that Seller has executed all necessary T&D Provider and CAISO agreements;
- (j) Seller has provided to SCE the number filed by the T&D Provider with FERC as a representation for all net electric energy losses or avoided losses, as filed by SCE at FERC, associated with the transmission of electric energy through the electric system from the high voltage side of the Project’s substation bus bar to the interface with the CAISO Controlled Grid, also known as the distribution loss factor (the “DLF”);
- (k) Seller has received:
 - (i) authority from FERC, pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824d, for wholesale sales of electric energy, capacity and ancillary services at market-based rates, and
 - (ii) all other approvals and authorizations required for Seller to perform its obligations under this Agreement;
- (l) Seller has executed a “Participating Generator Agreement” or “Participating Load Agreement,” as applicable, “Meter Service Agreement For CAISO Metered Entities,” as those terms are defined in the CAISO Tariff, and any other forms or agreements required by the CAISO with respect to the Project, and delivered true and complete copies of all such forms and agreements to SCE;

Attachment 1-10 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

- (m) Seller has entered into and complied in all material respects with all obligations under all interconnection agreements required to enable parallel operation of the Project with the T&D Provider's electric system and the CAISO Controlled Grid;
- (n) Seller is Forecasting to SCE in accordance with Section 6.04 of this Attachment 1;
- (o) Seller has registered with the NERC as the Project's Generator Owner and Generator Operator if Seller is required to be a registered entity pursuant to the NERC Reliability Standards; and
- (p) Seller has obtained and delivered to SCE a certification that the Project is ~~fully deliverable~~Fully Deliverable, as determined by the CAISO, for the purposes of counting an amount equal to the Contract Capacity towards SCE's RA Compliance Obligations.
- (q) Modification of Contract Capacity. *{SCE Note: Remove Section 2.04(q) from Distribution Deferral and other reliability RFOs}*
 - (i) If the Contract Capacity set forth in Section 1.03(a) is greater than the Demonstrated Contract Capacity and the Demonstrated Contract Capacity is equal to or greater than seventy-five percent (75%) of the Contract Capacity as of the Effective Date,
 - (A) The Contract Capacity will be reduced to an amount equal to the Demonstrated Contract Capacity;
 - (B) The Expected Annual Net Energy Production will be recalculated using such adjusted Contract Capacity; and
 - (C) Prior to the Initial Delivery Date (and as a condition to its occurrence), Seller shall pay SCE an amount equal to the product of *[Dollar amount text]* dollars (*\$(Number)*)*{SCE NoteComment: amount to be provided by SCE}* per kW and the difference (in kW) between the original Contract Capacity set forth in Section 1.03(a) and the Demonstrated Contract Capacity; provided that, with SCE's consent, Seller may elect to apply its Development Security toward this payment.
{SCE NoteComment: For all technologies except Solar Photovoltaic}
 - (ii) ~~If the Installed DC Rating set forth in Section 1.03(a) is greater than the Demonstrated Installed DC Rating~~ *{and the Demonstrated Contract Capacity is equal to or greater than seventy-five percent (75%) of the Contract Capacity as of the Effective Date}*,

Attachment 1-11 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

- (A) The Installed DC Rating will be reduced to an amount equal to the Demonstrated Installed DC Rating;
 - (B) The Expected Annual Net Energy Production will be recalculated using such adjusted Installed DC Rating; and
 - (C) Prior to the Initial Delivery Date (and as a condition to its occurrence), Seller shall pay SCE an amount equal to the product of *[Dollar amount text]* dollars (*\$(Number)*){*SCE NoteComment: amount to be provided by SCE*} per kW and the difference (in kW) between the original Installed DC Rating set forth in Section 1.03(a) and the Demonstrated Installed DC Rating; provided that, with SCE's consent, Seller may elect to apply its Development Security toward this payment.*[/i>
*{SCE NoteComment: For Solar Photovoltaic}**
- (r) Obligations Prior to Commencement of the Delivery Period.
- (i) Seller's Interconnection Queue Position.
- Seller must not (A) withdraw the Interconnection Queue Position identified in Section 1.02(e) of this Attachment 1, (B) assign or transfer that Interconnection Queue Position to any entity, or (C) utilize the Interconnection Queue Position for the benefit of any power purchase and sale agreement other than ~~the~~*this* Agreement, in each case, without SCE's prior written consent.

ARTICLE 3. PAYMENTS

3.01 Payment Mechanisms.

- (a) "Invoicing Party": SCE
- (b) "Paying Party": SCE for Product Payments; Seller for Product Replacement Damage Amounts; and SCE or Seller, as applicable, for other amounts payable under this Agreement from time to time
- (c) "Invoice Date": The last ~~day~~*Business Day* of the month following the Invoice Calculation Period for which payment obligations are calculated
- (d) "Payment Date": The last ~~day~~*Business Day* of the month following the Invoice Calculation Period for which payment obligations are calculated
- (e) "Invoice Calculation Period": a calendar month
- (f) Other Payment and Invoicing Requirements.

Attachment 1-12 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

The invoice shall include documentation supporting any SCE penalties, Negative LMP Costs, CAISO Costs, CAISO Sanctions, or other applicable revenues, charges and offsets which affected the net amount in the invoice.

3.02 Obligation to Pay and Invoice.

- (a) Throughout the Delivery Period, SCE shall purchase Product generated by the Generating Facility and delivered at the Delivery Point in accordance with this Agreement, CAISO Tariff and Applicable Law, provided, subject to Section 3.02(b) of this Attachment 1, SCE has no obligation to purchase from Seller any Product that is not or cannot be delivered to the Delivery Point as a result of any circumstance, including:
 - (i) An outage of the Generating Facility;
 - (ii) A Force Majeure under Article 8; or
 - (iii) A reduction or curtailment of deliveries in accordance with Section 6.01(e~~f~~) of this Attachment 1, except as set forth in Section 3.02(b) of this Attachment 1.
 - (iv) An increase in the Site Host Load. *{SCE Note: For Excess-Sales only.}*
- (b) Subject to Section 3.03(b)(ii) of this Attachment 1, SCE will be obligated to pay Seller for any Curtailed Product in each Term Year, in accordance with Article 3.

3.03 Cost Responsibility Upon Commercial Operation.

(a) SCE Cost Responsibility.

Upon the Initial Delivery Date and for the remainder of the Delivery Period,

- (i) Except under the circumstances set forth in Section 3.03(b)(ii) of this Attachment 1, SCE shall make monthly Product Payments to Seller for Product delivered to SCE calculated in the manner described in Section 2.03 of this Attachment 1;
- (ii) Except as set forth in Section 3.03(b) of this Attachment 1, SCE shall be responsible for all CAISO Costs and CAISO Sanctions and have the right to receive all CAISO Revenues~~/~~; and
- (iii) To the extent that SCE requires Seller to participate in the PIRP/EIRP program, SCE shall be responsible for PIRP/EIRP forecasting fees~~/~~.
{SCE Note: For Intermittent Only.}

Attachment 1-13 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

(b) Seller Cost Responsibility.

Upon the Initial Delivery Date and for the remainder of the Delivery Period:

- (i) *[If in any hour of any month in the Delivery Period Seller fails to comply with its Forecasting requirements under Section 6.03 of this Attachment 1 with respect to Seller's Forecast of available capacity only, and the sum of Energy Deviations for each of the Settlement Intervals in that hour exceed the Performance Tolerance Band, then Seller is liable for an SCE penalty equal to one hundred fifty percent (150%) of the Product Price in Section 1.04 for each MWh of Energy Deviation, or any portion thereof, in that hour.] {SCE Note: Intermittent Only}*

[Seller shall be responsible for all CAISO Costs for all Settlement Intervals where Energy Deviations exceed the Performance Tolerance Band.] {SCE Note: Baseload Only}

“Energy Deviations” in kWh, means the absolute value of the difference, in kWh, in any Settlement Interval between (A) *[Forecast-Derived Energy] {SCE Note: Intermittent Only} [Expected Energy] {SCE Note: Baseload Only}*; and (B) Metered Amounts plus Lost Output.

The “Performance Tolerance Band,” shall be expressed in kWh, and is calculated as follows:

*[Performance Tolerance Band = 3% * Contract Capacity * one (1) hour] {SCE Note: Intermittent Only}*

*[Performance Tolerance Band = 3% * Contract Capacity / The number of Settlement Intervals in the hour] {SCE Note: Baseload Only}*

- (ii) SCE will not be obligated to pay Seller for any Product that Seller delivers in violation of Section 6.01(e) of this Attachment 1, and Seller shall pay all CAISO Sanctions and CAISO Costs, and SCE shall retain all CAISO Revenues resulting from such violation of Section 6.01(f) of this Attachment 1.
- (iii) If during any Settlement Interval Seller delivers Metered Amounts, expressed in MWh, in excess of the product of *[Number] {SCE Note: bracketed number should equal the lesser of the Contract Capacity and the maximum expected output at the Delivery Point, not to exceed the interconnection capacity}*, expressed in MW, multiplied by the length of such Settlement Interval, expressed in hours, then all such excess MWh in such Settlement Interval shall not be included in

Attachment 1-14 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

Qualified Amounts, and if there is a Negative LMP during such Settlement Interval, Seller shall pay to SCE an amount equal to the absolute value of the Negative LMP times such excess MWh (“Negative LMP Costs”).

- (iv) If during any Term Year Seller delivers Metered Amounts, together with Curtailed Product, that are in the aggregate in excess of one hundred percent (100%) of the Expected Annual Net Energy Production, as set forth in Section 1.03(b) of this Attachment 1, for such Term Year and such Metered Amounts are not (A) subject to Section 3.03(b)(iii) of this Attachment 1 or (B) delivered in violation of Section 6.01(ef) of this Attachment 1, then Seller shall be responsible for and pay all CAISO Sanctions and CAISO Costs and Seller shall be entitled to all CAISO Revenues with respect to all such excess Metered Amounts in such Term Year.
- (v) Seller must reimburse SCE for all CAISO Sanctions incurred by SCE as a result of Seller’s failure to adhere to its obligations under the CAISO Tariff or any CAISO directive, as such directive may be communicated to Seller by SCE, or as set forth in Sections 3.03(b)(ii), 3.03(b)(iii), and 6.01(ef) of this Attachment 1. The CAISO Sanctions will be available for billing approximately one hundred twenty (120) days following the last day of the calendar month in which the event giving rise to the sanction occurs, or thirty (30) days after the CAISO final settlement data is available to SCE, whichever is sooner.
- (vi) Seller shall make monthly payments calculated in the manner described in Section 3.04 of this Attachment 1.

3.04 Product Payment Calculations After Initial Delivery Date.

Monthly payments for Product delivered to SCE as of the Initial Delivery Date in accordance with the terms of this Agreement (“Product Payments”), will equal the sum of (i) all Product Payments for all periods in the month and (ii) any payments for Paid Curtailed Product *[and (iii) any lost Federal Production Tax Credits as set forth in Section 3.05(d)] {SCE Note: for Sellers that are eligible for the Federal Production Tax Credit}*, in the month.

Each “Product Payment” will be calculated pursuant to the following formula: Product Payment = A x (B – C - D) + E

Where:

A = Product Price specified in Section 1.04 in \$/kWh
(i.e., \$/MWh/1000).

B = The sum of Qualified Amounts in kWh.
Attachment 1-15 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

- C = Any electric energy produced by the Generating Facility for which SCE is not obligated to pay Seller as set forth in Section 3.03(b)(ii) of this Attachment 1.
- D = Any electric energy produced by the Generating Facility with respect to which Seller is responsible for Negative LMP Costs as set forth in Section 3.03(b)(iii) of this Attachment 1.
- E = CAISO Revenues with respect to electric energy produced by the Generating Facility for which Seller is responsible for Negative LMP Costs as set forth in Section 3.03(b)(iii) of this Attachment 1.

3.05 Seller's Energy Delivery Obligation.

On the commencement of the first Term Year and for every Term Year thereafter, Seller is subject to the electric energy delivery requirements and damages for failure to perform as set forth in this Section 3.05.

(a) Performance Requirements.

(i) Seller's Energy Delivery Obligation.

["Seller's Energy Delivery Obligation" for the twenty-four (24) month period immediately preceding the end of each Term Year commencing at the end of the second Term Year ("Deficiency Calculation Period") is one hundred forty percent (140%) of the Expected Annual Net Energy Production.] {SCE Note: Wind only.}

["Seller's Energy Delivery Obligation" for the twenty-four (24) month period immediately preceding the end of each Term Year commencing at the end of the second Term Year ("Deficiency Calculation Period") is one hundred seventy percent (170%) of the average of the two (2) Expected Annual Net Energy Production amounts applicable to the Deficiency Calculation Period.] {SCE Note: All other intermittent technologies.}

["Seller's Energy Delivery Obligation" for the twelve (12) month period immediately preceding the end of each Term Year commencing at the end of the first Term Year ("Deficiency Calculation Period") is ninety percent (90%) of the Expected Annual Net Energy Production.] {SCE Note: Baseload technologies.}

["Seller's Energy Delivery Obligation" for each month in the Delivery Period is eighty percent (80%) of the applicable Expected Monthly Net Energy Production.]

Attachment 1-16 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

“Seller’s Deferral Delivery Obligation” for each month in the Delivery Period is eighty-five percent (85%) of the applicable Expected Monthly Net Deferral Production.] {SCE Note: replace for Distribution Deferral Contracts}

(ii) Event of Deficient Energy Deliveries.

[[At the end of each Term Year commencing with the end of the second Term Year,] [For each month in the Delivery Period] {SCE Note: Monthly obligation for Distribution Deferral Contracts} if the sum of Qualified Amounts plus any Lost Output (calculated in accordance with Exhibit K) in the applicable Deficiency Calculation Period does not equal or exceed Seller’s Energy Delivery Obligation, then an “Event of Deficient Energy Deliveries” will be deemed to have occurred and the shortfall amount (in kWh) will be the “Energy Shortfall Amount.”] {SCE Note: Wind and solar only.}

[At the end of each Term Year if the sum of the Qualified Amounts plus any Lost Output (calculated in accordance with Exhibit K) during the Term Year does not equal or exceed Seller’s Energy Delivery Obligation, then an “Event of Deficient Energy Deliveries” will be deemed to have occurred and the shortfall amount (in kWh) will be the “Energy Shortfall Amount.”] {SCE Note: All other technologies.}

[For each month in the Delivery Period, if the sum of the Qualified Amounts plus any Lost Output (calculated in accordance with Exhibit K) does not equal or exceed the applicable Seller’s Deferral Delivery Obligation, then an “Event of Deficient Deferral Deliveries” will be deemed to have occurred and the shortfall amount (in kWh) will be the “Deferral Shortfall Amount.”] {SCE Note: add for Distribution Deferral Contracts}

(b) Product Replacement Damage Amount.

The Parties acknowledge that the damages sustained by SCE associated with an Event of Deficient Energy Deliveries *[for an Event of Deficient Deferral Deliveries]* would be difficult or impossible to determine, or that obtaining an adequate remedy would be unreasonably time consuming or expensive, and therefore agree that Seller shall pay SCE as liquidated damages an amount calculated under this Section 3.05(b) which is intended to compensate SCE for Seller’s failure to perform.

If an Event of Deficient Energy Deliveries *[for an Event of Deficient Deferral Deliveries]* occurs, Seller shall pay the “Product Replacement Damage Amount” calculated as follows:

Attachment 1-17 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

Product Replacement Damage Amount = $A * B$

Where:

A = the Energy Shortfall Amount for the applicable Deficiency Calculation Period

B = the largest Product Price for the applicable Deficiency Calculation Period, expressed in \$/kWh

[Replacement Formula for Distribution Deferral Contracts:]

Product Replacement Damage Amount = $\max (X,Y)$

Where:

*$X = A1 * B * C$*

*$Y = A2 * B * C$*

$A1$ = the Energy Shortfall Amount for the applicable Deficiency Calculation Period

$A2$ = the Deferral Shortfall Amount for the applicable Deficiency Calculation Period

B = the largest Product Price for the applicable Deficiency Calculation Period, expressed in \$/kWh

C = the largest Product Payment Allocation Factor for the applicable Deficiency Calculation Period

- (i) Within ninety (90) days after the end of the applicable Deficiency Calculation Period, SCE shall calculate any Product Replacement Damage Amount, and shall provide Notice to Seller of any Product Replacement Damage Amount owing, including a detailed explanation of, and rationale for, its calculation methodology, annotated work papers and source data.
 - (ii) Seller shall have thirty (30) days after receipt of SCE's Notice to review SCE's calculation and either pay the entire Product Replacement Damage Amount claimed by SCE or pay any undisputed portion and provide Notice to SCE of the portion Seller disputes along with a detailed explanation of, and rationale for, Seller's calculation methodology, annotated work papers and source data.
 - (iii) The Parties shall negotiate in good faith to resolve any disputed portion of the Product Replacement Damage Amount and shall, as part of such good faith negotiations, promptly provide information or
- Attachment 1-18 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

data relevant to the dispute as each Party may possess which is requested by the other Party.

- (iv) If the Parties are unable to resolve a dispute regarding any Product Replacement Damage Amount within thirty (30) days after the sending of a Notice of dispute by Seller, either Party may submit the dispute to mediation and arbitration as provided in Article 12.

(c) Continuing Obligations of Seller.

Notwithstanding any payment of a Product Replacement Damage Amount, all of Seller's obligations under Section 1.07 of this Attachment 1 shall continue to apply.

3.06 Allocation of Resource Adequacy Capacity Product Payments and Charges.

During the Delivery Period, if the Project is subject to the terms of

- (a) the Availability Standards, "Non-Availability Charges," and "Availability Incentive Payments," as those terms are defined by the CAISO Tariff, and as contemplated under the CAISO Tariff, or
- (b) any similar standards, charges or payments that may be implemented for resources providing flexible capacity resource adequacy attributes or other types of Resource Adequacy Benefits,

any Availability Incentive Payments and other resulting payments will be for the benefit of Seller and for Seller's account and any Non-Availability Charges and other resulting charges are the responsibility of Seller and for Seller's account.

ARTICLE 4. DESIGN AND CONSTRUCTION OF PROJECT

4.05 Provision of Information.

Items to be provided by Seller pursuant to Section 4.05 shall include:

- (a) All applications and approvals or disapprovals relating to CEC Pre-Certification, CEC Certification, CEC Verification, any Permit and PIRP/EIRP (if SCE requests Seller to apply to be in PIRP/EIRP);
- (b) All final and revised copies of material reports, studies and analyses furnished by the CAISO or any T&D Provider, and any correspondence related thereto, concerning the interconnection of the Generating Facility to the T&D Provider's electric system or the transmission of electric energy on the T&D Provider's electric system;

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The contents of this document are subject to restrictions on disclosure as set forth herein.

- (c) All notifications of adjustments in the DLF used by the T&D Provider in the administration of the transmission service agreement for the Generating Facility within thirty (30) days of receiving such notification from the T&D Provider;
- (d) All ~~/~~reports prepared by an Independent Engineer concerning the electric energy producing potential of the Site or assessing the solar resource potential at the Site] *[Geothermal Reservoir Report] [Final Wind Report] {SCE Note: select appropriate technology or remove}*, and any revisions thereto, for the time period beginning on the Effective Date and ending on the last day of the first Term Year;
- (e) All Generating Facility and metering information as may be requested by SCE, including the following, at least thirty (30) days before the Initial Delivery Date:

For the Generating Facility:

- (A) Site plan drawings for the Generating Facility;
- (B) Electrical one-line diagrams;
- (C) Control and data-acquisition details and configuration documents;
- (D) Major electrical equipment specifications;
- (E) General arrangement drawings;
- (F) Longitude and latitude of ~~/~~the centroid and each corner of the Site] *{SCE Note: Solar only.} [each generator] {SCE Note: All other technologies.}*;

(G) Artist renderings ~~and of the Site, if any;~~

~~(G)~~(H) Aerial photographs of the Site, if any;

~~(H)~~(I) Inverter specification;

~~(I)~~(J) *[Site plan drawing of the geothermal well field;*

~~(J)~~(K) *Process flow diagrams;*

~~(K)~~(L) *Piping and instrumentation diagrams;*

~~(L)~~(M) *Production and injection well flow rates and volumes;*

~~(M)~~(N) *Wellhead pressures;*

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The contents of this document are subject to restrictions on disclosure as set forth herein.

~~(A)~~(O) *Geothermal fluid chemistry;*

~~(O)~~(P) *Non-condensable gas composition;*

~~(P)~~(Q) *Current Inverter specification;]*

~~(Q)~~(R) */Photovoltaic module specification;*

~~(R)~~(S) *Solar energy collection grid diagrams;]*

~~(S)~~(T) *[Wind Turbine specification;*

~~(T)~~(U) *Wind energy collection grid diagrams;*

~~(U)~~(V) *Topographical maps showing the location of all Wind Turbines, and specifying the Wind Turbine model and Site-specific identification number; and]*

~~(V)~~ *— [Map showing the location of the Meteorological Equipment, including specifying the longitude and latitude of such.]*

(W) ~~*/Copies of all Shared Facilities Agreements./*~~
{SCE Note: Include subsections above when applicable to the Generating Facility.}

(X) Utility transmission/distribution one-line diagram;

(Y) Physical location, address or descriptive identification;

(Z) Telephone number ~~on site~~, of control room; ~~for operational issues; and for administrative issues.~~

~~(AA)~~ *-Telephone number for operational issues; and*

~~(BB)~~ *Telephone number for administrative issues;*

~~(f)~~ *A complete set of as-built drawings of the Generating Facility including civil, structural, mechanical and electric drawings and final process instrumentation diagrams, no later than ninety (90) days following the Initial Delivery Date; and*

~~(g)~~ *[The names of the Interconnection Point and the Delivery Point within thirty (30) days after Seller's receipt of such information from the T&D Provider or CAISO, as applicable.] {SCE Note: Applicable if the official names of the Interconnection Point or Delivery Point are not known as of the Effective Date.}*

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The contents of this document are subject to restrictions on disclosure as set forth herein.

ARTICLE 5. INTERCONNECTION; METERING; TESTING

5.01 Transmission and Interconnection.

Additional interconnection requirements for the Project pursuant to Section 5.01 shall include:

- (a) ~~/~~Seller shall obtain and maintain throughout the Delivery Period any and all interconnection and transmission service rights and Permits required to effect delivery of the electric energy from the Generating Facility to the Delivery Point.
- (b) Seller shall comply with the CAISO Tariff, including securing and maintaining in full force all required CAISO agreements, certifications and approvals.
- (c) Seller shall secure through the CAISO the Resource ID that is to be used solely for the Generating Facility.
- (d) Seller shall comply with the requirements of Appendix CC of the CAISO Tariff, or its equivalent successor ~~/ {SCE Note: Language applicable to projects that do not utilize Shared Facilities.}~~.

~~(-) [Seller shall obtain and maintain throughout the Delivery Period any and all interconnection and transmission service rights and Permits required to effect delivery of the electric energy from the Generating Facility to the Delivery Point. The interconnection agreement shall provide for interconnection capacity available or allocable to the Generating Facility that is no less than the Contract Capacity. The Parties acknowledge that ownership and use of the Shared Facilities (including the interconnection agreement itself) may be subject to a co-tenancy or similar sharing agreement (collectively, "Shared Facilities Agreement(s)"), under which Shared Facilities Agreements an Affiliate of Seller may act as a manager on behalf of Seller and the Other Seller(s) under the interconnection agreement ("Affiliate Manager"). Seller shall ensure that, from the Commercial Operation Date and throughout the Delivery Period, Seller shall have sufficient interconnection capacity and rights under or through the interconnection agreement and the Shared Facilities Agreements, if any, to interconnect the Generating Facility with the CAISO Controlled Grid and fulfill its obligations under this Agreement. In connection with the interconnection agreement and the Shared Facilities Agreements, if any, the following shall apply:~~

~~(-) The Shared Facilities Agreements shall provide that:~~

~~(-) the Other Seller(s), the Affiliate Manager and the Interconnection Affiliate (if different from Seller or Other Seller(s)) shall fully indemnify Seller for any liability arising out of its respective acts or omissions in regards to its~~

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The contents of this document are subject to restrictions on disclosure as set forth herein.

~~respective performance obligations under the interconnection agreement and any Shared Facilities Agreement in which such party is a counterparty with Seller,~~

- ~~(-) Seller shall have the right to correct, remedy, mitigate, or otherwise cure any omission, failure, breach or default by Other Seller, Affiliate Manager, or Interconnection Affiliate (if different from Seller or Other Seller(s)) that would negatively impact Seller's obligations under this Agreement, under the interconnection agreement, or under any Shared Facilities Agreement in which Seller is a counterparty, and~~
- ~~(-) any instruction from the CAISO or Transmission Provider to curtail energy deliveries shall be allocated between the Generating Facility and the Other Generating Facility(ies) on a pro rata basis based upon installed capacity, except when such pro rata allocation would be in violation of the applicable curtailment instruction.~~
- ~~(-) Seller shall, or shall cause the Interconnection Affiliate (if different from Seller), to apply for and expeditiously seek FERC's acceptance of any Shared Facilities Agreement(s), if required.~~
- ~~(-) Seller shall not assign or transfer Seller's rights or obligations under the interconnection agreement or any Shared Facilities Agreement to any Person without the prior written consent of SCE, which consent shall not be unreasonably withheld.~~
- ~~(-) As between SCE and Seller under this Agreement, Seller shall be responsible for all costs and charges directly caused by, associated with, or allocated to Seller, the Interconnection Affiliate, the Affiliate Manager, or the Other Seller(s) under the interconnection agreement, the Shared Facilities Agreement, if any, and the CAISO Tariff, in connection with the interconnection of the Generating Facility to the Transmission Provider's electric system and transmission of electric energy from the Generating Facility to the Transmission Provider's electric system.~~
- ~~(-) Seller shall, or shall cause the Interconnection Affiliate, as applicable, to comply with the CAISO Tariff, including securing and maintaining in full force and effect all required CAISO agreements, certifications and approvals.~~
- ~~(-) Seller shall, or shall cause the Interconnection Affiliate, as applicable, to secure through the CAISO the CAISO Resource ID that is to be used solely for this Generating Facility.~~

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The contents of this document are subject to restrictions on disclosure as set forth herein.

~~(-) Seller shall, or shall cause the Interconnection Affiliate, as applicable, to comply with the requirements of Appendix CC of the CAISO Tariff, or its equivalent successor.~~

~~{SCE Note: Language applicable to projects that utilize Shared Facilities.}~~

5.145.02 Metering, Communications, Dispatch and Telemetry.

(a) CAISO Approved Meter.

Seller shall, at its own cost, install, maintain and test all CAISO Approved Meters pursuant to the CAISO Tariff.

(b) Check Meter.

Seller will permit SCE to furnish and install one SCE revenue-quality meter section or meter, which will include those devices normally supplied by SCE or Seller under the applicable utility electric service requirements (a “Check Meter”) on the high voltage side of the step-up transformer, substation, or any other location at SCE’s sole discretion, associated with the Generating Facility in compliance with the applicable utility electric service requirements. Each Check Meter must be interconnected with SCE’s communication network to permit:

- (i) Periodic, remote collection of revenue quality meter data; and
- (ii) Back-up real-time transmission of operating-quality meter data.

(c) SCE’s Access to Meters.

- (i) Subject to Section 4.02, Seller hereby grants SCE reasonable access to all CAISO Approved Meters and Check Meters for meter readings and any purpose necessary to effectuate this Agreement.
- (ii) Seller shall promptly provide SCE access to all meter data and data acquisition services both in real-time, and at later times, as SCE may reasonably request.
- (iii) Prior to the Initial Delivery Date, Seller shall provide instructions to the CAISO granting authorizations or other documentation sufficient to provide SCE with access to the CAISO Approved Meter(s) and to Seller’s settlement data on the Operational Metering Analysis and Reporting System operated and maintained by the CAISO as the repository of settlement quality meter data or its successor.

(d) CAISO Approved Meter Maintenance.

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The contents of this document are subject to restrictions on disclosure as set forth herein.

- (i) Seller shall test and calibrate the CAISO Approved Meter(s), as necessary, but in no event will the period between testing and calibration dates be greater than twelve (12) months.
- (ii) Seller shall bear its own costs for any meter check or recertification of the CAISO Approved Meter(s).
- (iii) Seller shall replace each CAISO Approved Meter battery at least once every thirty-six (36) months or such shorter period as may be recommended by the CAISO Approved Meter manufacturer.
- (iv) Notwithstanding the foregoing, if a CAISO Approved Meter battery fails, Seller shall replace such battery within one (1) day after becoming aware of its failure.
- (v) Seller shall use certified test and calibration technicians to perform any work associated with the CAISO Approved Meter(s).
- (vi) Seller shall inform SCE of test and calibration dates, provide SCE with access to observe and witness such testing and calibration, and provide SCE certified results of tests and calibrations within thirty (30) days after completion.

(e) SCADA and Telemetry System.

All communication, metering, telemetry, and associated operation equipment will be centralized into the Project's SCADA. Seller shall configure the SCADA so that SCE may access it via an automated system to remotely monitor, dispatch, and control the Project in real-time ("Generation Management System") from SCE's Generation Operations Center. Seller shall link the systems via an approved SCE communication network, utilizing existing industry standard network protocol, as approved by SCE. The connection will be bidirectional in nature and used by the Parties to exchange all data points to and from the Generation Operations Center.

Seller shall be responsible for the costs of installing, configuring, maintaining and operating the SCADA and internal site links for the Project.

Seller shall be responsible for designing, furnishing, installing, operating, maintaining and testing a real-time Telemetry System capable of interconnecting to the GMS, the CAISO Approved Meter(s), if any, and the Project's control system with the CAISO infrastructure network (data highway) used by all CAISO participants to exchange data to and from resources and CAISO (the "Energy Communication Network").

The Telemetry System shall be designed in accordance with the CAISO monitoring and communication requirements and must be capable of:

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The contents of this document are subject to restrictions on disclosure as set forth herein.

- (i) Reporting data from each CAISO Approved Meter;
- (ii) Providing the status of key control points from the Project's control system;
- (iii) Routing resource unit set points to the Project's control system; and
- (iv) Communicating availability of the Project pursuant to Section 5.02(g) of this Attachment 1.

The Telemetry System must include a remote intelligent gateway, internet connection, interconnecting cabling and all service agreements required for accessing the Energy Communication Network.

The above-mentioned connections and data transfer must be fully functional before the Initial Delivery Date.

- (f) /Meteorological Station(s) and Reporting Requirements./ *{SCE Note: Intermittent Only} {SCE Note: replace with "Intentionally Omitted" for all other technologies}*

/Seller, at its own expense, shall install and maintain one (1) or more stand-alone meteorological stations at the Generating Facility in accordance with Exhibit L to monitor and report weather data to both the CAISO and SCE.

The station(s) must be installed at least sixty (60) days before Commercial Operation.

The station(s) must be equipped with the Meteorological Equipment, as may be modified by Seller at SCE's direction from time to time to reflect the CAISO's PIRP/EIRP protocol and the requirements of Exhibit K.

The station(s) must be designed to collect and record data in accordance with CAISO's PIRP/EIRP protocols and the requirements of Exhibit K.

Seller shall submit to SCE for review and approval, Seller's technical specifications for the meteorological station(s) along with a site plan showing the location of the station(s), the location of all /photovoltaic modules, inverters,/ *[Wind Turbines, the wind rose for the Site,] [Solar Generating Units,]* and other prominent features, as applicable. *{SCE Comment: Intermittent only.}*

/Seller shall calibrate all first and second class thermopile pyranometers to the same nationally recognized standard and apply temperature correction to the measurement. Seller's Telemetry System shall transmit the calibrated data to SCE. Such temperature correction shall be based upon a calibration of the actual instrument or to a generic temperature curve that is supported by data

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from a nationally recognized testing laboratory to be representative of the exact vintage and model of instruments to be used by Seller. Furthermore, Seller shall calibrate all thermopile pyranometers, regardless of type, every Term Year and upon SCE's reasonable request.] *{SCE Note: Solar photovoltaic only.}*

(g) Real-Time Communication of Availability.

- (i) Prior to the Initial Delivery Date, Seller shall install a telecommunication system and demonstrate to SCE's reasonable satisfaction that the system interfaces with the Web Client and the GMS to provide SCE with Seller's cumulative available capacity of the Project on a real-time basis.
- (ii) Seller shall maintain the telecommunications path, the hardware, and software to provide quality data to SCE throughout the Delivery Period.
- (iii) Upon Notice from SCE, Seller shall repair or have corrected as soon as possible, but no later than five (5) days after receipt of such Notice any:
 - (A) Inoperable telecommunications path;
 - (B) Inoperable software; or
 - (C) Faulty instrumentation.

(h) SCE's Check Meter.

(i) Providing Access to Seller.

Before Commercial Operation, SCE shall provide to Seller remote access to the Check Meter through a website as specified by SCE. SCE may change the website and protocols from time to time.

(ii) Testing of Check Meter.

SCE may test and recalibrate the Check Meter(s) at least once every Term Year. The Check Meter(s) will be locked or sealed, and the lock or seal will be broken, only by a SCE representative. Seller has the right to be present whenever such lock or seal is broken. SCE shall replace the battery of the Check Meter(s) at least once every 36 months; provided, if a Check Meter battery fails, SCE shall promptly replace such battery.

(iii) Use of Check Meter for Back-Up Purposes.

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The contents of this document are subject to restrictions on disclosure as set forth herein.

- (A) SCE may routinely compare the Check Meter data to the CAISO Approved Meter data after adjusting the Check Meter for any compensation introduced by the CAISO into the CAISO Approved Meter.
- (B) If the deviation between the CAISO Approved Meter data and the Check Meter data for any comparison is greater than 0.3%, SCE shall provide Notice to Seller of such deviation and the Parties will mutually arrange for a meter check or recertification of the Check Meter or CAISO Approved Meter, as applicable.
- (C) SCE will bear its own costs for any meter check or recertification of the Check Meter.
- (iv) Testing procedures and standards for the Check Meter(s) will be the same as for a comparable SCE-owned revenue-grade meter. Seller has the right to have representatives present during all such tests.

5.155.03 Testing.

(a) Demonstration of Contract Capacity.

Seller shall provide at least [thirty (30) days prior Notice to SCE of the date] {SCE Note: Intermittent only.} [ten (10) Business Days prior Notice to SCE of the date and hour ("Demonstration Hour")] {SCE Note: Baseload only.} ~~selected by Seller,~~ during which Seller intends to demonstrate the Contract Capacity. Upon SCE's request, Seller shall make reasonable efforts to reschedule this demonstration.

[SCE shall complete a site visit on this date to verify that the Generating Facility was developed in accordance with Exhibit B and to determine the Generating Facility's total rated electric Alternating Current energy generating capacity which will equal the sum of the [Inverter Block Unit Capacity of all Inverter Block Units in the Generating Facility] {SCE Note: Solar Photovoltaic Only} [manufacturer's nameplate ratings of all installed Wind Turbines, consistent with Prudent Electrical Practices and accepted industry standards, as indicated on the nameplates physically attached to the individual Wind Turbine generators,] {SCE Note: Wind Only} [Metered Amounts for the Demonstration Hour] {SCE Note: All other technologies} (the "Demonstrated Contract Capacity") [and the sum of the Photovoltaic Module DC Ratings for all photovoltaic modules of the Generating Facility actually installed at the Site (the "Demonstrated Installed DC Rating").] {SCE Note: Solar Photovoltaic Only}] {SCE Note: Intermittent Only}

[Unless SCE provides timely Notice to Seller that additional days are required to substantiate data, SCE shall, within thirty (30) days after Seller's Notice of
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The contents of this document are subject to restrictions on disclosure as set forth herein.

the Demonstration Hour, retrieve interval data downloaded from the CAISO Approved Meter or Check Meter for the twelve (12) hour periods before and after the Demonstration Hour; and SCE may, at its sole discretion, complete a site visit within thirty (30) days after SCE's receipt of Seller's Notice of the Demonstration Hour to verify that the Generating Facility was developed in accordance with the Generating Facility and Site Description set forth in Exhibit B. *{SCE Note: Baseload Only}*

If the Demonstrated Contract Capacity is not equal to or greater than the Contract Capacity as of the Effective Date, then, subject to meeting the Initial Delivery Deadline, Seller may retest the Generating Facility by repeating the process set forth in this Section 5.03-(a).

(b) RA Capacity Qualification Tests.

Seller shall schedule and complete any RA Capacity Qualification Tests required by the CPUC, any other applicable Governmental Authority, or the CAISO and provide all information required by the CPUC, any other applicable Governmental Authority, or the CAISO, in order for the Generating Facility to obtain published results from CAISO regarding its NQC and EFC. Seller shall complete such activities in sufficient time to achieve the Initial Delivery Date by the Initial Delivery Date, but in no event later than sixty (60) days prior to the Initial Delivery Date.

5.165.04 Certification.

(a) Obtaining and Maintaining CEC Certification and CEC Verification.

- (i) Within one hundred eighty (180) days after the Effective Date, Seller shall file an application or other appropriate request for provisional certification of the proposed Generating Facility as an ERR by the CEC upon submission by a facility of a complete CEC-RPS-1B application and required supplemental information ("CEC Pre-Certification").
 - (ii) Within thirty (30) days after the Initial Delivery Date, Seller shall file an application or other appropriate request with the CEC for certification by the CEC that the Generating Facility is an ERR for purposes of the California Renewables Portfolio Standard and that all electric energy produced by the Generating Facility qualifies as generation from an ERR for purposes of the California Renewables Portfolio Standard ("CEC Certification").
 - (iii) Seller shall take all necessary steps, including making or supporting timely filings with the CEC, to obtain and to maintain throughout the Delivery Period (i) CEC Certification and (ii) verification by the CEC based on ongoing reporting by Seller that the Generating Facility is an
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The contents of this document are subject to restrictions on disclosure as set forth herein.

ERR for purposes of the California Renewables Portfolio Standard and that all electric energy produced by the Generating Facility qualifies as generation from an ERR for purposes of the California Renewables Portfolio Standard (“CEC Verification”).

- (iv) Upon request by SCE, Seller shall provide copies of all correspondence and documentation exchanged between the CEC and Seller.

(b) CAISO Certification.

Seller shall provide all CAISO Certification test results for each initial or subsequent test of the Project within three (3) Business Days after Seller’s receipt. Nothing in this Agreement, including the Exhibits, shall be amended to reflect the outcome of any CAISO Certification.

~~6.00~~ ~~Shared Facilities and Portfolio Financing Acknowledgements, Etc.~~

- ~~(-) SCE acknowledges and agrees that, subject to the terms and conditions set forth in this Agreement, (i) Seller has represented to SCE that the Shared Facilities are, or will or may be, subject to sharing and common ownership, use and financing arrangements between Seller and the Other Seller(s), and (ii) all such arrangements, including any and all related rights, liabilities, obligations and financings (including any pledge or collateral assignments in connection with such arrangements) shall be permitted by, and are not in conflict with, and do not give rise to any default under, this Agreement.~~
- ~~(-) SCE acknowledges and agrees that, subject to the terms and conditions set forth in this Agreement, (i) Seller has represented to SCE that Seller may elect to finance all or any portion of the Generating Facility, along with the Other Seller(s) (or the Other Generating Facility(ies) or the Shared Facilities, on a Portfolio or other aggregated basis, which may include cross-collateralization or similar arrangements requested by Lenders to enable such financing, and (ii) all such arrangements are not in conflict with, and do not give rise to any default under, this Agreement.~~
- ~~(-) The Parties shall cooperate with one another as may be reasonably requested by the other Party to provide such further approvals or acknowledgements in connection with Sections 14.13(a) and (b). {SCE Note: Language applicable to projects that utilize Shared Facilities.}~~

~~ARTICLE 10.~~ **ARTICLE 6. SELLER’S OPERATION, MAINTENANCE AND REPAIR OBLIGATIONS**

~~10.01~~ 6.01 Seller’s Operation and Record Keeping Obligations.

In addition to the obligations set forth in Section 6.01, Seller shall:

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The contents of this document are subject to restrictions on disclosure as set forth herein.

- (a) Comply with operating orders, [CAISO Tariff provisions](#), and Applicable Laws relating to the Product. SCE shall have no liability for the failure of Seller to comply with such [operating orders](#), CAISO Tariff provisions, [or Applicable Laws](#), including any penalties, charges or fines imposed on Seller for such noncompliance.
- (b) Keep a daily operations log for the Generating Facility that shall include the following information:
 - (i) Availability of the *[Inverter Block Units and associated inverters]* *{SCE Note: Solar Photovoltaic only.} [Generating Facility] {SCE Note: All other technologies.}*;
 - (ii) Circuit breaker trip operations;
 - (iii) Any significant events related to the Operation of the Generating Facility;
 - (iv) Real and reactive power and energy production;
 - (v) Changes in Operating status;
 - (vi) Protective apparatus operations;
 - (vii) Any unusual conditions found during inspections;
 - (viii) Electric energy production, fuel consumption and efficiency (if applicable); and
 - (ix) Status and settings of generator controls including automatic voltage regulator and power system stabilizer.
- (c) *[Maintain complete records of the Generating Facility's plane of array insolation, other pertinent meteorological conditions and operational status of each Inverter Block Unit.] {SCE Note: Solar Photovoltaic only.}*

[Log changes in the generator output setting if it is "block-loaded" to a specific kW capacity.]
{SCE Note: Baseload only.}

[Maintain complete records of the Generating Facility's wind speeds and other pertinent meteorological conditions and operational status of each Wind Turbine.]
{SCE Note: Wind only.}

[Maintain complete records of the Generating Facility's direct normal insolation, other pertinent meteorological conditions and operational status of

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The contents of this document are subject to restrictions on disclosure as set forth herein.

each Solar Generating Unit.]
{SCE Note: Solar Thermal only.}

[Maintain complete records of the Generating Facility's fuel consumption if a biomass or landfill generating facility, or geothermal fluid consumption if a geothermal generating facility.]
{SCE Note: Biomass and Geothermal only.}

- (d) Keep a maintenance log for the Generating Facility that shall include information on maintenance (both breakdown and preventative) performed, outages, inspections, manufacturer recommended services and replacement, electrical characteristics of the generators, control settings or adjustments of equipment and protective devices.
- (e) Maintain documentation of all procedures applicable to the testing and maintenance of the Generating Facility protective devices as necessary to comply with NERC Reliability Standards applicable to protection systems for large electric generators, if Seller is required to be a registered entity pursuant to the NERC Reliability Standards.
- (f) Promptly curtail the production of the Generating Facility:
 - (i) Upon notice from SCE that Seller has been instructed by the CAISO or T&D Provider to curtail energy deliveries; provided, solely the action of the CAISO issuing a Schedule shall not by itself, without other factors, constitute an instruction by the CAISO to curtail energy deliveries pursuant to this Section 6.01~~(ef)~~(i);
 - (ii) Upon notice that Seller has been given a curtailment order/instruction or similar instruction in order to respond to an Emergency; or
 - (iii) If SCE issues a Curtailment Order.

Notices of curtailment may be oral or written and must be made in accordance with accepted industry practices for such notices.

- (g) At least thirty (30) days prior to the start of the Delivery Period, and whenever such information changes during the Delivery Period, within ten (10) days after such change, provide accurate and complete operating characteristics of the Generating Facility in compliance with the CAISO Tariff.

10.036.03 Scheduling Coordinator Services.

Seller shall comply with all applicable CAISO Tariff procedures, protocol, rules and testing as necessary for SCE to submit Bids for the electric energy produced by the Generating Facility.

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The contents of this document are subject to restrictions on disclosure as set forth herein.

(a) Designating SCE as Scheduling Coordinator.

- (i) At least thirty (30) days before the Initial Delivery Date, Seller shall take all actions and execute and deliver to SCE all documents necessary to authorize or designate SCE as the Scheduling Coordinator throughout the Delivery Period.
- (ii) Throughout the Delivery Period, Seller shall not authorize or designate any other party to act as Scheduling Coordinator, nor shall Seller perform, for its own benefit, the duties of Scheduling Coordinator.
- (iii) Seller is responsible for and shall pay SCE an amount equal to the costs (including the costs of SCE employees or agents) SCE incurs, as determined in SCE's sole discretion, as a result of SCE being designated as the Generating Facility's Scheduling Coordinator including the costs associated with the registration of the Generating Facility with the CAISO, and the installation, configuration, and testing of all equipment and software necessary for SCE to act as Scheduling Coordinator or to Schedule the Generating Facility ("SC Set-Up Fee"); provided, the SC Set-up Fee shall not exceed twenty thousand dollars (\$20,000).

(b) Replacement of SCE as Scheduling Coordinator.

At least forty-five (45) days before the end of the Delivery Period, or as soon as practicable before the date of any termination of this Agreement before the end of the Delivery Period, Seller shall take all actions necessary to terminate the designation of SCE as Seller's Scheduling Coordinator as of hour ending 24:00 on the last day of the Delivery Period. These actions include the following:

- (i) Seller shall submit to the CAISO a designation of a new Scheduling Coordinator for Seller to replace SCE;
- (ii) Seller shall cause the newly designated Scheduling Coordinator to submit a letter to the CAISO accepting the designation; and
- (iii) Seller shall inform SCE of the last date on which SCE will be Seller's Scheduling Coordinator. SCE must consent to any date other than the last day of the Delivery Period, such consent not to be unreasonably withheld.

(c) Scheduling Coordinator.

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The contents of this document are subject to restrictions on disclosure as set forth herein.

Commencing on the Initial Delivery Date, SCE shall act as Seller's Scheduling Coordinator and carry out all duties as Scheduling Coordinator in accordance with CAISO Tariff protocols.

(d) Termination of Scheduling Coordinator.

SCE shall submit a letter to the CAISO identifying the date on which SCE resigns as Seller's Scheduling Coordinator on the first to occur of the following:

- (i) Thirty (30) days before the end of the Delivery Period;
- (ii) The date of any Notice from Seller of suspension of its performance pursuant to Section 10.02; or
- (iii) The date of any early termination of this Agreement.

10.046.04 Forecasting.

- (a) The Parties shall abide by the Forecasting and Scheduling requirements and procedures described below and shall agree upon reasonable changes to these requirements and procedures from time to time, as necessary to: (i) accommodate changes to their respective generation technology and organizational structure; (ii) address changes in the operating and Scheduling procedures of both SCE and the CAISO, including automated forecast and outage submissions; and (iii) comply with the CAISO Tariff.
- (b) Seller shall use commercially reasonable efforts to operate the Generating Facility so that the available capacity or electric energy from the Generating Facility conforms with its Forecasts.
- (c) No later than thirty (30) days before any day designated for Commercial Operation, Seller shall provide SCE, via the Web Client, with a 30-day, hourly Forecast of either or both:
 - (i) Capacity, in MW; or
 - (ii) Electric energy, in MWhas directed by SCE, for the thirty (30) day period commencing on the Initial Delivery Date.
- (d) If, after submitting the Forecast pursuant to Section 6.03(c) of this Attachment 1, Seller learns that Commercial Operation will occur on a date and time other than that reflected on the Forecast, Seller shall provide an updated Forecast reflecting the new Initial Delivery Date at the earliest practicable time but no later than 5:00 p.m. on the Wednesday before the revised Initial Delivery Date,

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if Seller has learned of the new Initial Delivery Date by that time, but in no event less than three (3) Business Days before the actual Initial Delivery Date.

- (e) If the Web Client becomes unavailable, Seller shall provide SCE with the Forecast by (in order of preference unless the Parties agree to a different order) electronic mail, facsimile transmission or, as a last resort, telephonically to Real-Time Scheduling, as set forth in Exhibit E.
- (f) The Forecast, and any updated Forecasts, must:
 - (i) Not include any anticipated or expected electric energy losses after the CAISO Approved Meter or Check Meter; and
 - (ii) Limit hour-to-hour Forecast changes to no less than two hundred fifty (250) kWh, or 0.25 MW, as applicable, during any period when the Web Client is unavailable. Seller shall have no restriction on hour-to-hour Forecast changes when the Web Client is available.
- (g) Commencing on or before 5:00 p.m. of the Wednesday before the first week covered by the Forecast provided pursuant to Section 6.03(c) of this Attachment 1 above and on or before 5:00 p.m. every Wednesday thereafter until the end of the Delivery Period, Seller shall update the Forecast for the thirty (30) day period commencing on the Sunday following the weekly Wednesday Forecast update submission. Seller shall use the Web Client, if available, to supply this weekly update or, if the Web Client is not available, Seller shall provide SCE with the weekly Forecast update by e-mailing SCE.
- (h) Forecasting Electric Energy.

If Seller is Forecasting electric energy, in accordance with SCE's instructions, and Seller learns of any change in the [total] [excess] {SCE Note: "excess" for Excess-Sales only.} electrical energy output of the Generating Facility for a period covered by the most recent Forecast update resulting from any cause, including an unplanned outage[or Site Host Load changes] {SCE Note: For Excess-Sales only.}, before the time that the next weekly update of the Forecast is due which results in variance in expected energy in any hour of plus (+) or minus (-) three percent (3%) from the energy reported in the most recent Forecast update, Seller shall provide an updated Forecast to SCE. This updated Forecast must be submitted to SCE by no later than:

- (i) 5:00 a.m. on the day before any day impacted by the change, if the change is known to Seller at that time. If the Web Client is not available, Seller shall e-mail these changes to presched@sce.com and immediately follow up with a phone call to SCE's Day-Ahead Scheduling Desk in accordance with Exhibit E;

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- (ii) Thirty (30) minutes before the commencement of any hour impacted by the change, if the change is known to Seller at that time; or
 - (iii) If the change is not known to Seller by the timeframes indicated in (i) or (ii) above, within twenty (20) minutes after Seller became aware or, using best efforts, should have become aware of the commencement of the event which caused the energy forecast change, e-mail changes to realtime@sce.com and immediately telephone SCE's Real-Time Scheduling in accordance with Exhibit E.
- (i) Forecasting Available Capacity.
- (i) Seller shall provide an updated Forecast to SCE if (x) Seller learns of any change in the total available capacity of the Generating Facility for a period covered by the most recent Forecast update resulting from any cause, including an unplanned outage before the time that the next weekly update of the Forecast is due which Seller is required to report under the provisions of the CAISO Tariff related to PIRP/EIRP and under other applicable provisions of the CAISO Tariff related to availability and outage reporting and (y) one of the following conditions is met:
 - (A) Seller is Forecasting available capacity, in accordance with SCE's instructions;
 - (B) Seller does not provide real-time communication of availability as provided in Section 5.02(g) of this Attachment 1;
 - (C) The telecommunications path to obtain real-time data is inoperable; or
 - (D) Instrumentation is providing faulty or incorrect data.
 - (ii) This updated Forecast must be submitted to SCE via the Web Client by no later than:
 - (A) 5:00 a.m. on the day before any day impacted by the change, if the change is known to Seller at that time. If the Web Client is not available, Seller shall e-mail these changes to presched@sce.com and immediately telephone SCE's Day-Ahead Scheduling Desk in accordance with Exhibit E;
 - (B) Thirty (30) minutes before the commencement of any hour impacted by the change, if the change is known to Seller at that time; or

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- (C) If the change is not known to Seller by the timeframes indicated in (A) or (B) above, within twenty (20) minutes after Seller becomes aware or, using best efforts, should have become aware of the event which caused the availability change, e-mail changes to realtime@sce.com and immediately telephone SCE's Real-Time Scheduling in accordance with Exhibit E.
- (iii) Seller's updated Forecast must reflect the following information:
 - (A) The beginning date and time of the change;
 - (B) The expected ending date and time of the event;
 - (C) The expected availability, in MW (if so instructed by SCE);
 - (D) The expected energy, in MWh (if so instructed by SCE); and
 - (E) Any other information required by the CAISO as communicated to Seller by SCE.

10.056.05 Scheduled Outages.

- (a) Commencing at least sixty (60) days before the Initial Delivery Date and throughout the Delivery Period, Seller shall, no later than January 1, April 1, July 1 and October 1 of each year, submit to SCE, using the Web Client, Seller's schedule of proposed planned outages ("Outage Schedule") for the subsequent following twenty-four month period.
- (b) Unless agreed in writing and coordinated in advance by the Parties, no outages shall be scheduled or planned from each [May 1 through September 30 or TBD] during the Delivery Period. If Seller has a previously scheduled outage that becomes coincident with a CAISO-declared system emergency, Seller shall make all reasonable efforts to reschedule such scheduled outage.

~~(b)~~(c) Seller shall provide the following information for each proposed planned outage:

- (i) Description of the work to be performed during the planned outage;
- (ii) Start date and time;
- (iii) End date and time; and
- (iv) Capacity online, in MW, during the planned outage.

~~(e)~~(d) SCE shall notify Seller in writing of any request for changes to the Outage Schedule, and Seller shall, consistent with Prudent Electrical Practices, Attachment 1-37 (IFOM DG)

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accommodate SCE's requests regarding the timing of any planned outage; provided that the CAISO agrees to such changed timing.

~~(d)~~(e) Seller must provide Notice to SCE at least sixty (60) days prior to the start of any planned outage.

~~(e)~~(f) Seller shall cooperate with SCE to arrange and coordinate all Outage Schedules with the CAISO in compliance with the CAISO Tariff.

~~(f)~~(g) If a condition occurs at the Generating Facility which causes Seller to revise its planned outages, Seller shall promptly provide Notice to SCE, using the Web Client (with a second Notice to SCE's Outage Desk if the planned outage is more than three months in the future), of such change (including an estimate of the length of such planned outage) as required in the CAISO Tariff after the condition causing the change becomes known to Seller.

~~(g)~~(h) Seller shall promptly prepare and provide to SCE upon request, using the Web Client, all reports of actual or forecasted outages that SCE may reasonably require for the purpose of enabling SCE to comply with Section 761.3 of the California Public Utilities Code, the CAISO Tariff, or any Applicable Law mandating the reporting by investor owned utilities of expected or experienced outages by electric energy generating facilities under contract to supply electric energy.

~~10.066.06~~ Lost Output Report.

(a) Monthly Report; SCE Review.

Commencing on the Initial Delivery Date and continuing throughout the Delivery Period, Seller shall calculate Lost Output and prepare and provide to SCE a Lost Output Report by the tenth (10th) Business Day of each month in accordance with Exhibit K.

SCE will have thirty (30) days after receipt of Seller's monthly Lost Output Report or Supplemental Lost Output Report to review such report.

Upon SCE's request, Seller shall promptly provide to SCE any additional data and supporting documentation necessary for SCE to audit and verify any matters in the Lost Output Report.

(b) Disputes of Lost Output.

If SCE disputes Seller's Lost Output calculation, SCE shall provide Notice to Seller within thirty (30) days after receipt of Seller's Lost Output Report and include SCE's calculations and other data supporting its position.

The Parties shall negotiate in good faith to resolve any Disputes regarding the Lost Output calculation. If the Parties are unable to resolve a dispute through negotiation within thirty (30) days after SCE's giving the dispute Notice, either Party may submit the dispute to mediation and arbitration as provided in Article 12 (Disputes).

Seller will have no right to claim any Lost Output for any month that was not identified in the original Lost Output Report for that month; provided, Seller may supplement the amount of Lost Output claimed ("Supplemental Lost Output") for the month with a supplemental Lost Output Report ("Supplemental Lost Output Report") if Seller can demonstrate that Seller neither knew nor could have known through the exercise of reasonable diligence about the Supplemental Lost Output within the foregoing thirty (30) day period and Seller provides the Supplemental Lost Output Report within ten (10) Business Days after learning the facts which provide the basis for the Supplemental Lost Output claim; provided further, in no event will SCE be obligated to accept a Supplemental Lost Output Report after thirty (30) days following the end of the applicable Term Year.

10.076.07 Operational Notices.

(a) Actual Availability Report.

- (i) Throughout the Delivery Period, Seller shall prepare and provide to SCE a report with the sum of the capacity, in MWs, of all *[inverters]* *{SCE Note: Solar Photovoltaic Only}* *[generating units]* *{SCE Note: all other technologies}* of the Generating Facility that were available at the end of the Settlement Interval, as measured by Seller's SCADA equipment, (an "Actual Availability Report") for each month. The data presented in the Actual Availability Report must not reflect any electric energy losses between the CAISO Approved Meter or Check Meter and the Delivery Point.

This report must be created on a single, dedicated worksheet in a form provided by SCE and set forth in Exhibit H and must be delivered electronically to SCE no later than the seventh (7th) Business Day following the end of the month which is the subject of the Actual Availability Report.

- (ii) Upon SCE's request, Seller shall promptly provide to SCE any additional data and supporting documentation necessary for SCE to audit and verify any matters set forth in the Actual Availability Report.

- (b) [Seller's Provision of Historic Data.] *{SCE Note: Solar or Wind}* *{SCE Note: Replace with "Intentionally Omitted" for all other technologies}*

Attachment 1-39 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

- (i) */*Seller shall provide to SCE a minimum of one (1) year of recorded meteorological data from the Site not later than ninety (90) days before Initial Delivery Date.

Seller shall provide data from additional years if any such data is available.

- (ii) Data Parameters.

For each equipment station that is installed, Seller shall provide the following data to the extent such data has been recorded:

- (A) */*Total global irradiance;*/* {SCE Note: Solar only}
- (B) Wind direction;
- (C) Wind speed;
- (D) Air temperature;
- (E) Barometric pressure;
- (F) Relative humidity;
- (G) Elevation of the station; and
- (H) Latitude and longitude of the station.

- (iii) Format of Data.

Seller shall provide the data:

- (A) In the format to be specified by SCE; and
- (B) In the interval in which such data was recorded.*/* {SCE Note: Solar and Wind only. For wind, SCE will require such information from Seller if the Site is in an area for which SCE has no historic information.}

- (c) Notice of Cessation or Termination of Service Agreements.

Seller shall provide Notice to SCE within one (1) Business Day after termination of, or cessation of service under, any agreement necessary to deliver Product to SCE at the Delivery Point or to meter the Metered Amounts.

- (d) Communication Protocols.

Attachment 1-40 (IFOM DG)

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The communication protocols in this Section 6.06(d) shall be modified, at SCE's reasonable discretion, as market conditions and rules evolve.

(i) Intra-day Communication.

All communications and notices between the Parties that occur intra-day and intra-hour for the applicable day shall be provided electronically or telephonically as SCE directs to the applicable Party.

If to Seller, such notices and communications shall be provided to the following contact, in order of priority, (1) [____], (2) [____], (3) [____]. If to SCE, such notices and communications shall be provided to Real-Time Scheduling, as set forth in Exhibit E. Each Party shall confirm all intra-day communication either electronically or via telephone as soon as practicable.

(ii) Communication Failure.

In the event of a failure of the primary communication link between Seller and SCE, both Parties will try all available means to communicate, including cell phones or additional communication devices.

(iii) System Emergency.

SCE and Seller shall communicate as soon as possible all changes to the schedule requested by the CAISO as a result of a system emergency or by the T&D Provider as a result of an LRCD.

(iv) Staffing.

The Parties will have available 24 hours a day, seven days a week, personnel available to communicate regarding the implementation of this Section 6.07(d).

~~9.00 — [Interconnection Affiliate and Affiliate Manager Action.]~~

~~Any obligation or action required of Seller under this Agreement shall, as applicable, also include an obligation that Seller cause the Interconnection Affiliate and/or the Affiliate Manager to fulfill such obligation or take such required action.}~~
~~{SCE Note: Language applicable to projects that utilize Shared Facilities.}~~

~~ARTICLE 11.~~ **ARTICLE 9. REPRESENTATIONS, WARRANTIES, AND COVENANTS**

~~11.029.02~~ Additional Seller Representations and Warranties.

Attachment 1-41 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

Seller and, if applicable, its successors, represents and warrants that throughout the Delivery Term of this Agreement:

- (a) 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.
- (b) Seller has no knowledge of any plans by SCE or another T&D Provider to seek to construct a transmission or distribution line through or on the Site.
- (c) Seller has not used, granted, pledged, assigned or otherwise committed any portion of the generating capacity of the Generating Facility to meet the Resource Adequacy Requirements of, or to confer Resource Adequacy Benefits on, any entity other than SCE during the Delivery Period.

11.049.04 Seller's Seller Covenants.

Seller's covenants pursuant to Section 9.04 include:

- (a) Seller shall take all actions necessary for the Project to qualify and be certified by the CEC as an ERR and to qualify under the requirements of the California Renewables Portfolio Standard.
- (b) 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.

- (c) 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

Attachment 1-42 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

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.

- (b) Seller shall maintain the Project as Fully Deliverable for the purposes of counting the Product, in an amount equal to the Contract Capacity, towards RA Compliance Obligations. If the Project is Fully Deliverable by means of Interim Deliverability Status, Seller shall promptly notify SCE, with supporting documentation, when the Project is certified by the CAISO as having Full Capacity Deliverability Status.
- (d) Throughout the Delivery Period, Seller will not use, grant, pledge, assign or otherwise commit any portion of the generating capacity of the Generating Facility to meet the Resource Adequacy Requirements of, or to confer Resource Adequacy Benefits on, any entity other than SCE.
- (-) ~~[The term “change in law” as used in Sections 9.04(b) and 9.04(c) of this Attachment 1 does not include an invalidation, rescission or change in terms of the CAISO Exemption nor any disapproval, disallowance, or other change in policy by WREGIS, the CEC or the CPUC with regards to the RECs as a result of the Shared Facilities’ metering scheme.] (SCE Note: Bracketed language only applies to projects that utilize Shared Facilities.)~~

~~ARTICLE 13.~~ARTICLE 10. EVENTS OF DEFAULT

~~13.01~~10.01 Events of Default.

In addition to those Events of Default listed in Section 10.01(b), with respect to Seller, the occurrence of any of the following shall be considered an Event of Default:

- (a) Seller removes from the Site equipment upon which the Contract Capacity has been based, except for the purposes of replacement, refurbishment, repair or maintenance, and the equipment is not returned within five (5) Business Days after Notice from SCE;
- (b) Seller fails to take any actions necessary to dedicate, convey or effectuate the use of any and all Green Attributes for SCE’s sole benefit as specified in Sections 1.01(b) and 1.07 of this Attachment 1; or
- (c) Seller does not have Site Control in accordance with Section 1.02(h) of this Attachment 1;
- (d) Seller transfers or assigns the Interconnection Queue Position or the interconnection agreement;
- (e) The occurrence of an Event of Deficient Energy Deliveries during two (2) Term Years, whether consecutive or non-consecutive.

Attachment 1-43 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

- (f) *[The occurrence of an Event of Deficient Deferral Deliveries during two (2) months, whether consecutive or non-consecutive-]*
- (g) Seller fails to provide all of the Capacity Attributes associated with the Project;
- (h) *[Seller installs generating capacity in excess of the Contract Capacity and such excess generating capacity is not removed within five (5) Business Days after Notice from SCE.] {SCE Note: Intermittent Only}*
- [The Metered Amounts in any one hour interval, in kWh, exceed one hundred fifteen percent (115%) of the Contract Capacity, in kW, to this Agreement, (an "Event of Excess Deliveries"), and within ten (10) Business Days after Notice from SCE, Seller fails to demonstrate to SCE's satisfaction that Seller has identified the reason that the Event of Excess Deliveries occurred and that Seller has employed or is employing best efforts to ensure that no additional Events of Excess Deliveries will occur throughout the Delivery Period.] {SCE Note: Baseload only.}*
- (i) *[Seller installs Direct Current electric energy generating capacity in excess of the Installed DC Rating and such excess Direct Current energy generating capacity is not removed within five (5) Business Days after Notice from SCE.] {SCE Note: Solar Photovoltaic only}*
- (j) The Generating Facility consists of an ERR type(s) different than that specified in Section 1.02(h) of this Attachment 1.
- (k) Except where there has been a change in Applicable Laws that would affect Seller's status as an ERR, and Seller has made commercially reasonable efforts in accordance with Section 9.04(b) of this Attachment 1 to comply with the change in law, the Generating Facility fails to qualify as an ERR.
- (l) Except where there has been a change in Applicable Law that would affect the eligibility of electric energy to qualify as renewable energy for the purposes of the California Renewables Portfolio Standard and Seller has made commercially reasonable efforts in accordance with Section 9.04(c) of this Attachment 1 to comply with the change in law, any electric energy from the Generating Facility and sold or to be sold to SCE hereunder fails to qualify as eligible renewable energy for purposes of the California Renewables Portfolio Standard.
- (m) Seller fails to obtain and maintain Full Capacity Deliverability Status.
- (n) *[Seller fails to provide to SCE a copy of the certification identified in Public Utilities Code Sections 2821(d)(1) and (e)(1) as evidence of Seller's compliance with Public Utilities Code Section 2821(c) within thirty (30) days of Seller's receipt of such documentation from the State Water Resources*

Attachment 1-44 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

Control Board or in no event later than sixty (60) days after the Initial Delivery Date.] {SCE Note: Hydro only.}

- ~~(-) [The CAISO Exemption is no longer in effect or Seller's continuing failure to comply with the CAISO Tariff due, in part, to the Shared Facilities.]~~
- ~~(-) Except as provided in Section 2.04(d)(i), 5.01(a), or 14.13, Seller assigns or transfers its rights, obligations, interests, property or title under or in the interconnection agreement, in any Shared Facilities or in any Shared Facilities Agreement, without the consent of SCE.~~
- ~~(-) Except as provided in Section 2.04(d)(i), 5.01(a) or Section 10.18, Seller's rights or obligations under the interconnection agreement or any Shared Facilities Agreement are amended or otherwise revised in a manner that would have an adverse effect on Seller's ability to perform hereunder, without the consent of SCE.~~
- ~~(-) Seller fails to maintain the required interconnection capacity pursuant to Section 5.01(a).]
{SCE Note: Language applicable to projects that utilize Shared Facilities.}~~

~~ARTICLE 17.~~ARTICLE 13. INDEMNIFICATION

~~17.01~~13.01 SCE's Indemnification Obligations.

SCE's indemnification obligations pursuant to Section 13.01 shall also extend to any NERC Standards Non-Compliance Penalties which are solely due to SCE's negligence in performing its role as Seller's Scheduling Coordinator throughout the Delivery Period, so long as Seller has fully complied with the obligations of a Generator Operator and Generator Owner as set forth in all applicable NERC Reliability Standards.

~~17.02~~13.02 Seller's Indemnification Obligations.

Seller's indemnification obligations pursuant to Section 13.02 shall also extend to:

- (a) Seller's failure to fulfill its obligations regarding Resource Adequacy Benefits as set forth in Sections 1.01(b), 1.06, and 1.07 of this Attachment 1;
- (b) NERC Standards Non-Compliance Penalties or an attempt by any Governmental Authority, person or entity to assess such NERC Standards Non-Compliance Penalties against SCE, except to the extent solely due to SCE's negligence in performing its role as Seller's Scheduling Coordinator during any Delivery Period as set forth in Section 6.03 of this Attachment 1;

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The contents of this document are subject to restrictions on disclosure as set forth herein.

- (c) SCE's transfer to Seller or Seller's designee of WREGIS Certificates generated by the Generating Facility prior to the Initial Delivery Date pursuant to Section 1.07(d) of this Attachment 1; and
- (d) the disqualification by WREGIS or any Governmental Authority of any Renewable Energy Credits transferred to SCE, or the failure to transfer any Renewable Energy Credits to SCE within four (4) months after the generation of the associated Metered Amounts.

Attachment 1-46 (IFOM DG)

The contents of this document are subject to restrictions on disclosure as set forth herein.

Attachment 1-1 (EE)

The contents of this document are subject to restrictions on disclosure as set forth herein.

PUBLIC APPENDIX H.1

SCE's 2020 Least-Cost Best-Fit Methodology

Southern California Edison Company's ("SCE") Least-Cost Best-Fit Methodology

I. Introduction

A. Note relevant language in statute and CPUC decisions approving LCBF process and requiring LCBF Reports

Under the direction of the California Public Utilities Commission (the "Commission" or "CPUC"), SCE conducts solicitations for the purpose of procuring power from eligible renewable energy resources to meet California's Renewables Portfolio Standard ("RPS"). SCE evaluates and ranks Proposals based on least-cost best-fit ("LCBF") principles that comply with criteria set forth by the Commission in Decision ("D.") 04-07-029, D.11-04-030, D.12-11-016, D.14-11-042, and D.16-12-044 (the "LCBF Decisions").¹

B. Describe goals of IOU's bid evaluation and selection criteria and processes

The goal of SCE's evaluation and selection criteria and processes is to provide decision metrics so that SCE can procure renewable energy economically, while providing the most value to its customers. The LCBF analysis evaluates both quantitative and qualitative aspects of each Proposal to estimate its value to SCE's customers and its relative value in comparison to other Proposals.

1. Describe how "need" will be determined for this solicitation. Comment specifically on whether, and to what extent, you considered other procurement options (e.g. UOG, solar PV program, feed-in tariffs, RAM etc.) to meet IOU's overall need stated in its Procurement Plan.

SCE determines its expected renewable procurement need by comparing its forecasted RPS targets to its forecasted energy deliveries from contracted projects. The forecasted energy deliveries include SCE's probabilistic risk-adjusted forecast of generation from contracted projects that are not yet online. SCE also considers generation from pre-approved procurement programs (*i.e.*, ReMAT, BioMAT), among other factors. Detailed methodology of forecasting SCE's net short position is described in Section IV.A and Section VIII.A of the Written Plan.

II. Bid Evaluation and Selection Criteria

While assumptions and methodologies have evolved slightly over time, the basic components of SCE's evaluation and selection criteria and process for RPS contracts were established by the Commission's LCBF Decisions. Consistent with those LCBF Decisions, the three main steps to be undertaken by SCE are: (i) initial data gathering and validation, (ii) a

¹ The Commission has also made rulings on various evaluation criteria in its decisions on the investor-owned utilities' ("IOUs") RPS Procurement Plans. *See also* CAL. PUB. UTIL. CODE § 399.13(a)(4)(A).

quantitative assessment of Proposals, and (iii) adjustments to selection based on Proposals' qualitative attributes.

Prior to receiving Proposals, SCE will finalize criteria with the Independent Evaluator ("IE") to determine which attributes could make Proposals clear outliers. SCE will then finalize the major assumptions and methodologies that drive valuation, including power and gas price forecasts, existing and forecast resource portfolio, and the capacity value forecast.

Once Proposals are received, SCE will determine which Proposals are clear outliers. For Proposals deemed clear outliers, SCE concludes any further review. SCE will then begin a review of the remaining Proposals for completeness and conformity with the solicitation protocol. The review includes an initial screen for required submission criteria such as a conforming delivery point, initial delivery dates, a valid interconnection study, minimum project size, and the submission of particular Proposal package elements. Sellers lacking any of these items will be allowed a reasonable cure period to remedy any deficiencies. In addition, SCE will conduct a review to determine the reasonableness of Proposal parameters such as generation profiles and capacity factors. SCE will work directly with sellers to resolve any issues and ensure the data is ready for evaluation.

After these reviews, SCE will perform a quantitative assessment of each Proposal and will subsequently rank them based on the Proposal's benefit and cost relationship. Specifically, SCE will use the total benefits and total costs to calculate the net levelized benefit or "Net Market Value" per each complete and conforming Proposal. Benefits consist of separate capacity, energy, and congestion components, while costs include the contract payments, debt equivalents, integration cost, congestion cost, and transmission cost. SCE discounts the monthly benefit and cost streams to a common base date. SCE also normalizes the net cost or benefit data by MWh generation. The result of the quantitative analysis is a merit-order ranking of all complete and conforming Proposals' Net Market Value. The merit-order ranking will aid in defining the preliminary shortlist.

Following the quantitative analysis, SCE will conduct an initial assessment of the top Proposals' qualitative attributes. This analysis utilizes the Project Viability Calculator. Additional attributes such as transmission area/cluster, generating facility location, seller concentration, project size, dispatchability, contribution to other program goals, and eligibility for SCE's Community Renewables ("CR") program are also considered in the qualitative analysis. In addition, SCE has a preference for the projects that provide environmental and economic benefits to disadvantaged communities.² Qualitative attributes will also be used to determine tie-breakers, if any.

Following its analysis, SCE will consult with its Procurement Review Group ("PRG") regarding the final shortlist and specific evaluation criteria. SCE will then negotiate with the shortlisted sellers for a set period of time after notification of shortlisting, as further described in

² Pub. Util. Code § 399.13(a)(5)(7)(A) requires the following: "In soliciting and procuring renewable energy resources for California based projects, each electrical corporation shall give preference to renewable projects that provide environmental and economic benefits to communities afflicted with poverty or high unemployment, or that suffer from high emission levels of toxic air contaminants, criteria air pollutants and greenhouse gas emissions."

the Appendix H.1 2019 RPS Request for Proposals (“RFP”) Procurement Protocol. SCE, in its sole discretion, reserves the right to enter into final agreements with as many sellers as SCE chooses, including the right to not enter into any final agreements at all. Whether a Proposal selected through this process results in an executed contract depends on the outcome of negotiations between SCE and sellers. Periodically, SCE updates the PRG regarding the progress of negotiations. SCE also consults with its PRG prior to the execution of any successfully negotiated contracts. Finally, SCE executes contracts and submits them to the Commission for approval via advice letter filings.

A. Description of Criteria

1. List and discuss the quantitative and qualitative criteria that will be used to evaluate and select bids.

a) Market valuation

SCE will evaluate the quantifiable attributes of each Proposal individually and subsequently rank them based on the Proposal’s Net Market Value. These individual quantitative components include: capacity benefits, energy benefits, congestion benefits, contract payments, debt equivalents mitigation cost, transmission cost, integration cost, and congestion cost. In developing its relative merit order ranking of Proposals, SCE’s evaluation methodology incorporates information provided by sellers and assumptions prescribed and set by the Commission with its internal methodologies and forecasts of market conditions. The objective of the quantitative assessment and relative Net Market Value ranking is to develop a preliminary shortlist that is further refined based on the non-quantifiable attributes discussed below. Each of the elements for the RPS quantitative analysis is described briefly below.

Benefits

• Capacity Benefit

Each Proposal is assigned capacity benefits, if applicable, based on SCE’s forecast of capacity price and the quantity of Resource Adequacy (“RA”) derived by SCE. For applicable resources, SCE will use the marginal Effective Load Carrying Capacity (“ELCC”) methodology³ to assess its RA quantities when the values are available. For Proposals with dispatchable capabilities at SCE’s control, a peak capacity contribution factor is based on the availability of the proposed project. For other technologies without dispatchable capabilities, the quantity of RA benefits is based on a three-year rolling average of production during certain hours.

For Proposals located outside of the California Independent System Operator (“CAISO”), SCE limits the monthly RA quantities to the available import

³ On September 26, 2019, the Commission issued the final decision (D-19-09-043) to adopt modeling requirement to calculate Effective Load Carrying Capacity values for RPS bid ranking and selection. The study is underway and ELCC values are anticipated to be available in H2 2020.

allocation at each CAISO intertie. SCE utilizes the CAISO's Advisory Estimates of Future RA Import Capability ("CAISO Advisory Estimates") published on the CAISO website.⁴ Capacity benefits for all Proposals located outside of the CAISO and delivering at a CAISO intertie, including Proposals located in the Imperial Irrigation District, will be capped by import capability quantities indicated in the CAISO Advisory Estimates.

Monthly capacity benefits include the product of SCE's capacity price forecast and the quantity of RA capacity determined for each month of the year. SCE applies capacity benefits only for those months in which SCE has a capacity need. SCE may attribute additional value to facilities located in the Los Angeles Basin or Big Creek/Ventura local reliability areas based on SCE's need.

- Energy Benefit

SCE measures the energy benefits, as applicable, of a Proposal by evaluating the estimated market value of energy. The evaluation of energy benefits is performed with a base portfolio and system that is consistent with system need track of SCE's most recent Long-Term Procurement Plan ("LTPP"), with some updates to account for the latest gas price and the results of recent procurement activities. In the event that a Proposal provides additional value to SCE from the provision of one or more ancillary services (regulation, spin, or non-spin), SCE may use an internal forecast for ancillary service prices as a means of evaluating any incremental benefit.

For Proposals with must-take energy, SCE calculates the energy benefits of a Proposal based on SCE's internal forecast of the market value of energy. The hourly energy benefit for the Proposal is the resulting market price multiplied by the hourly seller-provided generation profile.

For Proposals with dispatchable capabilities at SCE's control,⁵ SCE calculates the net energy benefits based on the market value of the energy when the proposed resource dispatches. SCE utilizes a production cost or equivalent model to determine the dispatch economics for the proposed resource according to the unit characteristics provided by the seller.

SCE's gas price and power price forecasts are based on a blend of a near-term market view and a longer-term fundamental view of prices.

The simulation model, and hence the energy benefit calculation, captures additional quantitative effects that SCE has been asked to consider by the Commission,

⁴ The CAISO Advisory Estimates can be found at: <https://www.caiso.com/planning/Pages/ReliabilityRequirements/Default.aspx>.

⁵ Because of SCE's limited RPS needs, SCE is not soliciting bids from RPS projects with energy storage that provide SCE with dispatch rights. Instead, SCE considers eligible energy storage systems to help meet its energy storage target through several different programs including conducting an Energy Storage RFO, the Aliso Canyon Energy Storage RFO and other programs that may incorporate energy storage facilities. Further details on SCE's energy storage procurement can be found in SCE's Energy Storage Plan

including dispatchability. The dispatchability benefits, such as ancillary services and real-time flexibility, are implied in the energy benefit and are not addressed separately.

- Congestion Benefit

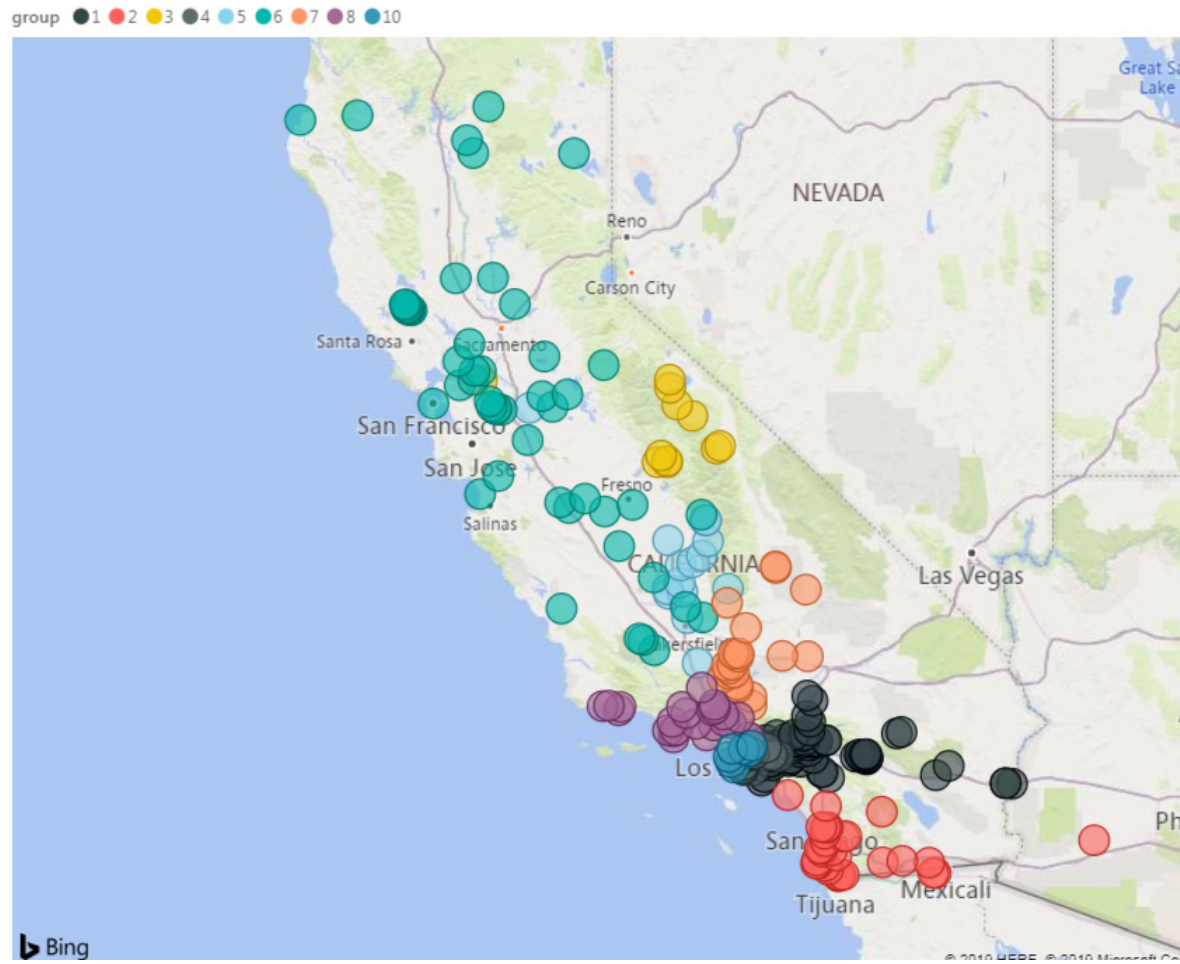
Localized congestion may cause a reduction or increase in prices at a particular locational marginal price (“LMP”) in the CAISO market. In D.11-04-030, the Commission held that the IOUs must incorporate an assessment of these congestion costs in their LCBF evaluation.

SCE applies a locational congestion adder to all projects to differentiate between project locations. These locational adders may be positive or negative depending on the expected congestion in the area. SCE used to generate congestion adders for approximately 300 Pnodes that were applied for long-term contract evaluation. Forecasting long-term congestion impact at a Pnode is challenging, SCE updated its approach on applying congestion adders from individual Pnodes to a small number of highly correlated Pnode groups. Specifically, SCE created ten distinct groups based on their shared congestion patterns and geographical location. The locational adders are developed by taking average congestion impact to all the Pnode in the same group for on and off peak for 4 quarters. Table II-1 below show the relative Congestion Cost adders for each group by time periods, and Figure II-1 shows Pnode assignments to groups.

Table II-1
Congestion Cost Adders by Time Period

group	Congestion Cost adders							
	q1_on	q2_on	q3_on	q4_on	q1_off	q2_off	q3_off	q4_off
1	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3	0.1%	1.3%	-0.1%	0.2%	-0.1%	0.1%	-0.1%	0.0%
4	0.1%	-0.2%	0.3%	-0.1%	0.0%	0.0%	0.0%	0.0%
5	-0.1%	-0.5%	0.3%	-0.2%	0.0%	-0.1%	0.0%	0.0%
6	2.1%	10.8%	-1.3%	2.6%	-0.1%	1.0%	-1.4%	0.6%
7	-0.1%	-0.3%	0.1%	-0.1%	0.0%	0.0%	0.0%	0.0%
8	0.1%	-0.3%	0.4%	-0.1%	0.0%	0.0%	0.0%	0.0%
10	0.1%	-0.3%	0.3%	-0.1%	0.0%	0.0%	0.1%	0.0%

Figure II-1
Pnode Assignments to Groups By Region



Detailed lists of Pnodes and Grouping will be provided with Solicitation documents to Bidders.

Projects that select an Energy-only (“EO”) interconnection do not fund the deliverability upgrades needed to ensure their energy can serve load and avoid localized congestion. As such, these projects increase the risk of congestion in these locations to a degree greater than projects with a Full Capacity Deliverability Status (“FCDS”) interconnection. In order to capture this difference, SCE applies an incremental congestion cost adder to all CAISO projects that selected an EO interconnection, or any EO portion of the contract term if FCDS status is expected to be achieved after the commercial online date. The incremental congestion cost adder is based on SCE’s estimate of the average impact on system congestion from adding incremental capacity without any incremental deliverability network upgrades and is the same for all EO projects. The incremental congestion cost adder is also based on SCE’s forecast of LMPs in the CAISO market in the location that the seller plans to interconnect.

Costs

- Debt Equivalents

“Debt equivalents” is the term used by credit rating agencies to describe the fixed financial obligation resulting from long-term power purchase agreements (“PPAs”). Pursuant to D.04-12-048, the Commission permitted the IOUs to recognize costs associated with the effect debt equivalents has on the IOUs’ credit quality and cost of borrowing in their evaluation process. In D.07-12-052, the Commission reversed this position. SCE, however, filed a petition for modification of D.07-12-052. In November 2008, the Commission issued D.08-11-008, which authorized the IOUs to recognize the effects of debt equivalents when comparing PPAs in their bid evaluations, but not when the IOUs are considering a utility-owned generation project. As such, SCE considers debt equivalents in the evaluation process.

- Contract Payments

The primary costs associated with each Proposal are the contract payments that SCE makes to sellers for the expected renewable energy deliveries.

Proposals typically include an all-in price for delivered renewable energy. Total payments are determined by multiplying the expected generation by the contract price. As stated in the Chapter XIX, SCE includes its informational-only TOD factors but will not use them for calculating expected contract payments, as allowed in D.19-02-007, Ordering Paragraph 11, p.117.

- Integration Cost

Integration costs, where applicable, are the additional system costs required to provide sufficient operational flexibility to ensure adequate system reliability as more intermittent renewable resources join the grid. In D.14-11-042, the Commission approved an interim renewable integration cost adder (“RICA”) methodology and directed the IOUs to include an interim RICA in its RPS solicitation until the Commission adopts a final methodology. The Commission also stated that a final RICA methodology will be considered in the RPS proceeding and in coordination with the LTPP proceeding and any other relevant proceedings in the future.

SCE will use an interim RICA in the LCBF evaluation process unless a final methodology is adopted before the launch of the solicitation. Pursuant to D.14-11-042, this interim RICA will be calculated as the sum of two cost components: variable costs and fixed costs. For the interim RICA, the variable cost component is set at \$4/MWh for wind and \$3/MWh for solar. SCE will calculate the fixed cost component based on SCE’s portfolio need to secure additional capacity from resources not already procured to meet its flexible and non-flexible RA requirements over the contract period. Specifically, this component will be the product of two parameters:

1. SCE's confidential projection of a monthly premium (which can be zero or positive) for flexible RA expressed as \$/kW-month; and
2. Monthly increase (or decrease) in the need for flexible RA associated with one MW of installed capacity of wind or solar expressed as MW of flex capacity needed/MW of wind or solar capacity.

SCE will calculate this change in flexible RA need by using the hourly aggregate system profile for load, wind, and solar from the 2014 LTPP Trajectory Scenario. This hourly data will be used to calculate the hourly three hour net-load ramp for each hour of the year, consistent with the CAISO's Flexible Capacity study.⁶ SCE will then identify the maximum three hour net-load ramp for each month and determine the relative contributions from wind and solar to that maximum ramp. Finally, SCE will determine the monthly increase (or decrease) in the need for flexible capacity associated with one MW of installed capacity of wind and solar. This is determined based on the relative contribution of wind/solar indicated above and the total installed capacity of wind/solar in the system. Maximum generation number for wind/solar from the 2014 LTPP Trajectory Scenario will be used as the estimate for the total installed wind/solar capacity for the system. The result of flexible capacity needs for wind/solar based on the described methodology is summarized below:

⁶ See CAISO's Final 2014 Flexible Capacity Needs Assessment at :
http://www.caiso.com/Documents/Final_2014_FlexCapacityNeedsAssessment.pdf.

Table II-2

Contribution of 1 MW of Installed Capacity to Flexible RA		
Month	Solar	Wind
Jan	0.52	0.12
Feb	0.75	0.09
Mar	0.63	0.15
Apr	0.78	0.13
May	0.66	0.01
Jun	0.58	0.07
Jul	0.58	0.04
Aug	0.61	0.05
Sep	0.78	0.20
Oct	0.66	0.02
Nov	0.59	0.00
Dec	0.63	0.20

SCE will apply the interim RICA in bid valuation by multiplying the monthly RICA estimates in \$/MWh with the generation profile for each wind/solar bid.

- Congestion Cost

As explained in the benefits section, congestion adders could be positive or negative depending on the direction of congestion. Depending on the direction of congestion, congestion is included as either as a cost or benefit in SCE's valuation.

- Transmission Cost

Transmission costs are based on the estimated cost of reimbursable network upgrades attributable to individual projects that are paid by SCE customers. For projects in the CAISO- controlled area, it will be the share of costs that are paid by SCE customers. SCE's customer share of network upgrade costs will be determined by the CAISO's latest numbers for utility-specific Transmission Access Charges based on load share. For non-CAISO controlled projects, this cost will be zero.

SCE requires sellers to have an existing Phase II Interconnection Study or to have an equivalent or better process or exemption. Transmission costs applicable to the project will be based on the applicable completed interconnection study or interconnection agreement.

b) Transmission Cost Adders

SCE requires all sellers have an existing Phase II Interconnection Study or to have an equivalent or better process or exemption. The seller must provide copies of all interconnection studies and/or agreements as part of seller's Proposal.

SCE uses the interconnection studies submitted as part of the Proposal submittal package to determine the applicable network upgrade costs for all projects. SCE will not impute these costs for projects in transmission-constrained areas. SCE applies the required upgrade costs to get the project delivered to the nearest defined market (e.g., NP15, SP15, ZP 26 Generation Trading Hubs).

c) Portfolio fit

SCE's LCBF quantitative evaluation process inherently captures the impact of portfolio fit. For example, as different Proposals are added to the overall portfolio, the resultant residual net short or net long position is impacted. Projects that more often increase SCE's net long capacity positions are assigned less capacity benefits than those projects that are more often filling net short positions.

SCE also considers portfolio fit in its qualitative analysis. Specifically, when assessing additional qualitative characteristics to determine advancement to the shortlist or tie-breakers, SCE's preference is for those projects that have commercial operation dates that match periods of SCE's need for renewable energy.

d) Credit and collateral requirements

In order to ensure comparable pricing for ranking, SCE requires sellers to bid conforming Proposals committing to posting SCE's pro forma performance assurance amount. SCE accepts lesser performance assurance to be bid as long as a conforming Proposal is also submitted. Performance assurance is the collateral posted by the seller during the operating period.

e) Project Viability

SCE assesses the following attributes using the Project Viability Calculator:

- Company/Development Team
- Project Development Experience
- Ownership/O&M Experience
- Technology
- Technical Feasibility
- Resource Quality
- Manufacturing Supply Chain
- Development Milestones
- Site Control

- Permitting Status
- Project Financing Status
- Interconnection Progress
- Transmission Requirements
- Reasonableness of Commercial Operation Date (“COD”)

f) **Other qualitative criteria / preferences**

Following the Project Viability Calculator qualitative assessment, SCE considers additional qualitative characteristics to determine advancement to the shortlist or tie-breakers, if any. These additional characteristics may include:

- Effect on Workforce Development
- Effect on Disadvantaged Communities (“DAC”)
- Nominal contract payments
- Contribution to other SCE program goals
- Impact of project construction on employment growth
- Impact of project operation on employment growth
- Transmission area (e.g., Tehachapi, Sunrise, within SCE’s load pocket)
- Congestion, negative price, and curtailment considerations not captured in the quantitative valuation
- EO concentration
- Facility interconnection process progress
- Portfolio fit of COD
- Prior experience with project developers/sellers
- Seller concentration
- Expected generation (GWh/year)
- Dispatchability
- Environmental impacts of seller’s proposed project on California’s water quality and use
- Resource diversity
- Benefits to disadvantaged minority and low income communities
- Local reliability
- Environmental stewardship
- Project eligibility for CR and Environmental Justice (“EJ”) program
- **Specific considerations concerning qualitative consideration of Workforce Development**

SCE will require the Seller to provide information during the bid process including, but not necessarily limited to, assessing benefits on employment or Workforce Development, including:

1. New jobs created during the construction and operation phases;
2. Number of direct and indirect jobs during the construction and operation phases;
3. Types (contract vs. permanent hires) and duration of employment
4. Employment and training opportunities for disadvantaged groups (e.g. women, minorities, and disabled veterans)

- **Specific considerations concerning qualitative consideration of DAC**

SCE will require the Seller to provide information during the bid process including, but not necessarily limited to, assessing benefits for DAC, including:

1. **Description of the project site**
2. **CalEnviroScreen Score and highlights for the project site or adjacent community (e.g. unemployment, air quality, poverty, pollution burden)**
3. **Community Impacts, including**
 - **Community engagement plan description**
 - **Job opportunities for the community including expected number of jobs, types and durations**
 - **Community education opportunities (e.g. public workshops, K-12 education programs)**
 - **Other participation (e.g. trips to the site, data sharing)**
 - **Description of other benefits (e.g. local air pollution reduction)**
 - **Description of any potential burdens to the community (e.g. toxic release, ground water threats, air pollution increase, traffic and noise increase, and impacts on parking availability)**

B. If a weighting system is used, please describe how each LCBF component is assigned a quantitative or qualitative weighting compared to other components. Discuss the rationale for the weightings.

SCE does not apply a weighting system to qualitative attributes in its LCBF evaluation.

C. Describe role of quantitative and qualitative factors on the LCBF ranking process.

SCE's LCBF quantitative evaluation of the Proposals incorporates energy and capacity benefits with nominal contract payments, transmission cost, debt equivalence, integration cost, and congestion cost to create individual benefit and cost relationships, namely, the Net Market Value. It is the Net Market Value that is used to rank and compare each project. Qualitative attributes of each Proposal are then considered to further screen the shortlist and arrive at a final shortlist of Proposals.

D. Discuss how the evaluation process differs, if at all, for out-of-state projects (e.g. incorporating costs of delivering energy from out-of-state facilities).

The overall evaluation methodology is applied consistently to projects regardless of location. Energy benefits for those projects outside of the CAISO are based on the pricing at the seller-elected liquid power trading hub or CAISO intertie (subject to SCE's approval in its sole discretion) according to SCE's fundamental price forecast for hubs across the Western Electricity Coordinating Council ("WECC"). For projects with an assumed delivery point outside the CAISO (e.g., liquid power trading hub), SCE applies a power swapping methodology, where the power is assumed to be sold into the local market.

SCE customers are not liable for network upgrades outside of the CAISO or California (outside of any costs that may be imbedded within the contract pricing), so transmission cost adders are zero for those projects.

E. Evaluation of utility-owned, turnkey, buyouts, and utility-affiliate projects

1. Describe how utility-owned projects are evaluated against PPAs.

SCE views utility-owned cost-of-service generation as a necessary and good option for customers to have. SCE does not evaluate proposed utility-owned projects against PPAs, as utility-owned generation and contracted-for generation are fundamentally different products. As such, any attempt to do a numerical comparison of them is unworkable. This topic is discussed in detail in the Supplemental Testimony to SCE's 2010 LTPP. Moreover, approval of a utility-owned project would not be submitted through the solicitation process, but through a formal application.

2. Describe how turnkey projects are evaluated against PPAs.

Turnkey projects are similar to utility-owned projects. Refer to the response to II.E.1 above.

3. Describe how buyout projects are evaluated against PPAs

Project buyout options are essentially a hybrid of utility-owned projects and PPAs. Refer to the response to II.E.1 above.

4. **Describe how utility-affiliate projects are evaluated against non-affiliate projects.**

Utility-affiliate projects are evaluated in the same manner as non-affiliate projects. In addition, evaluation of utility-affiliate projects would be subject to review by the IE, the PRG, the Commission, and the Federal Energy Regulatory Commission (“FERC”) through the approval process.

F. **Explain how there is no double counting between the RICA and Net Market Value components.**

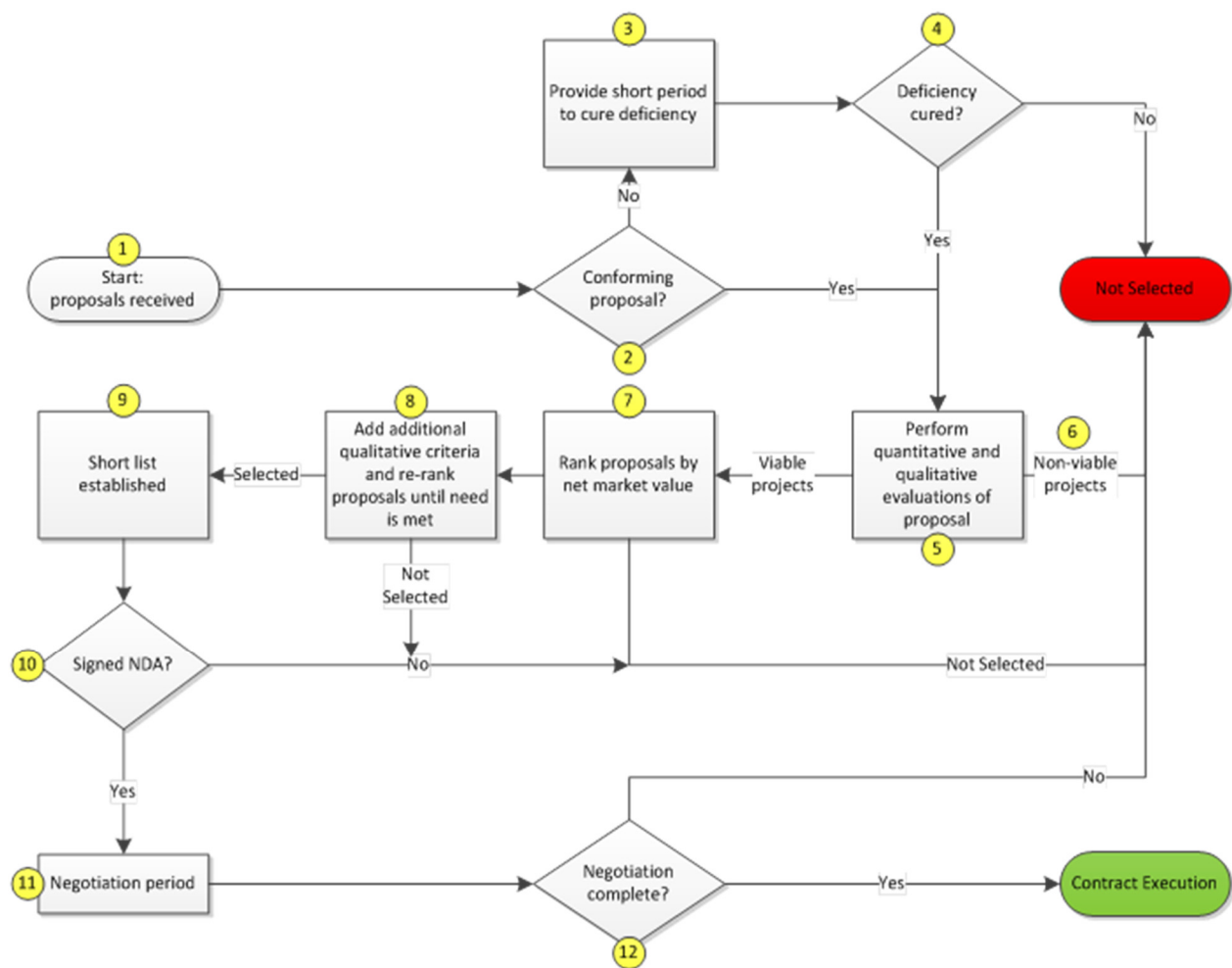
SCE’s LCBF methodology does not lead to double counting between the RICA and other NMV components. The RICA does not impact other NMV components. Specifically, the NMV energy component is determined through forecasted energy prices, which are based on near-term market energy prices and long-term fundamental energy prices. Renewable integration costs are the additional system costs required to provide sufficient operational flexibility to ensure adequate system reliability as more intermittent renewable resources join the grid, which are not captured in any other NMV components. Therefore, the RICA is applied as a separate and distinct cash flow component to the NMV after the calculation of other NMV components is complete.

III. **Bid Evaluation and Selection Process**

A. **What is the process by which bids are received and evaluated, selected or rejected for shortlist inclusion, and further evaluated once on the shortlist?**

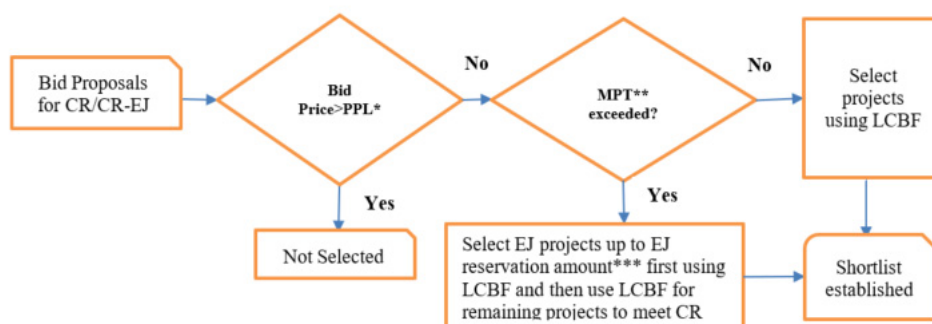
Figure III-2 below illustrates the bid evaluation process for eligible renewable resources.

Figure III-2
Bid Evaluation Process



For community renewables, there are additional selection criteria that are needed to be considered as laid out in Figure III-3 below:

Figure III-3
Selection Process for Community Renewables (CR)



* PPL or Procurement Price Limit: See D.16-05-006 at Ordering Paragraph 3.

** MPT or Minimum Procurement Target. See D.16-05-006 at Ordering Paragraph 1.

*** See D.16-05-006 at Ordering Paragraph 2.

B. What is the typical amount of time required for each part of the process?

The typical amount of time required for the shortlisting process depends on the volume of Proposals received by SCE during a solicitation. Historically, it has taken SCE no more than eight weeks to complete the LCBF evaluation process, which includes quality control of sellers' information, transmission assessment, quantitative assessment, qualitative assessment, management review, and PRG meetings. Going forward, the complexity of Proposals received in RFPs and overlapping procurement programs will require additional time to complete this process. SCE believes that 12 weeks is reasonable to complete the shortlisting process.

C. Describe involvement of the Independent Evaluator.

The IE monitors SCE's RPS solicitations, provides an independent review of SCE's process, models, assumptions, and the Proposals it may receive, and helps the Commission and SCE's PRG participants by providing them with information and assessments to ensure that the solicitation was conducted fairly and that the most appropriate resources were shortlisted. The IE also provides an assessment of SCE's RPS solicitation from the initial phase of the solicitation (*i.e.*, the publicizing of the issuance of the RFP) through the development of a shortlist of Proposals with whom SCE has commenced negotiations. Further, the IE monitors the negotiation process to ensure that all shortlisted bidders are treated consistently and files reports on each final executed contract.

D. Describe involvement of the Procurement Review Group.

SCE consults with its PRG during each step of the renewable procurement process. Among other things, SCE provides access to the solicitation materials and pro forma contracts to the PRG for review and comment before commencing the RFP; informs the PRG of the initial results of the RFP; explains the evaluation process; and updates the PRG periodically concerning the status of contract formation.

E. Discuss whether and how feedback on the solicitation process is requested from bidders (both successful and unsuccessful) after the solicitation is complete.

SCE regularly receives feedback during the normal course of its solicitation process and has conducted web-based surveys at the conclusion of past RFPs.

PUBLIC APPENDIX H.2

Redline of SCE's 2019 Least-Cost Best-Fit Methodology

Southern California Edison Company's ("SCE") Least-Cost Best-Fit Methodology

~~I.I.~~ Introduction

A. Note relevant language in statute and CPUC decisions approving LCBF process and requiring LCBF Reports

Under the direction of the California Public Utilities Commission (the "Commission" or "CPUC"), SCE conducts solicitations for the purpose of procuring power from eligible renewable energy resources to meet California's Renewables Portfolio Standard ("RPS"). SCE evaluates and ranks Proposals based on least-cost best-fit ("LCBF") principles that comply with criteria set forth by the Commission in Decision ("D.") 04-07-029, D.11-04-030, D.12-11-016, D.14-11-042, and D.16-12-044 (the "LCBF Decisions").¹

B. Describe goals of IOU's bid evaluation and selection criteria and processes

The goal of SCE's evaluation and selection criteria and processes is to provide decision metrics so that SCE can procure renewable energy economically, while providing the most value to its customers. The LCBF analysis evaluates both quantitative and qualitative aspects of each Proposal to estimate its value to SCE's customers and its relative value in comparison to other Proposals.

- 1. Describe how "need" will be determined for this solicitation. Comment specifically on whether, and to what extent, you considered other procurement options (e.g. UOG, solar PV program, feed-in tariffs, RAM etc.) to meet IOU's overall need stated in its Procurement Plan.**

SCE determines its expected renewable procurement need by comparing its forecasted RPS targets to its forecasted energy deliveries from contracted projects. The forecasted energy deliveries include SCE's probabilistic risk-adjusted forecast of generation from contracted projects that are not yet online. SCE also considers generation from pre-approved procurement programs (i.e., ReMAT, BioMAT), among other factors. Detailed methodology of forecasting SCE's net short position is described in Section IV.A and Section VIII.A of the Written Plan. ~~As discussed in the Section IV of the Written Plan, SCE does not have a need for renewable energy to meet its RPS targets at this time.~~

~~II.H.~~ Bid Evaluation and Selection Criteria

While assumptions and methodologies have evolved slightly over time, the basic components of SCE's evaluation and selection criteria and process for RPS contracts were

¹ The Commission has also made rulings on various evaluation criteria in its decisions on the investor-owned utilities' ("IOUs") RPS Procurement Plans. *See also* CAL. PUB. UTIL. CODE § 399.13(a)(4)(A).

established by the Commission's LCBF Decisions. Consistent with those LCBF Decisions, the three main steps to be undertaken by SCE are: (i) initial data gathering and validation, (ii) a quantitative assessment of Proposals, and (iii) adjustments to selection based on Proposals' qualitative attributes.

Prior to receiving Proposals, SCE will finalize criteria with the Independent Evaluator ("IE") to determine which attributes could make Proposals clear outliers. SCE will then finalize the major assumptions and methodologies that drive valuation, including power and gas price forecasts, existing and forecast resource portfolio, and the capacity value forecast.

Once Proposals are received, SCE will determine which Proposals are clear outliers. For Proposals deemed clear outliers, SCE concludes any further review. SCE will then begin a review of the remaining Proposals for completeness and conformity with the solicitation protocol. The review includes an initial screen for required submission criteria such as a conforming delivery point, initial delivery dates, a valid interconnection study, minimum project size, and the submission of particular Proposal package elements. Sellers lacking any of these items will be allowed a reasonable cure period to remedy any deficiencies. In addition, SCE will conduct a review to determine the reasonableness of Proposal parameters such as generation profiles and capacity factors. SCE will work directly with sellers to resolve any issues and ensure the data is ready for evaluation.

After these reviews, SCE will perform a quantitative assessment of each Proposal and will subsequently rank them based on the Proposal's benefit and cost relationship. Specifically, SCE will use the total benefits and total costs to calculate the net levelized benefit or "Net Market Value" per each complete and conforming Proposal. Benefits consist of separate capacity, energy, and congestion components, while costs include the contract payments, debt equivalents, integration cost, congestion cost, and transmission cost. SCE discounts the monthly benefit and cost streams to a common base date. SCE also normalizes the net cost or benefit data by MWh generation. The result of the quantitative analysis is a merit-order ranking of all complete and conforming Proposals' Net Market Value. The merit-order ranking will aid in defining the preliminary shortlist.

Following the quantitative analysis, SCE will conduct an initial assessment of the top Proposals' qualitative attributes. This analysis utilizes the Project Viability Calculator. Additional attributes such as transmission area/cluster, generating facility location, seller concentration, project size, dispatchability, contribution to other program goals, and eligibility for SCE's Community Renewables ("CR") program are also considered in the qualitative analysis. In addition, SCE has a preference for the projects that provide environmental and economic benefits to disadvantaged communities.² Qualitative attributes will also be used to ~~determine~~determine tie-breakers, if any.

² Pub. Util. Code § 399.13(a)(5)(7)(A) requires the following: "In soliciting and procuring renewable energy resources for California based projects, each electrical corporation shall give preference to renewable projects that provide environmental and economic benefits to communities afflicted with poverty or high unemployment, or that suffer from high emission levels of toxic air contaminants, criteria air pollutants and greenhouse gas emissions."

Following its analysis, SCE will consult with its Procurement Review Group (“PRG”) regarding the final shortlist and specific evaluation criteria. SCE will then negotiate with the shortlisted sellers for a set period of time after notification of shortlisting, as further described in the Appendix H.1 2019 RPS Request for Proposals (“RFP”) Procurement Protocol. SCE, in its sole discretion, reserves the right to enter into final agreements with as many sellers as SCE chooses, including the right to not enter into any final agreements at all. Whether a Proposal selected through this process results in an executed contract depends on the outcome of negotiations between SCE and sellers. Periodically, SCE updates the PRG regarding the progress of negotiations. SCE also consults with its PRG prior to the execution of any successfully negotiated contracts. Finally, SCE executes contracts and submits them to the Commission for approval via advice letter filings.

A. Description of Criteria

1. List and discuss the quantitative and qualitative criteria that will be used to evaluate and select bids.

1. a. Market valuation

SCE will evaluate the quantifiable attributes of each Proposal individually and subsequently rank them based on the Proposal’s Net Market Value. These individual quantitative components include: capacity benefits, energy benefits, congestion benefits, contract payments, debt equivalents mitigation cost, transmission cost, integration cost, and congestion cost. In developing its relative merit order ranking of Proposals, SCE’s evaluation methodology incorporates information provided by sellers and assumptions prescribed and set by the Commission with its internal methodologies and forecasts of market conditions. The objective of the quantitative assessment and relative Net Market Value ranking is to develop a preliminary shortlist that is further refined based on the non-quantifiable attributes discussed below. Each of the elements for the RPS quantitative analysis is described briefly below.

Benefits

- Capacity Benefit

Each Proposal is assigned capacity benefits, if applicable, based on SCE’s forecast of capacity price and the quantity of Resource Adequacy (“RA”) derived by SCE. For ~~wind and solar Proposals~~ applicable resources, SCE will use the marginal Effective Load Carrying Capacity (“ELCC”) methodology³ ~~with approved ELCC values from Energy Division’s second proposed methodology, as set forth in Appendix A of D.17-06-027~~ to assess its RA quantities when the values are available. For Proposals with dispatchable capabilities at SCE’s control, a peak capacity contribution factor is based on the availability of the proposed project. For other technologies

³ On ~~June 29~~ September 26, 2017 ~~2019~~, the Commission issued the final decision (D-~~1719-0609-~~ 027043) to adopt an modeling requirement to calculate Effective Load Carrying Capacity ~~approach to determining the capacity value of wind and solar resources~~ values for RPS bid ranking and selection. The study is underway and ELCC values are anticipated to be available in H2 2020.

without dispatchable capabilities, the quantity of RA benefits is based on a three-year rolling average of production during certain hours.

For Proposals located outside of the California Independent System Operator (“CAISO”), SCE limits the monthly RA quantities to the available import allocation at each CAISO intertie. SCE utilizes the CAISO’s Advisory Estimates of Future RA Import Capability (“CAISO Advisory Estimates”) published on the CAISO website.⁴ Capacity benefits for all Proposals located outside of the CAISO and delivering at a CAISO intertie, including Proposals located in the Imperial Irrigation District, will be capped by import capability quantities indicated in the CAISO Advisory Estimates.

Monthly capacity benefits include the product of SCE’s capacity price forecast and the quantity of RA capacity determined for each month of the year. SCE applies capacity benefits only for those months in which SCE has a capacity need. SCE ~~attributes~~may attribute additional value to facilities located in the Los Angeles Basin or Big Creek/Ventura local reliability areas based on SCE’s need.

- Energy Benefit

SCE measures the energy benefits, as applicable, of a Proposal by evaluating the estimated market value of energy. The evaluation of energy benefits is performed with a base portfolio and system that is consistent with system need track of SCE’s most recent Long-Term Procurement Plan (“LTPP”), with some updates to account for the latest gas price and the results of recent procurement activities. In the event that a Proposal provides additional value to SCE from the provision of one or more ancillary services (regulation, spin, or non-spin), SCE may use an internal forecast for ancillary service prices as a means of evaluating any incremental benefit.

For Proposals with must-take energy, SCE calculates the energy benefits of a Proposal based on SCE’s internal forecast of the market value of energy. The hourly energy benefit for the Proposal is the resulting market price multiplied by the hourly seller-provided generation profile.

For Proposals with dispatchable capabilities at SCE’s control,⁵ SCE calculates the net energy benefits based on the market value of the energy when the proposed resource dispatches. SCE utilizes a production cost or equivalent model to determine the dispatch economics for the proposed resource according to the unit characteristics provided by the seller.

SCE’s gas price and power price forecasts are based on a blend of a near-term market view and a longer-term fundamental view of prices.

⁴ The CAISO Advisory Estimates can be found at:
<https://www.caiso.com/planning/Pages/ReliabilityRequirements/Default.aspx>.

⁵ Because of SCE’s limited RPS needs, SCE is not soliciting bids from RPS projects with energy storage that provide SCE with dispatch rights. Instead, SCE considers eligible energy storage systems to help meet its energy storage target through several different programs including conducting an Energy Storage RFO, the Aliso Canyon Energy Storage RFO and other programs that may incorporate energy storage facilities. Further details on SCE’s energy storage procurement can be found in SCE’s Energy Storage Plan

The simulation model, and hence the energy benefit calculation, captures additional quantitative effects that SCE has been asked to consider by the Commission, including dispatchability. The dispatchability benefits, such as ancillary services and real-time flexibility, are implied in the energy benefit and are not addressed separately.

- Congestion Benefit

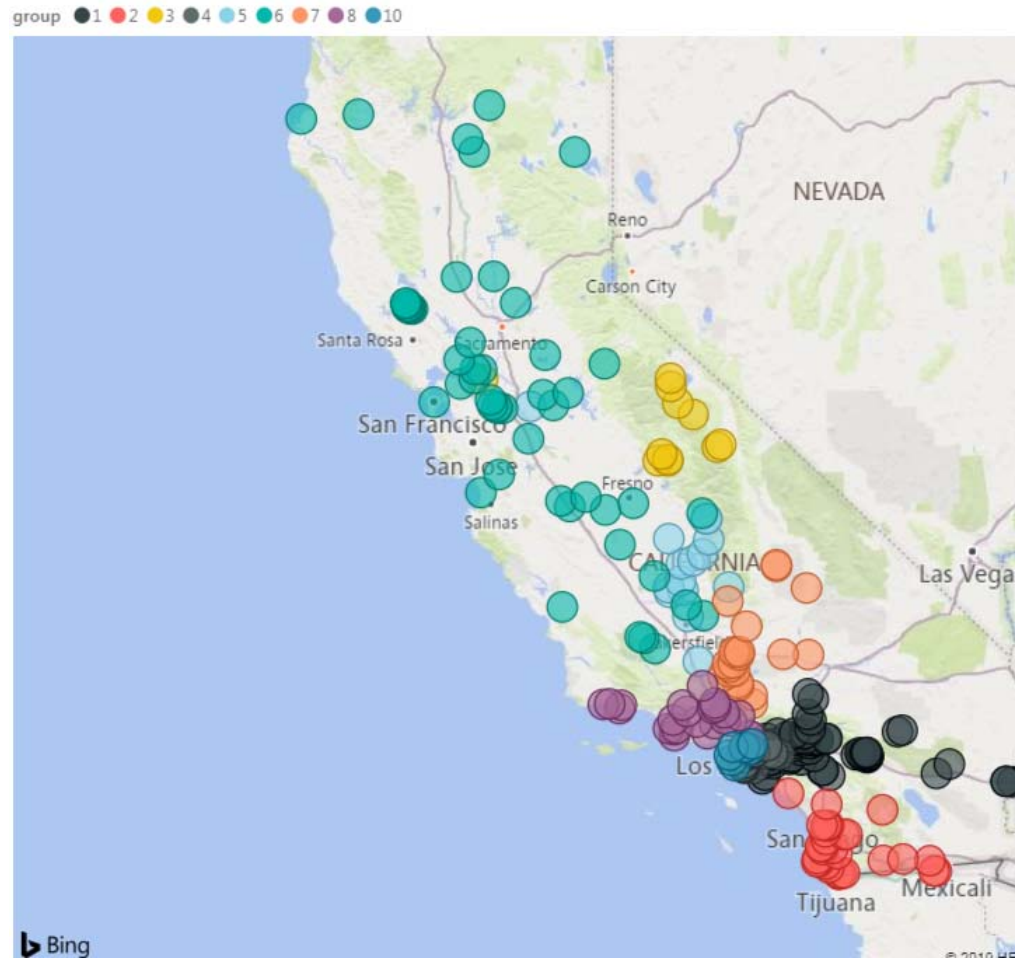
Localized congestion may cause a reduction or increase in prices at a particular locational marginal price (“LMP”) in the CAISO market. In D.11-04-030, the Commission held that the IOUs must incorporate an assessment of these congestion costs in their LCBF evaluation.

SCE applies a locational congestion adder to all projects to differentiate between project locations. These locational adders may be positive or negative depending on the expected congestion in the area. SCE used to generate congestion adders for approximately 300 Pnodes that were applied for long-term contract evaluation. Forecasting long-term congestion impact at a Pnode is challenging, SCE updated its approach on applying congestion adders from individual Pnodes to a small number of highly correlated Pnode groups. Specifically, SCE created ten distinct groups based on their shared congestion patterns and geographical location. The locational adders are based on SCE’s forecast of LMPs in the CAISO market in the location that the seller plans developed by taking average congestion impact to all the Pnode in the same group for on and off peak for 4 quarters. Table II-1 below show the relative Congestion Cost adders for each group by time periods, and Figure II-1 shows Pnode assignments to groups.

Table II-1
Congestion Cost Adders by Time Period

group	Congestion Cost adders							
	q1_on	q2_on	q3_on	q4_on	q1_off	q2_off	q3_off	q4_off
<u>1</u>	<u>0.1%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>
<u>2</u>	<u>0.1%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>
<u>3</u>	<u>0.1%</u>	<u>1.3%</u>	<u>-0.1%</u>	<u>0.2%</u>	<u>-0.1%</u>	<u>0.1%</u>	<u>-0.1%</u>	<u>0.0%</u>
<u>4</u>	<u>0.1%</u>	<u>-0.2%</u>	<u>0.3%</u>	<u>-0.1%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>
<u>5</u>	<u>-0.1%</u>	<u>-0.5%</u>	<u>0.3%</u>	<u>-0.2%</u>	<u>0.0%</u>	<u>-0.1%</u>	<u>0.0%</u>	<u>0.0%</u>
<u>6</u>	<u>2.1%</u>	<u>10.8%</u>	<u>-1.3%</u>	<u>2.6%</u>	<u>-0.1%</u>	<u>1.0%</u>	<u>-1.4%</u>	<u>0.6%</u>
<u>7</u>	<u>-0.1%</u>	<u>-0.3%</u>	<u>0.1%</u>	<u>-0.1%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>
<u>8</u>	<u>0.1%</u>	<u>-0.3%</u>	<u>0.4%</u>	<u>-0.1%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>
<u>10</u>	<u>0.1%</u>	<u>-0.3%</u>	<u>0.3%</u>	<u>-0.1%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.1%</u>	<u>0.0%</u>

Figure II-1
Pnode Assignments to Groups By Region



Detailed lists of Pnodes and Grouping will be provided with Solicitation documents to ~~interconnect~~Bidders.

Projects that select an Energy-only (“EO”) interconnection do not fund the deliverability upgrades needed to ensure their energy can serve load and avoid localized congestion. As such, these projects increase the risk of congestion in these locations to a degree greater than projects with a Full Capacity Deliverability Status (“FCDS”) interconnection. In order to capture this difference, SCE applies an incremental congestion cost adder to all CAISO projects that selected an EO interconnection, or any EO portion of the contract term if FCDS status is expected to be achieved after the commercial online date. The incremental congestion cost adder is based on SCE’s estimate of the average impact on system congestion from adding incremental capacity without any incremental deliverability network upgrades and is the same for all EO projects. The incremental congestion cost adder is also based on SCE’s forecast of LMPs in the CAISO market in the location that the seller plans to interconnect.

Costs

- Debt Equivalents

“Debt equivalents” is the term used by credit rating agencies to describe the fixed financial obligation resulting from long-term power purchase agreements (“PPAs”). Pursuant to D.04-12-048, the Commission permitted the IOUs to recognize costs associated with the effect debt equivalents has on the IOUs’ credit quality and cost of borrowing in their evaluation process. In D.07-12-052, the Commission reversed this position. SCE, however, filed a petition for modification of D.07-12-052. In November 2008, the Commission issued D.08-11-008, which authorized the IOUs to recognize the effects of debt equivalents when comparing PPAs in their bid evaluations, but not when the IOUs are considering a utility-owned generation project. As such, SCE considers debt equivalents in the evaluation process.

- Contract Payments

The primary costs associated with each Proposal are the contract payments that SCE makes to sellers for the expected renewable energy deliveries.

Proposals typically include an all-in price for delivered renewable energy. Total payments are determined by multiplying the expected generation by the contract price. As stated in the Chapter XIX, SCE includes its informational-only TOD factors ~~from the IOUs’ joint proposal in Appendix K~~ but will not use them for calculating expected contract payments, as allowed in D.19-02-007, Ordering Paragraph 11, p.117.

- Integration Cost

Integration costs, where applicable, are the additional system costs required to provide sufficient operational flexibility to ensure adequate system reliability as more intermittent renewable resources join the grid. In D.14-11-042, the Commission approved an interim renewable integration cost adder (“RICA”) methodology and directed the IOUs to include an interim RICA in its RPS solicitation until the Commission adopts a final methodology. The Commission also stated that a final RICA methodology will be considered in the RPS proceeding and in coordination with the LTPP proceeding and any other relevant proceedings in the future.

SCE will use an interim RICA in the LCBF evaluation process unless a final methodology is adopted before the launch of the solicitation. Pursuant to D.14-11-042, this interim RICA will be calculated as the sum of two cost components: variable costs and fixed costs. For the interim RICA, the variable cost component is set at \$4/MWh for wind and \$3/MWh for solar. SCE will calculate the fixed cost component based on SCE’s portfolio need to secure additional capacity from resources not already procured to meet its flexible and non-flexible RA requirements over the contract period. Specifically, this component will be the product of two parameters:

1. SCE’s confidential projection of a monthly premium (which can be zero or positive) for flexible RA expressed as \$/kW-month; and
2. Monthly increase (or decrease) in the need for flexible RA associated with one MW of installed capacity of wind or solar expressed as MW of flex capacity needed/MW of wind or solar capacity.

SCE will calculate this change in flexible RA need by using the hourly aggregate system profile for load, wind, and solar from the 2014 LTPP Trajectory Scenario. This hourly data will be used to calculate the hourly three hour net-load ramp for each hour of the year, consistent with the CAISO's Flexible Capacity study.⁶ SCE will then identify the maximum three hour net-load ramp for each month and determine the relative contributions from wind and solar to that maximum ramp. Finally, SCE will determine the monthly increase (or decrease) in the need for flexible capacity associated with one MW of installed capacity of wind and solar. This is determined based on the relative contribution of wind/solar indicated above and the total installed capacity of wind/solar in the system. Maximum generation number for wind/solar from the 2014 LTPP Trajectory Scenario will be used as the estimate for the total installed wind/solar capacity for the system. The result of flexible capacity needs for wind/solar based on the described methodology is summarized below:

Contribution of 1 MW of Installed Capacity to Flexible RA		
Month	Solar	Wind
Jan	0.52	0.12
Feb	0.75	0.09
Mar	0.63	0.15
Apr	0.78	0.13
May	0.66	0.01
Jun	0.58	0.07
Jul	0.58	0.04
Aug	0.61	0.05
Sep	0.78	0.20
Oct	0.66	0.02
Nov	0.59	0.00
Dec	0.63	0.20

⁶ See CAISO's Final 2014 Flexible Capacity Needs Assessment at : http://www.caiso.com/Documents/Final_2014_FlexCapacityNeedsAssessment.pdf.

Table II-2

Contribution of 1 MW of Installed Capacity to Flexible RA		
Month	Solar	Wind
Jan	0.52	0.12
Feb	0.75	0.09
Mar	0.63	0.15
Apr	0.78	0.13
May	0.66	0.01
Jun	0.58	0.07
Jul	0.58	0.04
Aug	0.61	0.05
Sep	0.78	0.20
Oct	0.66	0.02
Nov	0.59	0.00
Dec	0.63	0.20

SCE will apply the interim RICA in bid valuation by multiplying the monthly RICA estimates in \$/MWh with the generation profile for each wind/solar bid.

- Congestion Cost

As explained in the benefits section, congestion adders could be positive or negative depending on the direction of congestion. Depending on the direction of congestion, congestion is included as either as a cost or benefit in SCE's valuation.

- Transmission Cost

Transmission costs are based on the estimated cost of reimbursable network upgrades attributable to individual projects that are paid by SCE customers. For projects in the CAISO-controlled area, it will be the share of costs that are paid by SCE customers. SCE's customer share of network upgrade costs will be determined by the CAISO's latest numbers for utility-specific Transmission Access Charges based on load share. For non-CAISO controlled projects, this cost will be zero.

SCE requires sellers to have an existing Phase II Interconnection Study or to have an equivalent or better process or exemption. Transmission costs applicable to the project will be based on the applicable completed interconnection study or interconnection agreement.

- ~~b.~~ **Transmission Cost Adders**

SCE requires all sellers have an existing Phase II Interconnection Study or to have an equivalent or better process or exemption. The seller must provide copies of all interconnection studies and/or agreements as part of seller's Proposal.

SCE uses the interconnection studies submitted as part of the Proposal submittal package to determine the applicable network upgrade costs for all projects. SCE will not impute these costs for projects in transmission-constrained areas. SCE applies the required upgrade costs to get the project delivered to the nearest defined market (e.g., NP15, SP15, ZP 26 Generation Trading Hubs).

~~e.~~
• **Portfolio fit**

SCE's LCBF quantitative evaluation process inherently captures the impact of portfolio fit. For example, as different Proposals are added to the overall portfolio, the resultant residual net short or net long position is impacted. Projects that more often increase SCE's net long capacity positions are assigned less capacity benefits than those projects that are more often filling net short positions.

SCE also considers portfolio fit in its qualitative analysis. Specifically, when assessing additional qualitative characteristics to determine advancement to the shortlist or tie-breakers, SCE's preference is for those projects that have commercial operation dates that match periods of SCE's need for renewable energy.

• ~~d.~~ **Credit and collateral requirements**

In order to ensure comparable pricing for ranking, SCE requires sellers to bid conforming Proposals committing to posting SCE's pro forma performance assurance amount. SCE accepts lesser performance assurance to be bid as long as a conforming Proposal is also submitted. Performance assurance is the collateral posted by the seller during the operating period.

• ~~e.~~ **Project Viability**

SCE assesses the following attributes using the Project Viability Calculator:

- Company/Development Team
- Project Development Experience
- Ownership/O&M Experience
- Technology
- Technical Feasibility
- Resource Quality
- Manufacturing Supply Chain
- Development Milestones
- Site Control
- Permitting Status

- Project Financing Status
- Interconnection Progress
- Transmission Requirements
- Reasonableness of Commercial Operation Date (“COD”)

B.2 Other qualitative criteria / preferences

Following the Project Viability Calculator qualitative assessment, SCE considers additional qualitative characteristics to determine advancement to the shortlist or tie-breakers, if any. These additional characteristics may include:

- Effect on Workforce Development
- Effect on Disadvantaged Communities (“DAC”)
- Nominal contract payments
- Contribution to other SCE program goals
- Impact of project construction on employment growth
- Impact of project operation on employment growth
- Transmission area (e.g., Tehachapi, Sunrise, within SCE’s load pocket)
- Congestion, negative price, and curtailment considerations not captured in the quantitative valuation
- EO concentration
- Facility interconnection process progress
- Portfolio fit of COD
- Prior experience with project developers/sellers
- Seller concentration
- Expected generation (GWh/year)
- Dispatchability
- Environmental impacts of seller’s proposed project on California’s water quality and use
- Resource diversity
- Benefits to disadvantaged minority and low income communities
- Local reliability
- Environmental stewardship
- Project eligibility for CR and Environmental Justice (“EJ”) program
- **Specific considerations concerning qualitative consideration of Workforce Development**

SCE will require the Seller to provide information during the bid process including, but not necessarily limited to, assessing benefits on employment or Workforce Development, including:

1. New jobs created during the construction and operation phases;
2. Number of direct and indirect jobs during the construction and operation phases;
3. Types (contract vs. permanent hires) and duration of employment

4. Employment and training opportunities for disadvantaged groups (e.g. women, minorities, and disabled veterans)
- **Specific considerations concerning qualitative consideration of DAC**

SCE will require the Seller to provide information during the bid process including, but not necessarily limited to, assessing benefits for DAC, including:

1. Description of the project site
2. CalEnviroScreen Score and highlights for the project site or adjacent community (e.g. unemployment, air quality, poverty, pollution burden)
3. Community Impacts, including
 - Community engagement plan description
 - Job opportunities for the community including expected number of jobs, types and durations
 - Community education opportunities (e.g. public workshops, K-12 education programs)
 - Other participation (e.g. trips to the site, data sharing)
 - Description of other benefits (e.g. local air pollution reduction)
 - Description of any potential burdens to the community (e.g. toxic release, ground water threats, air pollution increase, traffic and noise increase, and impacts on parking availability)

C.B. If a weighting system is used, please describe how each LCBF component is assigned a quantitative or qualitative weighting compared to other components. Discuss the rationale for the weightings.

SCE does not apply a weighting system to qualitative attributes in its LCBF evaluation.

D.C. Describe role of quantitative and qualitative factors on the LCBF ranking process.

SCE's LCBF quantitative evaluation of the Proposals incorporates energy and capacity benefits with nominal contract payments, transmission cost, debt equivalence, integration cost, and congestion cost to create individual benefit and cost relationships, namely, the Net Market Value. It is the Net Market Value that is used to rank and compare each project. Qualitative attributes of each Proposal are then considered to further screen the shortlist and arrive at a final shortlist of Proposals.

E.D. Discuss how the evaluation process differs, if at all, for out-of-state projects (e.g. incorporating costs of delivering energy from out-of-state facilities).

The overall evaluation methodology is applied consistently to projects regardless of location. Energy benefits for those projects outside of the CAISO are based on the pricing at the seller-elected liquid power trading hub or CAISO intertie (subject to SCE's approval in its sole discretion) according to SCE's fundamental price forecast for hubs across the Western Electricity Coordinating Council ("WECC"). For projects with an assumed delivery point outside the

CAISO (e.g., liquid power trading hub), SCE applies a power swapping methodology, where the power is assumed to be sold into the local market.

SCE customers are not liable for network upgrades outside of the CAISO or California (outside of any costs that may be imbedded within the contract pricing), so transmission cost adders are zero for those projects.

F.E. Evaluation of utility-owned, turnkey, buyouts, and utility-affiliate projects

1. Describe how utility-owned projects are evaluated against PPAs.

SCE views utility-owned cost-of-service generation as a necessary and good option for customers to have. SCE does not evaluate proposed utility-owned projects against PPAs, as utility-owned generation and contracted-for generation are fundamentally different products. As such, any attempt to do a numerical comparison of them is unworkable. This topic is discussed in detail in the Supplemental Testimony to SCE's 2010 LTPP. Moreover, approval of a utility-owned project would not be submitted through the solicitation process, but through a formal application.

2. Describe how turnkey projects are evaluated against PPAs.

Turnkey projects are similar to utility-owned projects. Refer to the response to II.E.1 above.

3. Describe how buyout projects are evaluated against PPAs

Project buyout options are essentially a hybrid of utility-owned projects and PPAs. Refer to the response to II.E.1 above.

4. Describe how utility-affiliate projects are evaluated against non-affiliate projects.

Utility-affiliate projects are evaluated in the same manner as non-affiliate projects. In addition, evaluation of utility-affiliate projects would be subject to review by the IE, the PRG, the Commission, and the Federal Energy Regulatory Commission ("FERC") through the approval process.

G.F. Explain how there is no double counting between the RICA and Net Market Value components.

SCE's LCBF methodology does not lead to double counting between the RICA and other NMV components. The RICA does not impact other NMV components. Specifically, the NMV energy component is determined through forecasted energy prices, which are based on near-term market energy prices and long-term fundamental energy prices. Renewable integration costs are the additional system costs required to provide sufficient operational flexibility to ensure adequate system reliability as more intermittent renewable resources join the grid, which are not

captured in any other NMV components. Therefore, the RICA is applied as a separate and distinct cash flow component to the NMV after the calculation of other NMV components is complete.

III.HH- Bid Evaluation and Selection Process

A. What is the process by which bids are received and evaluated, selected or rejected for shortlist inclusion, and further evaluated once on the shortlist?

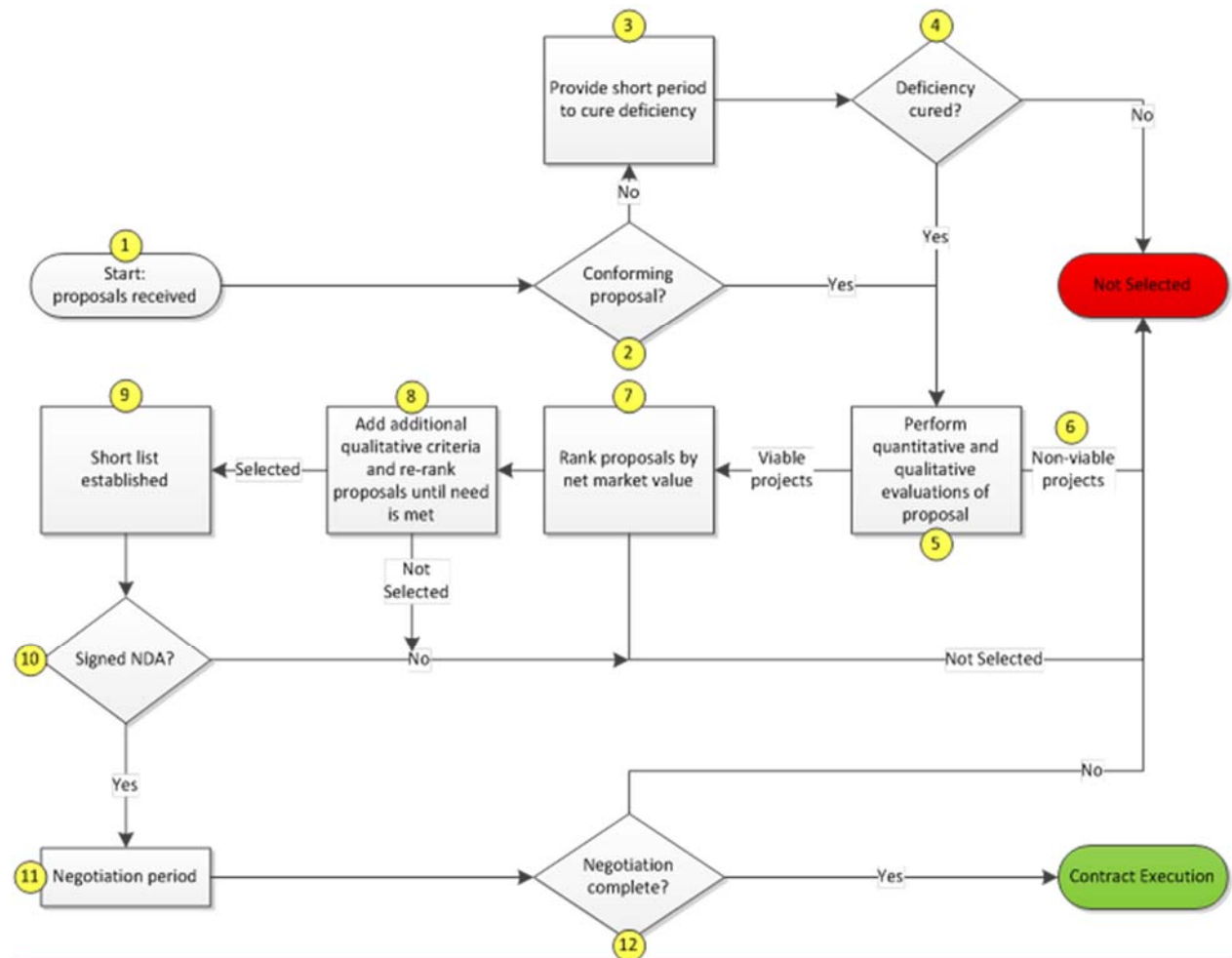
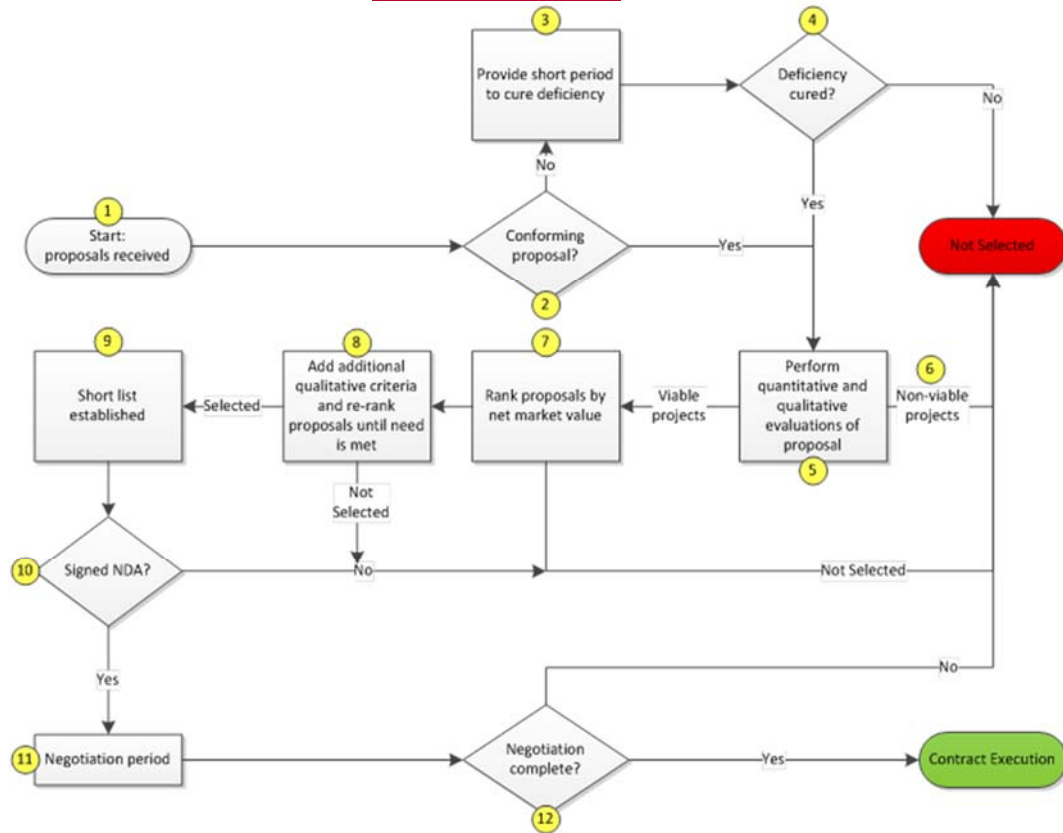


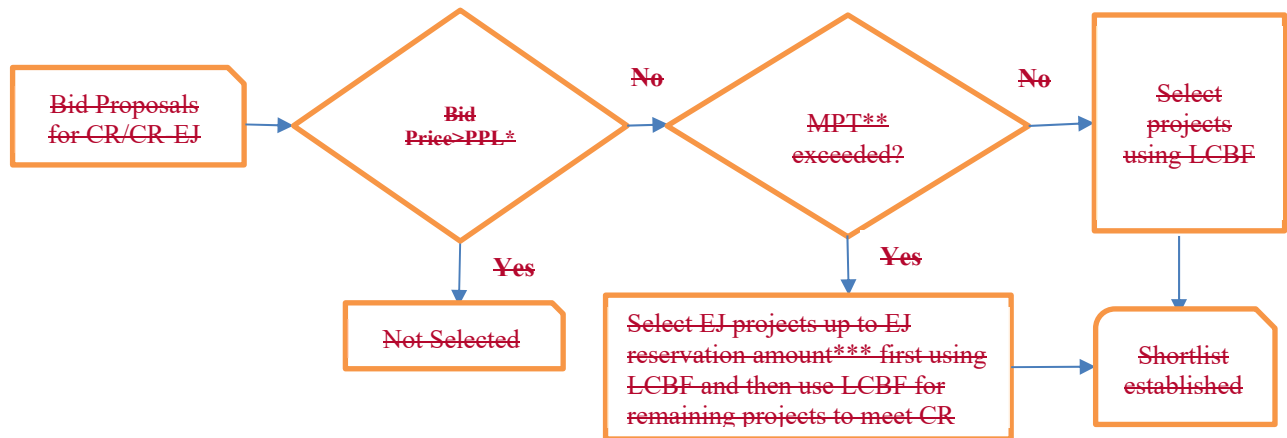
Figure III-2 below illustrates the bid evaluation process for eligible renewable resources.

Figure III-2
Bid Evaluation Process



For community renewables, there are additional selection criteria that are needed to be considered as laid out in ~~the picture~~ [Figure III-3](#) below:

Selection Process for Community Renewables (CR)



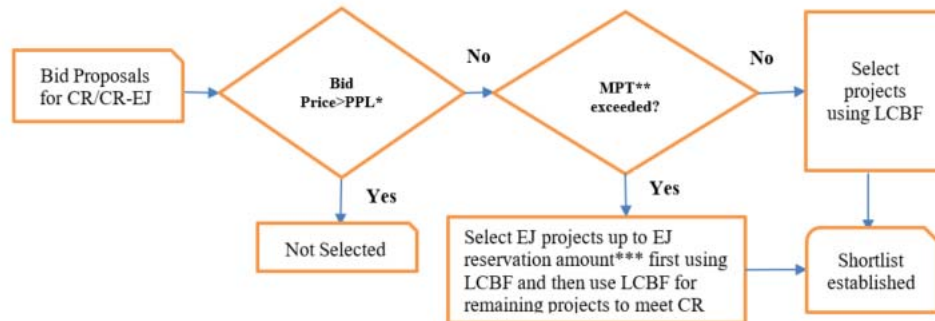
* PPL or Procurement Price Limit: See D.16-05-006 at Ordering Paragraph 3.

** MPT or Minimum Procurement Target. See D.16-05-006 at Ordering Paragraph 1.

*** See D.16-05-006 at Ordering Paragraph 2.

Figure III-3

Selection Process for Community Renewables (CR)



* PPL or Procurement Price Limit: See D.16-05-006 at Ordering Paragraph 3.

** MPT or Minimum Procurement Target. See D.16-05-006 at Ordering Paragraph 1.

*** See D.16-05-006 at Ordering Paragraph 2.

B. What is the typical amount of time required for each part of the process?

The typical amount of time required for the shortlisting process depends on the volume of Proposals received by SCE during a solicitation. Historically, it has taken SCE no more than eight weeks to complete the LCBF evaluation process, which includes quality control of sellers' information, transmission assessment, quantitative assessment, qualitative assessment, management review, and PRG meetings. Going forward, the complexity of Proposals received in RFPs and overlapping procurement programs will require additional time to complete this process. SCE believes that 12 weeks is reasonable to complete the shortlisting process.

C. Describe involvement of the Independent Evaluator.

The IE monitors SCE's RPS solicitations, provides an independent review of SCE's process, models, assumptions, and the Proposals it may receive, and helps the Commission and SCE's PRG participants by providing them with information and assessments to ensure that the solicitation was conducted fairly and that the most appropriate resources were shortlisted. The IE also provides an assessment of SCE's RPS solicitation from the initial phase of the solicitation (i.e., the publicizing of the issuance of the RFP) through the development of a shortlist of Proposals with whom SCE has commenced negotiations. Further, the IE monitors the negotiation process to ensure that all shortlisted bidders are treated consistently and files reports on each final executed contract.

D. Describe involvement of the Procurement Review Group.

SCE consults with its PRG during each step of the renewable procurement process. Among other things, SCE provides access to the solicitation materials and pro forma contracts to the PRG for review and comment before commencing the RFP; informs the PRG of the initial results of the RFP; explains the evaluation process; and updates the PRG periodically concerning the status of contract formation.

E. Discuss whether and how feedback on the solicitation process is requested from bidders (both successful and unsuccessful) after the solicitation is complete.

SCE regularly receives feedback during the normal course of its solicitation process and has conducted web-based surveys at the conclusion of past RFPs.

PUBLIC APPENDIX I.1
2020 Procurement Protocol



SOUTHERN CALIFORNIA
EDISON[®]

An *EDISON INTERNATIONAL*[®] Company

2020
Request for Proposals
from
Eligible Renewable Energy Resource Suppliers
for
Renewable Products

Procurement Protocol

Posted TBD

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LIST OF ASSOCIATED DOCUMENTS

A. *PRO FORMA* RENEWABLE POWER PURCHASE AGREEMENT

The above documents may be located and downloaded from the Solicitation Website which may be found here: [Power Advocate Website](#) (“the “Website”).¹

¹ All references to the RPS Solicitation Website herein refer to this website location or other location as may be determined by SCE and communicated to the participants.

ARTICLE ONE.

GENERAL INFORMATION

1.1 Introduction

In this 2020 Renewables Portfolio Standard Request for Proposals (“RPS Solicitation”), Southern California Edison Company (“SCE”) is soliciting proposals (“Proposal” or “Proposals”) from bidders (“Seller” or “Sellers”) to supply Bundled Energy Product (as defined in Section 1.02 and referred to herein as “Product”) from Eligible Renewable Energy Resources (“ERR,” “ERR Generating Facility,” “ERR Generating Facilities,” “Project” or “Projects”) sufficient to permit SCE to execute renewable power purchase agreements in substantially the form of SCE’s *Pro Forma* Renewable Power Purchase Agreement (“Renewable PPA”), posted on the SCE RPS Solicitation Website.² In addition to negotiating a final Renewable PPA, SCE is offering a non-negotiable Standard Contract Option, the details of which can be found in Section 4.

The purpose of this procurement protocol (“Procurement Protocol”) is to:

- (a) Describe the Product for which SCE is soliciting;
- (b) Set forth the requirements of each Proposal submission, including waivers, representations, warranties and covenants deemed made for all purposes as part of the Proposal submission;
- (c) Describe the methods that SCE uses to evaluate each Proposal;
- (d) Document the rights that SCE reserves for itself with regard to the RPS Solicitation; and
- (e) Describe the time frame for the RPS Solicitation.

This Procurement Protocol and its Associated Documents³ are available on the RPS Solicitation Website.

Capitalized terms used in this Procurement Protocol, but not otherwise defined herein have the meanings set forth in the Renewable PPA or the California Independent System Operator (“CAISO”) tariff.

1.2 Definition of Products Being Solicited

For a more complete definition and description of Product, SCE encourages all Sellers to review California Public Utilities Commission (“CPUC”) Decision (“D.”) 11-12-052, available at the following link:

² For clarity, this RPS Solicitation is not soliciting Proposals for utility-owned, buyout or other forms of SCE-equity (tax or other) ownership of the underlying ERR Generating Facility.

³ A List of Associated Documents is found on page iii of this Procurement Protocol.

D1112052 Implementing Portfolio Content Categories for the Renewables Portfolio Standard Program

- (a) Bundled Energy Product. Product qualifying as Portfolio Content Category 1 (“Category 1” or “Category 1 Product”),⁴ which includes all electric energy produced by an ERR Generating Facility throughout the Term of the Final Agreement, net of Station Use; all Green Attributes; all Capacity Attributes, if any; and all Resource Adequacy Benefits, if any; generated by, associated with, or attributable to the output of the ERR Generating Facility throughout the Term of the Final Agreement whether such credits or other attributes exist at the time a Final Agreement is executed or are created later during the Term of the Final Agreement.
- (b) As used herein, the term “Final Agreement” refers to any final agreement resulting from the RPS Solicitation.

1.3 Basic Terms and Conditions

For proposals to sell bundled energy product to SCE:

- (a) SCE will only consider Proposals to purchase Product from ERR Generating Facilities with initial delivery dates to SCE on [TBD] or later. Sellers must propose Commercial Operation Dates that start on the first day of the month.
- (b) Prior to the start of the Term of the Renewable PPA, Sellers may, at their discretion, deliver energy, capacity or other attributes of the ERR Generating Facility (i) through the CAISO Market, (ii) to a balancing authority, or (iii) to a third-party off-taker.
- (c) SCE will consider Proposals from Sellers with ERR Generating Facilities that are located outside the State of California only if they can deliver Product that qualifies as Category 1 Product.
- (d) With respect to any Project, SCE WILL NOT ACCEPT PROPOSALS TO DELIVER PRODUCT AT THE PROJECT’S BUSBAR.

SCE is only soliciting Product from ERR Generating Facilities which possess: (1) a completed Phase II Interconnection Study or equivalent (unless the project is located in a Preferred Area, which, in such case, the projects must have a Phase I study or better),⁵ (2) a signed interconnection agreement, or (3)

⁴ In accordance with Public Utilities Code Section 399.16(b)(1) and D.11-12-052.

⁵ For Projects that are utilizing the interconnection study fast track process, SCE will accept either: (1) written evidence from SCE’s Grid Interconnection Department that the ERR Generating Facility has passed all fast track screens and no further studies are required; or (2) a completed System Impact Study and Facilities Study (or evidence from Grid Interconnection that the Facilities Study was waived); or (3) a signed interconnection agreement.

an equivalent or better interconnection study, agreement, process, or exemption. The interconnection study or agreement (1) must be in the same name as the Seller under the Renewable PPA, or (2) the sponsor must demonstrate, to SCE's reasonable satisfaction, that sponsor has exclusive rights to the interconnection agreement by means of an unconditional assignment.

- (e) If (1) the California Environmental Quality Act ("CEQA") or the National Environmental Policy Act ("NEPA") applies to the ERR Generating Facility and (2) a lead agency has been designated under the applicable law, then SCE will consider Proposals from such ERR Generating Facilities only if the ERR Generating Facility has achieved, at a minimum, an "application deemed complete" (or equivalent)⁶ status under the land use entitlement process by the agency designated by CEQA or NEPA as the lead agency. Proposals not meeting this requirement will not be given further consideration.
- (f) Sellers may offer any term length. However, at least one Proposal must offer a term length of ten (10) years or less. SCE has a preference for shorter term lengths. However, for proposals employing existing generation or for the purchase of PCC 1 RECs, SCE will specify the term length in the applicable solicitation documents. SCE may request term lengths as short as one (1) year.
- (g) SCE will accept multiple Proposals for the same Project (e.g., flat vs. escalating pricing for the same Project; five (5)-year vs. ten (10)-year term for the same Project; etc.). Multiple proposals for the same Project shall be considered mutually exclusive.
- (h) Sellers may submit a maximum of six (6) different proposals for each Project bid.
- (i) Proposals for Product delivered from ERR Generating Facilities with a Contract Capacity of 500 kW or greater are eligible to participate in this RPS Solicitation.
- (j) SCE intends that the definition of "Site" and "Site Control" not only means the land upon which the ERR Generating Facility is expected to be located, but also encompasses any rights-of-way or other real property rights necessary for Seller to be able to deliver the Product to SCE (e.g., land on which Seller's generation tie line between the ERR Generating Facility and the Interconnection Point shall be constructed). Seller's Proposal must demonstrate Site Control or the Proposal will not be given further consideration.

⁶ Pursuant to Section 6.1 of D.14-11-042, local government uses the term "application deemed complete" (California Government Code §65943); California Energy Commission uses the term "data adequate" (Title 20 CCR § 1709); Bureau of Land Management uses the term "completed application" (43 CFR 2804.25).

- (k) Seller's Generating Facility must be a new, existing, or repowered Generating Facility that is an ERR,⁷ unless Seller intends to submit a Proposal for consideration under the Community Renewables program (as defined in Section 4.06), in which case the Generating Facility must be a new Generating Facility that qualifies as an ERR.
 - (i) An existing ERR Generating Facility must be certified by the California Energy Commission ("CEC") as an ERR or multiple ERRs prior to the Proposal Due Date as set forth in the RPS Solicitation Schedule.
 - (ii) For ERR Generating Facilities not yet on-line and for repowered ERR Generating Facilities, SCE requires Seller to seek CEC "pre-certification" as an ERR prior to the Commercial Operation Date.
 - (l) Sellers' Proposals intending to deliver Bundled Energy Product shall convey to SCE all electric energy, as well as all attributes associated with such electric energy, including, but not limited to, Metered Amounts, Green Attributes, Capacity Attributes, and Resource Adequacy Benefits that are attributable to the ERR Generating Facility as detailed in the Renewable PPA.
 - (m) SCE will only consider Proposals that are substantially complete and include all of the applicable information, representations, warranties, and covenants as set forth in this Procurement Protocol and/or the on-line application bidders are required to complete (the "Proposal Form").
 - (n) The primary method for exchange of information or documents concerning this RPS Solicitation, including any such exchange concerning the preparation or submission of Proposals to SCE, will be via the RPS Solicitation Website or other method designated by SCE.
- SCE may, in its sole discretion, decline to respond to any correspondence or other inquiry about this RPS Solicitation without liability or responsibility.
- (o) SCE may host a conference to discuss the process with participants. If a conference is held, information on how to attend the conference will be made available on the RPS Solicitation Website.
 - (p) SCE encourages Women-Owned, Minority-Owned, Disabled Veteran-Owned, Lesbian-Owned, Gay-Owned, Bisexual-Owned, and/or Transgender-Owned Business Enterprises ("Diverse Business Enterprises") to participate in the

⁷ An ERR is a Generating Facility that meets all the criteria set forth in Public Utilities Code Section 399.12, Public Resources Code Section 25741, and the **Renewables Portfolio Standard Eligibility Guidebook, Ninth Edition** ("CEC RPS Eligibility Guidebook"). The Guidebook can be found by accessing the following link: <http://www.energy.ca.gov/renewables/documents/#rps>.

RPS Solicitation. Information on SCE’s Supplier Diversity Program can be found on the following SCE website: www.sce.com/sd

CPUC General Order (“GO”) 156

(<http://www.cpuc.ca.gov/PUC/documents/go.htm>) sets the rules governing, among other things, goals, annual reporting and annual planning in the development of programs to increase participation of Diverse Business Enterprises in procurement of contracts from utilities as required by the California Public Utilities Code.

You can help SCE achieve its GO 156 goals in the following ways:

- (i) For qualified Diverse Business Enterprise Sellers (Tier 1 – direct contracting with SCE), ensure you are certified by the CPUC (The Supplier Clearinghouse) (www.thesupplierclearinghouse.com). Disabled Veteran Owned Business Enterprises in California are certified through the California Department of General Services (www.dgs.ca.gov/) and are automatically recognized by The Supplier Clearinghouse.
- (ii) Require that any qualified Tier 2 Diverse Business Enterprises (subcontractors to a Tier 1 Seller) that perform work or deliver materials related to a project that is ultimately under contract with SCE are certified by one of the above-mentioned agencies.

Furthermore, as provided in Section 6.3 of GO 156, SCE’s Supplier Diversity efforts include encouraging its Sellers to develop plans to utilize Diverse Business Enterprise subcontractors. SCE can help with identifying Diverse Business Enterprises for subcontracting opportunities. In addition, the Renewable PPA includes a requirement to report payments made to Diverse Business Enterprises that supplied goods or services as subcontractors.

A sample list of potential products and services that may be available through Diverse Business Enterprises as subcontractors is provided in the table below. This table is not intended to serve as a comprehensive list of all of the subcontracting opportunities that may be available.

PRE-Commercial Operation Date		POST-Commercial Operation Date	
Products	Services	Products	Services
<ul style="list-style-type: none"> • Environmental Impact Studies • MRO (Balance of Plant: wiring, conduit, steel, concrete, etc.) • Panels • Technology 	<ul style="list-style-type: none"> • Construction • Construction • Consulting • Engineering (Interconnection design, roads/grading, SWPPP, Arc Flash Study, Geotechnical reports, environmental monitoring, etc.) • EPC Contractor • Installation • Land Acquisition • Legal Services • Permitting • Research and Development (R&D) • Site Prep • Transportation 	<ul style="list-style-type: none"> • IT Equipment (Hardware & Software) 	<ul style="list-style-type: none"> • Engineering (Fire protection and Telecommunication) • Facilities Management • IT Support (Hardware & Software) • Janitorial • Large Equipment rentals and operator • Legal Services • Panel Cleaning • Plant Maintenance • Plant Security • Regulatory Reporting Services • Specialty/Admin Staffing • Water Treatment & Testing

This list was compiled with input from SCE, San Diego Gas & Electric and Pacific Gas and Electric. Please note that there may be other potential products and services that may qualify.

*** End of ARTICLE ONE ***

ARTICLE TWO. PRODUCT DELIVERY AND PRICE

2.1 ERR Generating Facility Location and Interconnection

Seller's ERR Generating Facility may be located either:

(a) In-State

An ERR Generating Facility is considered "In-State" if such ERR Generating Facility's first point of interconnection is, or will be, to the transmission or distribution system of a California Balancing Authority ("CBA").

(b) Out-of-State

An ERR Generating Facility is considered "Out-of-State" if such ERR Generating Facility's first point of interconnection is not, or will not be, to the transmission or distribution system of a CBA but the ERR Generating facility is delivering Product. Seller shall comply with all requirements pertaining to "Out-of-State Facilities" as set forth in the CEC RPS Eligibility Guidebook, including, but not limited to, ensuring that:

- (i) The ERR Generating Facility is located so that its first point of interconnection is, or will be, to the Western Electricity Coordinating Council transmission system;
- (ii) The ERR Generating Facility does not cause or contribute to any violation of a California environmental quality standard or requirement within California; and
- (iii) The ERR Generating Facility participates in an RPS tracking and verification system approved by the CEC (including WREGIS and NERC E-Tags).

2.2 Delivery of Bundled Energy Product

(a) In-State

For In-State ERR Generating Facilities that are, or will be, interconnected to the CAISO, the Delivery Point must be the point where the ERR Generating Facility connects to the CAISO Controlled Grid.

For In-State ERR Generating Facilities that are, or will be, interconnected to a CBA other than the CAISO, the Delivery Point⁸ must be the intertie point where Seller's Transmission Provider ties to the CAISO ("CAISO Intertie").

⁸ The Delivery Point is subject to SCE's approval in its sole discretion.

(b) Out-of-State

Seller must reasonably demonstrate to SCE as part of its submitted Proposal package that the output of the proposed Out-of-State ERR Generating Facility can in fact be scheduled on an hourly or sub-hourly basis into a CBA, without, substituting electricity from another source, or dynamically transferred into a CBA. Such reasonable demonstration may include, for example, a Dynamic Scheduling Host Balancing Authority Operating agreement as defined in the CAISO Tariff.

Seller will be required to have firm transmission rights to the Delivery Point within the CAISO or to the respective CAISO Intertie for the duration of the term of the Final Agreement.

2.3 Existing ERR Generating Facility, Existing Power Purchase Agreement

An existing ERR Generating Facility with an existing power purchase agreement must submit a Proposal that:

- (a) States the full name of the ERR Generating Facility as well as the contract identification number, Qualifying Facilities (“QF”) number, or any other information necessary for SCE to identify the ERR Generating Facility;
- (b) States the date on which the Seller believes that the existing power purchase agreement will terminate;
- (c) Demonstrates to SCE’s reasonable satisfaction that Seller’s existing power purchase agreement will terminate, by its own terms, without further action of the parties thereto, prior to the date on which deliveries from the existing ERR Generating Facility will commence under Seller’s Proposal.

For Projects that are currently operating under a QF Power Purchase Agreement (“QF PPA”), the Interconnection Facilities Agreement (the “IFA”) is usually an integral part of the QF PPA, and will not survive the expiration of the QF PPA. Proposals that are intended to be end-to-end with an expiring QF PPA must undergo a technical review and convert to Wholesale Distribution Access Tariff agreement or other interconnection agreement. Sellers are responsible to ensure that they meet their delivery obligations under any agreement ultimately signed as a result of this Solicitation keeping in mind that Sellers may be obligated to undergo a lengthy review process when converting from a QF PPA. Sellers should check with their grid interconnection manager for more details regarding their specific projects.

2.4 Product Price or Contract Price

SCE intends to purchase Bundled Energy Product from those Sellers that have executed a Renewable PPA with SCE at the Product Price, in \$/MWh, as defined in the Renewable PPA and further outlined below.

The Product Price submitted by Seller must:

- (a) Conform with the pricing requirements in the Renewable PPA;
- (b) Assume, if applicable, posting Development Security, Performance Assurance and any other security as required by the Renewable PPA;
- (c) If applicable, include awards, subsidies, tax credits, grants, etc.;
- (d) If applicable, assume the cost to dynamically schedule or firm and shape the Product into the CAISO at the Delivery Point; and
- (e) If applicable, assume the cost of any firm transmission rights to deliver the Product into the CAISO at the Delivery Point.

SCE will not accept an indexed pricing Proposal.

2.5 Development Security and Performance Assurance

SCE requires collateral to be posted on executed Agreements. Acceptable forms of collateral are limited to cash and letters of credit. One-half of the Development Security (“DS”) is required to be posted within five (5) Business Days after execution of the Agreement, with the remainder to be posted within five (5) Business Days after CPUC Approval of the Agreement is either obtained or waived by SCE. The Development Security is held by SCE until the Initial Delivery Date of the project. Performance Assurance (“PA”) is required to be posted on or before the Initial Delivery Date through the end of the Term. {Instructions for calculating the Development Security and Performance Assurance amounts will be provided in the August Update.}

2.5 Use of the Mohave SO₂ Allowance Revolving Fund Memorandum Account

Proposals associated with the Hopi Tribe and/or Navajo Nation that qualify under the requirements of D.13-02-004, may be entitled to use available funds from the Mohave SO₂ Allowance Revolving Fund Memorandum Account to meet the Development Security obligations under the Renewable PPA, subject to the provision of the necessary documentation and assurances in the Final Agreement.

2.6 SCE Affiliates

SCE affiliates are permitted to participate in this RPS Solicitation. Seller must disclose whether it is an SCE affiliate.

*** End of ARTICLE TWO ***

ARTICLE THREE. RPS SOLICITATION SCHEDULE AND PROPOSAL SUBMITTAL PROCESS

3.1 RPS Solicitation Schedule

Dates*	Event
TBD	SCE releases 2021 RPS Solicitation.
TBD	SCE hosts a Bidders' Conference.
TBD	Sellers to provide their full Proposal e-Binder to SCE via the RPS Solicitation Website or other method as determined by SCE.
TBD	SCE submits Short-List to CPUC and Procurement Review Group ("PRG"). Latest date SCE advises all Sellers on the status of their Proposals relative to SCE's Short-List. For Sellers whose Proposals have been named to the Short-List, the negotiations period begins.
TBD	SCE and Short-Listed Sellers complete negotiations for the Final Agreements.
TBD	SCE signs the Final Agreement
TBD	SCE submits the Final Agreements by way of Advice Letters to the CPUC for approval.

* SCE reserves the right to make changes to the above schedule.

3.2 Proposal Instructions

- (a) Seller must input information and upload all of the documents described in this Section for each Proposal. The documents to be uploaded can be downloaded from the SCE RPS Solicitation Website.
- (b) The RPS Solicitation Website utilizes a web-based information-input system where all required information and documents are submitted to SCE by filling out on-line forms and uploading documents. When filling out the on-line Proposal Form, the website automatically checks portions of the data as it is

inputted by Seller. The Proposal Form cannot be saved and uploaded unless the Proposal Form is complete. Drop-down menus and automatic re-direction to appropriate forms are incorporated to guide the Seller through the process.

Input sections for project-specific information are provided. Further, separate input sections for Proposals associated with that specific project are provided. Sellers may use these forms to input multiple, distinct Proposals associated with a specific project.

The Proposal Form has “check the box” attestations that Seller must acknowledge. If Seller is unwilling to make the required attestations by checking the box, Seller cannot participate in the RPS Solicitation.

- (c) Seller may not offer mutually exclusive proposals. Seller must clearly state which proposals are mutually exclusive.
- (d) Seller’s Proposal(s) must be complete in all respects and uploaded using the RPS Solicitation Website.

Important: Seller is responsible for the accuracy of all information delivered to SCE through the RPS Solicitation Website. SCE will not alter, update, or change any information submitted to the RPS Solicitation Website. Seller risks disqualification if delivered information is incorrect or is in conflict with uploaded documents. Seller is advised to use care when assembling and delivering the required information.

- (e) Proposals that are incomplete in any way or are delivered to SCE by any means other than uploaded through the RPS Solicitation Website will be rejected. Printed copies of Proposals, as well as electronic copies via CD, DVD, or flash drive, will not be accepted.
- (f) The Proposal Form along with the completed and uploaded documents set forth below make up the “Proposal e-Binder.” Proposal e-Binders must be completed and uploaded by the Proposal Due Date set forth in this document. The date and time set for submission of the Proposal e-Binders will be strictly enforced. Late submissions will be rejected.
- (g) Along with the Proposal Form, Seller must complete and upload to the RPS Solicitation Website **all of the following documents**.⁹
 - (i) A **Proposal Structure Letter** (there is no template for this document). This document should include the following, as applicable:

⁹ Except for the proposal structure letter, interconnection documents, the environmental review documents, and the project boundary documents, forms for all of these documents are posted on the RPS Solicitation Website. Not all of these requirements are applicable to existing projects exercising the Standard Contract Option (see Section 4).

- Introduction of the entities that comprise the Seller.
- Description of the Project. This includes Project location, where you are in the permitting and interconnection process, any challenges or issues and other information relevant to the Project.
- Summary of the Proposal.

Additionally, the Proposal Structure Letter must include:

- 1) **Workforce Development:** In conformance with the CPUC “2016 Renewables Portfolio Standard Procurement Plans, dated May 17, 2016” (‘ACR’)¹⁰, Sellers shall provide information and, where appropriate, documentation, as to the Project’s expected contribution to employment growth both in the construction phase of the Project and after construction is completed. Sellers submittal should include, without limitation, the number and type of jobs created and from what geographic region the work force is expected to come from.
 - 2) **Disadvantaged Communities:** In compliance with the ACR, Sellers shall identify any Project offered that will give environmental or economic benefit to a community afflicted with poverty or high unemployment, or that suffers from high emission levels of toxic air contaminants, criteria air pollutants, and greenhouse gases. These communities may be identified using the census tracts within SCE’s service territory identified in the Excel file posted to the RPS Solicitation Website.
 - 3) A fully executed **Officer’s Certificate** – this document, signed by an officer of either the sponsor or project company, signifies Seller’s agreement to certain conditions including, without limitation: i) an attestation that they have reviewed the relevant documents and is providing the proposal in good faith; ii) an attestation that Seller has site control; and iii) an attestation that they will not engage in collusion or other unlawful or unfair business practices in connection with the RPS Solicitation.
- **THIS DOCUMENT MUST BE SIGNED AND UPLOADED WITHOUT MODIFICATION.**

¹⁰ *Id.* at page 14.

- **ONE OFFICER’S CERTIFICATE SHOULD BE UPLOADED FOR EACH PROJECT.**

(ii) If not submitted through a previous solicitation, a fully completed and executed **Evergreen Non-Disclosure Agreement (“NDA”)** (this must be uploaded as a locked MS Word document);

- **THIS DOCUMENT MUST BE SIGNED AND UPLOADED WITHOUT MODIFICATION.**

- **THE EVERGREEN NDA IS INTENDED TO COVER ALL PROJECTS SUBMITTED BY SELLER OR BUYER. ONLY ONE SIGNED EVERGREEN NDA SHOULD BE UPLOADED.**

(iii) A fully completed **Project Viability Calculator** (This must be uploaded for each project as a password-protected MS Excel file);

(iv) A fully completed **Generation Profile** (This must be uploaded for each project as a password-protected MS Excel file);

(v) A completed Geographic Information System file of the project boundaries and associated gen-tie (“Project Boundary File”) as required by the CPUC; and

(vi) For each project, a copy of the letter from the lead land use permitting agency documenting that the land use permit application for the project has been “deemed complete”¹¹ to begin the permitting review process (“**Environmental Review Letter**”). *{SCE Note: This requirement applies if (1) the California Environmental Quality Act or the National Environmental Policy Act applies to the ERR Generating Facility and (2) a lead agency has been designated under the applicable law.}*

Important: *SCE will not accept the Evergreen NDA or the Officer’s Certificate if it has been changed to a different format or otherwise altered in any unauthorized way. Seller is required to fill out the locked MS Word Template only in the spaces provided and upload the resulting locked MS Word document. Please sign and then scan and return ONLY the signature pages of each document.*

(h) Once SCE has completed its review of the above submittals, SCE may ask Seller to provide the following:

¹¹ See Note 8.

- (i) Copies of the **Generating Facility’s interconnection studies** and/or interconnection agreement; and
- (ii) A fully executed **Consent for Release of Interconnection Related Information** (this must be uploaded as a locked MS Word document);
{SCE Note: This document only pertains to Projects located in the SCE Service Territory. Disregard this requirement if your Project is located outside of the SCE Service Territory.}

For all interconnection and environmental review documents described above, SCE will accept documents uploaded to the RPS Solicitation Website in WORD or the PDF file format. Whenever possible, please upload these documents as searchable PDF files so that SCE may locate particular words or phrases within the respective files.

If Seller is unresponsive to SCE’s requests for documentation, then the Proposals from Seller may be disqualified from further consideration.

3.3 The Renewable PPA¹²

For the delivery of Bundled Energy Product, SCE’s Renewable PPA is structured under the assumption that:

- (a) Seller’s Proposal is based upon the green-field development of a new ERR Generating Facility,
- (b) The ERR Generating Facility’s first point of interconnection will be with the CAISO, and
- (c) SCE will be the Scheduling Coordinator.

SCE may serve as Scheduling Coordinator for any existing or proposed In-State ERR Generating Facility that is eligible to participate in this RPS Solicitation. Seller must indicate in its Proposal whether Seller wishes SCE to serve as the Scheduling Coordinator. **SCE DOES NOT SERVE AS SCHEDULING COORDINATOR FOR OUT-OF-STATE PROJECTS.**

3.4 Resource Adequacy Benefits

For the delivery of Bundled Energy Product, Seller must offer an ERR Generating Facility based on an interconnection assuming either Energy Only Deliverability Status (“EO”), or such proposals that include the conferment by the CAISO of FCDS, Partial Capacity Deliverability Status (“PCDS”) or

¹² Attached as Associated Documents A and B.

Interim Deliverability Status (“IDS”) (collectively, “Capacity Deliverability Status”),¹³ and a CAISO Net Qualifying Capacity (“NQC”) assignment.

EO Projects will be deemed to have an NQC of zero and, therefore, cannot be considered to be a Resource Adequacy Resource.

Capacity Deliverability Status Projects are considered to be a Resource Adequacy Resource and are assigned a Qualifying Capacity by the CPUC. The Qualifying Capacity may be reduced by the CAISO as applicable based on: (i) testing and verification; (ii) application of performance criteria; and (iii) deliverability restrictions, yielding the NQC assignment conferred on the Project by the CAISO.

For Capacity Deliverability Status Projects, Seller must indicate a date upon which they anticipate the CAISO will confer on the Project Capacity Deliverability Status. Such date (the “RA Guarantee Date”) may not be earlier than, but may be later than, a date estimated in the Phase II Interconnection Study or equivalent, or interconnection agreement, at Seller’s discretion.¹⁴

For Capacity Deliverability Status Projects, if the Project’s NQC assignment is less than the Qualifying Capacity or is otherwise reduced by the CAISO for any reason, then SCE shall continue to pay to Seller the Product Price. However, Seller must pay to SCE liquidated damages as set forth in Section 3.02 of the Renewable PPA.

3.5 Independent Evaluator

SCE has engaged an Independent Evaluator (“IE”) to evaluate and report on the solicitation, evaluation, selection, and negotiation process for this RPS Solicitation.

The Independent Evaluator will review all Proposals and will have the opportunity to be present at meetings and conference calls between SCE and Short-Listed Sellers.

The Independent Evaluator will have full access to the RPS Solicitation Website and all the e-Binders and correspondence uploaded by Sellers.

¹³ Generating Facilities interconnecting at the distribution system level may be eligible for FCDS through the CAISO’s distributed generation deliverability assessment. The CAISO is working with utility distribution companies assigning FCDS to eligible distributed generation facilities pursuant to the CAISO Tariff Section 40.4.6.3 on an annual basis. The CAISO has posted these distributed generation deliverability assessment seasonal results to its website at <http://www.caiso.com/Documents/SystemRoot/PLANNING>. Additional information is also available on SCE’s website at <https://www.sce.com/wps/portal/home/regulatory/open-access-information>.

¹⁴ See Section 3.02 of the Renewable PPA for additional details.

The Independent Evaluator will periodically make presentations to SCE, the CPUC and the PRG in order to ensure that the RPS Solicitation process remains open, fair and transparent.

*** *End of ARTICLE THREE* ***

ARTICLE FOUR. STANDARD CONTRACT OPTION

4.1 Explanation of the Standard Contract Option

As part of the RPS Solicitation, SCE is offering a “Standard Contract Option” using the streamlined Renewable Auction Mechanism (“RAM”) procurement tool authorized in D.14-11-042. The Standard Contract Option is available for Proposals offering Bundled Energy Product with a first point of interconnection to the CAISO, and not dynamically scheduled ERR Generating Facilities.

The Standard Contract Option provides for the rapid deployment of Projects by avoiding the contract negotiation process and expediting the CPUC approval process for any Final Agreements. Sellers have the option to participate in the Standard Contract Option by checking a box in the Proposal Form. Subject to SCE’s selection of the Proposal and its agreement that a standard contract is appropriate for the Proposal, Seller will be offered a standard contract in the form of the Renewable PPA with no changes or negotiations.¹⁵ Once executed, these standard contracts will be submitted via a Tier 2 Advice Letter to the CPUC for approval.

Where circumstances dictate, the Standard Contract Option may not be the appropriate contracting option. Therefore, the Standard Contract Option can only be applied if SCE, in its sole discretion, determines that the Standard Contract Option is appropriate for a specific Project.

SCE will establish its Short-List based on Net Market Value and other criteria as set forth in Article Five, below. In order to be selected, the value of a standard contract project must rank within the range established for the entire Short-List.

In compliance with D.14-11-042, Projects that select the Standard Contract Option must commence commercial operation within 36 months of CPUC Approval of the executed Final Agreement (with a possible six-month extension for regulatory delay). Seller’s Proposal(s) must include sufficient documentation to support the project meeting the milestones to achieve commercial operation within the 36 months.

For the Standard Contract Option, Seller must comply with the requirements of Section 3.02.

SCE will seek approval of Standard Contract Option projects that result in Final Agreements through the Tier 2 Advice Letter process which allows for a faster anticipated CPUC approval time.

*** End of ARTICLE FOUR ***

¹⁵If SCE uses the Standard Contract Option for Green Rate procurement, a representation and warranty is included in the Renewable PPA, only applicable to Green Rate Projects, obligating Sellers to comply with the Green-e® National Energy Standard.

ARTICLE FIVE. EVALUATION OF PROPOSALS

5.1 Proposal Evaluation Overview

SCE evaluates and ranks Proposals for Bundled Product based on least-cost, best-fit (“LCBF”) principles that comply with criteria set forth by the CPUC in D.03-06-071 and D.04-07-029 (“LCBF Decisions”) and other CPUC decisions on the investor-owned utilities’ RPS Procurement Plans.¹⁶

The LCBF analysis evaluates both quantitative and qualitative aspects of each Proposal to estimate its value to SCE’s customers and its relative value in comparison to other Proposals.

Prior to receiving Proposals, SCE finalizes criteria with the IE to determine which attributes make Proposals clear outliers. SCE then finalizes the major assumptions and methodologies that drive valuation.

Once Proposals are received, SCE will determine which Proposals are clear outliers. For Proposals deemed clear outliers, SCE concludes any further review. SCE will then begin a review for completeness and conformity with the Procurement Protocol for the remaining Proposals. SCE will evaluate Proposals utilizing information that is inputted into the Proposal Form. Supporting documents, such as the Proposal Structure Letter, Interconnection Documents or any other supporting information are for informational purposes only and **ARE NOT** relevant inputs related to this stage of the Proposal evaluation process. SCE’s review includes an initial screen of the Proposal Form for required submission criteria. Proposals that are substantially complete but lacking required information are allowed a reasonable cure period to remedy any deficiencies. Following this check for conformity, SCE conducts an additional review to determine the reasonableness of Proposal parameters such as generation profiles and capacity factors. SCE works directly with Sellers to resolve any issues and ensure the data is ready for evaluation.

After these reviews, SCE performs a quantitative assessment of each Proposal and subsequently ranks them based on the Proposal’s benefit and cost relationship. Specifically, the total benefits and total costs are used to calculate the net levelized cost or “Net Market Value” for each complete and conforming Proposal. Benefits are comprised of separate capacity, energy, and congestion components, while costs include the contract payments, debt equivalents, integration cost, congestion cost, and transmission cost. SCE discounts the monthly benefit and cost streams to a common base date. SCE also normalizes the net cost or benefit data by MWh generation. The

¹⁶ See also Cal. Pub. Util. Code § 399.13(a)(4)(A).

result of the quantitative analysis is a merit-order ranking of all complete and conforming Proposals' Net Market Values that help define the preliminary Short-List.

Following the quantitative analysis, SCE conducts an assessment of the most competitive Proposals' qualitative attributes. SCE utilizes the Project Viability Calculator to assess certain factors including the company/development team experience, project technology, project financing and development milestones. Additional attributes such as nominal contract payments, contribution to other SCE program goals, transmission area, prior experience with project developers/sellers, seller concentration, and resource diversity are also considered in the qualitative analysis. If a Community Renewables procurement need is identified, eligibility for the Community Renewables program and Community Renewables Environmental Justice Resource status will also be considered. These qualitative attributes are then considered to either eliminate or add Proposals to the Short-List, or to determine tie-breakers, if any.

Following its analysis, SCE consults with its PRG regarding the Short-List and specific evaluation criteria. SCE will then develop a final Short-List and negotiate with the Short-Listed Sellers after notification of Short-Listing.

SCE, in its sole discretion, reserves the right to enter into Final Agreements with as many Sellers as SCE chooses, including the right to not enter into any Final Agreements at all. Whether a Proposal selected through this process results in an executed contract depends on the outcome of negotiations between SCE and Sellers and where Seller's Proposal pricing ranks based on the criteria set forth herein. Periodically, SCE updates the PRG regarding the progress of negotiations. Finally, SCE executes contracts and submits them to the CPUC for approval via advice letter filings.

For a more detailed discussion of the LCBF methodology, please see the LCBF Methodology document located on the SCE RPS Solicitation Website.

*** End of ARTICLE FIVE ***

ARTICLE SIX. SHORT-LISTING

6.1 Minimum Requirements

Sellers are required to follow all of the instructions contained in this Procurement Protocol and the Associated Documents and subsequent amendments in order to be eligible to compete in the solicitation process.

6.2 Upon Notification of Selection for the SCE Short-List

- (a) If SCE notifies Seller that its Proposal has been selected for SCE's Short-List and Seller would like to continue in the solicitation process, Seller must provide to SCE a red-line to the Renewable PPA showing changes Seller wishes to negotiate with SCE. The Renewable PPA is located on the SCE RPS Solicitation Website. Sellers are reminded that a finite amount of time is allotted for the negotiation of the Final Agreement as outlined in the RPS Solicitation Schedule.
- (b) As soon as possible after Short-List notification, if required, Seller shall submit to SCE all the elements of Exhibit B to the Renewable PPA as outlined in the Renewable PPA and include:

ERR Generating Facility Description

- ✓ Name and address of the ERR Generating Facility;
- ✓ General description and location of the Site;
- ✓ Specific description of the technology; and
- ✓ Table containing detailed project specifications and exact counts as applicable.

Site Plan Drawing

- ✓ Plan view of the ERR Generating Facility; and
- ✓ Major equipment components in their exact locations.

Single Line Drawing

- ✓ Up-to-date, stamped by a Professional Engineer whose certification is in force, and match the latest project characteristics: 1. Equipment clearly illustrated; 2. Electrical system; 3. Generators; 4. Unit and service transformers; 5. Interconnection transformers; 6. Metering; 7. Breakers; and 8. Disconnects;
- ✓ A station service transformer on the project's side of the meter;
- ✓ For solar PV projects, each typical solar array must be shown or described; and
- ✓ The Interconnection Point, as defined in the PPA clearly illustrated.

Site Map

Legal Description of the Site

- ✓ Derived from the registered deed for the property.
 - ✓ APNs for the Project's site.
- (c) If Seller's Proposal has been selected for SCE's Short-List and Seller does not wish to continue in the 2020 solicitation process, SCE requests that Seller withdraw its Proposal from this RPS Solicitation in writing (via the RPS Solicitation Website) within ten (10) Business Days after the Short-List notification from SCE.
- (d) If a Seller's Proposal has *not* been selected for SCE's Short-List, SCE will notify Seller (via the RPS Solicitation Website) no later than ten (10) Business Days following the date that SCE notifies all Sellers selected for the Short-List of their selection.
- (e) SCE, in its sole discretion, reserves the right to execute Final Agreements with as many Sellers or Buyers as SCE chooses including the right to choose not to enter into any Final Agreements. SCE may exercise this right at any time including, without limitations, prior to, during or at the conclusion of negotiations with shortlisted projects.

*** *End of ARTICLE SIX* ***

ARTICLE SEVEN. SELLER’S REPRESENTATIONS AND WARRANTIES

- 7.1 By submitting the Seller’s Officer’s Certificate to SCE as part of a complete and conforming Proposal package, the Seller represents and warrants that its offered Product Price or Contract Price assumes that Seller will post Development Security, Performance Assurance or other security, as applicable, equal to the amounts specified in the Renewable PPA.

**** End of ARTICLE SEVEN ****

ARTICLE EIGHT. REGULATORY APPROVAL

8.1 CPUC and FERC Approvals

SCE's obligations to purchase Product under a Final Agreement will only become effective upon CPUC Approval.

In the event a transaction occurs between SCE and any of its Affiliates, such Final Agreement may also require FERC approval. In such case, SCE's obligations to purchase power under such Final Agreement will only become effective upon approval by both the CPUC and FERC.

8.2 Support for Regulatory Purposes

SCE may request that Seller provide updates of any information requested in this RPS Solicitation for purposes of filing applications or advice letters with the CPUC for approval of any Final Agreement.

*** *End of ARTICLE EIGHT* ***

ARTICLE NINE. CONFIDENTIALITY, CONDUCT, AND SAFETY

9.1 Confidentiality

Sellers are required to enter into a Non-Disclosure Agreement with SCE in the form posted on the SCE RPS Solicitation Website.

9.2 Conduct

It is expected that the Parties will act in good faith in their dealings with each other with respect to this RPS Solicitation. Seller may not engage in Communications (as defined in Article Ten) with any other Seller in the RPS Solicitation concerning the price terms contained in their Proposal or related matters.

9.3 Safety

Seller must develop a written plan for the safe construction and operation of the ERR Generating Facility as set forth in the Renewable PPA.

*** *End of ARTICLE NINE* ***

ARTICLE TEN. WAIVERS AND RESERVATION OF RIGHTS

10.1 Termination of RPS Solicitation

SCE reserves the right at any time to modify any dates specified in this RPS Solicitation or abandon this RPS Solicitation without notice, without assigning any reasons, and without liability of Edison International, SCE or any of their subsidiaries, affiliates or representatives to any Seller.

SCE will not be deemed to have accepted any Proposal, and will not be bound by any term thereof, unless and until authorized representatives of SCE and Seller execute a Final Agreement and, if appropriate, related collateral and other required agreements.

In the event that SCE terminates this RPS Solicitation, Seller shall be responsible for any expenses incurred by Seller as a result of this RPS Solicitation.

10.2 Release of SCE for any Delays

Seller acknowledges that except for SCE's obligation to submit a fully executed Final Agreement to the CPUC for approval, Seller bears sole responsibility for submitting all applications and obtaining all permits, leases or mortgages, and interconnection, financing and other agreements necessary for Seller to perform under a Final Agreement.

Seller further acknowledges and agrees that SCE shall have no liability for the:

- (a) Time required to complete any studies, obtain any required permits for ERR Generating Facility operation, or enter into any agreements discussed or contemplated under this RPS Solicitation (including without limitation interconnection studies, leases, mortgages, financing or permits);
- (b) Time required to perform construction for Network Upgrades necessary to meet the Commercial Operation Deadline;
- (c) Time to construct the ERR Generating Facility;
- (d) Time required to acquire any environmental permits to construct or operate, including acquisition of any emission credits required by law or regulation; or
- (e) Failure to reach agreement on, or time to reach agreement regarding, the use of SCE property for the Site.

10.3 Waived Claims

By submitting a Proposal, Seller knowingly, voluntarily, and completely waives any rights under statute, regulation, state or federal constitution or common law to assert any claim, complaint or other challenge in any regulatory, judicial or other forum,

including without limitation, the CPUC (except as expressly provided below), the FERC, the Superior Court of the State of California (“State Court”) or any United States District Court (“Federal Court”) concerning or related in any way to the RPS Solicitation or this Procurement Protocol, including all exhibits, attachments, and appendices thereto (“Waived Claims”). Seller further expressly acknowledges and consents that if it asserts any Waived Claim at the CPUC, FERC, State Court or Federal Court, or otherwise in any forum, to the extent that Seller’s Proposal has not already been disqualified, SCE is entitled to automatically disqualify this Proposal from further consideration in the RPS Solicitation or otherwise, and further, SCE may elect to terminate the RPS Solicitation.

By submitting a Proposal, Seller further agrees that the sole forum in which Seller may assert any challenge with respect to the conduct or results of the RPS Solicitation is at the CPUC. Seller further agrees that: (1) the sole means of challenging the conduct or results of the RPS Solicitation is a complaint filed under Article 3, Complaints and Commission Investigations, of Title 20, Public Utilities and Energy, of the California Code of Regulations, (2) the sole basis for any such protest shall be that SCE allegedly failed in a material respect to conduct the RPS Solicitation in accordance with this Procurement Protocol; and (3) the exclusive remedy available to Seller in the case of such a protest shall be an order of the CPUC that SCE again conduct any portion of the RPS Solicitation that the CPUC determines was not previously conducted in accordance with this Procurement Protocol (including any Associated Documents). Seller 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 SCE elects to do otherwise in its sole discretion, during the pendency of such a protest the RPS Solicitation and any related regulatory proceedings related to the RPS Solicitation will continue as if the protest had not been filed, unless the CPUC issues an order suspending the RPS Solicitation or SCE has elected to terminate the RPS Solicitation.

Seller further acknowledges and agrees that if Seller asserts any Waived Claim, SCE shall be entitled to seek immediate dismissal of Seller’s claim, complaint or other challenge, with prejudice, by filing a motion to dismiss (or similar procedural device) supported by the language in this Article Nine and that Seller will not challenge or oppose such a request for dismissal. Seller further acknowledges and agrees that if it asserts any Waived Claim, and if SCE successfully has that claim dismissed or transferred to the CPUC, Seller shall pay SCE’s full costs and expenses incurred in seeking such dismissal or transfer, including reasonable attorneys’ fees.

Seller agrees to indemnify, defend and hold harmless SCE from any and all claims by any other Seller asserted in response to the assertion of any Waived Claim by Seller or as a result of a Seller’s protest to a filing at the CPUC resulting from the RPS Solicitation.

Except as expressly provided in this Procurement Protocol, nothing in the Procurement Protocol, including Seller's waiver of any Waived Claims as set forth above, shall in any way limit or otherwise affect the rights and remedies of SCE.

**** End of ARTICLE TEN ****

ARTICLE ELEVEN. COMMUNICATIONS

- 11.1 For purposes of this RPS Solicitation, “Communications” means the exchange of any material information by electronic, written, oral or other means other than as expressly provided for herein.

All Communications concerning this RPS Solicitation, including Communications concerning the preparation of Proposals or other submissions to SCE related to the RPS Solicitation, should be submitted to SCE via the RPS Solicitation Website.

SCE may, in its sole discretion, decline to respond to any correspondence or other inquiry without liability or responsibility.

*** *End of ARTICLE ELEVEN* ***

ARTICLE TWELVE. SCE RIGHTS AND DOCUMENT CONFLICTS

12.1 SCE's Rights

SCE may, at its sole discretion, enter into Final Agreements with one or more entities submitting Proposals that will provide the best value to SCE's customers considering a variety of factors.

SCE reserves the right to reject any Proposal at any time on the grounds that it does not conform to the terms and conditions of this Procurement Protocol.

SCE also retains the right, in its sole judgment, to:

- (a) Subject to D.14-11-042, modify this Procurement Protocol, and any of the Associated Documents, as it deems necessary;
- (b) Condition SCE's acceptance of any selected Proposal on a Seller's agreement to modifications thereto including any modifications that may be recommended by SCE's PRG; and
- (c) Determine what is or is not "reasonable," as this term is used within this Procurement Protocol.

12.2 Document Conflicts

In the event of any conflict between terms contained in this Procurement Protocol or any of the Associated Documents, the conflict will be resolved by the following priority of documents:

- (a) The Renewable PPA;
- (b) The CAISO Tariff; and
- (c) This Procurement Protocol;

Notwithstanding the foregoing, if a Final Agreement is executed between SCE and Seller, it will have precedence over the documents listed above.

*** End of ARTICLE TWELVE ***

PUBLIC APPENDIX I.2

Redline of 2019 Procurement Protocol



SOUTHERN CALIFORNIA
EDISON[®]

An *EDISON INTERNATIONAL*[®] Company

20~~2019~~2019

Request for Proposals

from

Eligible Renewable Energy Resource Suppliers

for

Renewable Products

Procurement Protocol

Posted TBD

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LIST OF ASSOCIATED DOCUMENTS

A. *PRO FORMA* RENEWABLE POWER PURCHASE AGREEMENT

The above documents may be located and downloaded from the Solicitation Website which may be found here: Power Advocate Website (“the “Website”).¹

*All of the above documents may be located and downloaded from the **RPS Solicitation Website** which may be found here: <https://sccrps.accionpower.com>*

¹ All references to the RPS Solicitation Website herein refer to this website location or other location as may be determined by SCE and communicated to the participants.

ARTICLE ONE.

GENERAL INFORMATION

1.1 Introduction

In this 20~~20~~¹⁹ Renewables Portfolio Standard Request for Proposals (“RPS Solicitation”), Southern California Edison Company (“SCE”) is soliciting proposals (“Proposal” or “Proposals”) from bidders (“Seller” or “Sellers”) to supply Bundled Energy Product (as defined in Section 1.02 and referred to herein as “Product”) from Eligible Renewable Energy Resources (“ERR,” “ERR Generating Facility,” “ERR Generating Facilities,” “Project” or “Projects”) sufficient to permit SCE to execute renewable power purchase agreements in substantially the form of SCE’s *Pro Forma* Renewable Power Purchase Agreement (“Renewable PPA”), posted on the SCE RPS Solicitation Website.² In addition to negotiating a final Renewable PPA, SCE is offering a non-negotiable Standard Contract Option, the details of which can be found in Section 4.

The purpose of this procurement protocol (“Procurement Protocol”) is to:

- (a) Describe the Product for which SCE is soliciting;
- (b) Set forth the requirements of each Proposal submission, including waivers, representations, warranties and covenants deemed made for all purposes as part of the Proposal submission;
- (c) Describe the methods that SCE uses to evaluate each Proposal;
- (d) Document the rights that SCE reserves for itself with regard to the RPS Solicitation; and
- (e) Describe the time frame for the RPS Solicitation.

This Procurement Protocol and its Associated Documents³ are available on the RPS Solicitation Website.

Capitalized terms used in this Procurement Protocol, but not otherwise defined herein have the meanings set forth in the Renewable PPA or the California Independent System Operator (“CAISO”) tariff.

1.2 Definition of Products Being Solicited

For a more complete definition and description of Product, SCE encourages all Sellers to review California Public Utilities Commission (“CPUC”) Decision (“D.”) 11-12-052, available at the following link:

² For clarity, this RPS Solicitation is not soliciting Proposals for utility-owned, buyout or other forms of SCE-equity (tax or other) ownership of the underlying ERR Generating Facility.

³ A List of Associated Documents is found on page iii of this Procurement Protocol.

D1112052 Implementing Portfolio Content Categories for the Renewables Portfolio Standard Program

- (a) Bundled Energy Product. Product qualifying as Portfolio Content Category 1 (“Category 1” or “Category 1 Product”),⁴ which includes all electric energy produced by an ERR Generating Facility throughout the Term of the Final Agreement, net of Station Use; all Green Attributes; all Capacity Attributes, if any; and all Resource Adequacy Benefits, if any; generated by, associated with, or attributable to the output of the ERR Generating Facility throughout the Term of the Final Agreement whether such credits or other attributes exist at the time a Final Agreement is executed or are created later during the Term of the Final Agreement.
- (b) As used herein, the term “Final Agreement” refers to any final agreement resulting from the RPS Solicitation.

1.3 Basic Terms and Conditions

For proposals to sell bundled energy product to SCE:

- (a) SCE will only consider Proposals to purchase Product from ERR Generating Facilities with initial delivery dates to SCE on **TBD** or later. Sellers must propose Commercial Operation Dates that start on the first day of the month.
- (b) Prior to the start of the Term of the Renewable PPA, Sellers may, at their discretion, deliver energy, capacity or other attributes of the ERR Generating Facility (i) through the CAISO Market, (ii) to a balancing authority, or (iii) to a third-party off-taker.
- (c) SCE will consider Proposals from Sellers with ERR Generating Facilities that are located outside the State of California only if they can deliver Product that qualifies as Category 1 Product.
- (d) With respect to any Project, SCE WILL NOT ACCEPT PROPOSALS TO DELIVER PRODUCT AT THE PROJECT’S BUSBAR.

SCE is only soliciting Product from ERR Generating Facilities which possess: (1) a completed Phase II Interconnection Study or equivalent (unless the project is located in a Preferred Area, which, in such case, the projects must have a Phase I study or better),⁵ (2) a signed interconnection agreement, or (3)

⁴ In accordance with Public Utilities Code Section 399.16(b)(1) and D.11-12-052.

⁵ For Projects that are utilizing the interconnection study fast track process, SCE will accept either: (1) written evidence from SCE’s Grid Interconnection Department that the ERR Generating Facility has passed all fast track screens and no further studies are required; or (2) a completed System Impact Study and Facilities Study

an equivalent or better interconnection study, agreement, process, or exemption. The interconnection study or agreement (1) must be in the same name as the Seller under the Renewable PPA, or (2) the sponsor must demonstrate, to SCE's reasonable satisfaction, that sponsor has exclusive rights to the interconnection agreement by means of an unconditional assignment.

- (e) If (1) the California Environmental Quality Act ("CEQA") or the National Environmental Policy Act ("NEPA") applies to the ERR Generating Facility and (2) a lead agency has been designated under the applicable law, then SCE will consider Proposals from such ERR Generating Facilities only if the ERR Generating Facility has achieved, at a minimum, an "application deemed complete" (or equivalent)⁶ status under the land use entitlement process by the agency designated by CEQA or NEPA as the lead agency. Proposals not meeting this requirement will not be given further consideration.
- (f) Sellers may offer any term length. However, at least one Proposal must offer a term length of ten (10) years or less. SCE has a preference for shorter term lengths. However, for proposals employing existing generation or for the purchase of PCC 1 RECs, SCE will specify the term length in the applicable solicitation documents. SCE may request term lengths as short as one (1) year.
- (g) SCE will accept multiple Proposals for the same Project (e.g., flat vs. escalating pricing for the same Project; five (5)-year vs. ten (10)-year term for the same Project; etc.). Multiple proposals for the same Project shall be considered mutually exclusive.
- (h) Sellers may submit a maximum of six (6) different proposals for each Project bid.
- (i) Proposals for Product delivered from ERR Generating Facilities with a Contract Capacity of 500 kW or greater are eligible to participate in this RPS Solicitation.
- (j) SCE intends that the definition of "Site" and "Site Control" not only means the land upon which the ERR Generating Facility is expected to be located, but also encompasses any rights-of-way or other real property rights necessary for Seller to be able to deliver the Product to SCE (e.g., land on which Seller's generation tie line between the ERR Generating Facility and the Interconnection Point shall be constructed). Seller's Proposal must

(or evidence from Grid Interconnection that the Facilities Study was waived); or (3) a signed interconnection agreement.

⁶ Pursuant to Section 6.1 of D.14-11-042, local government uses the term "application deemed complete" (California Government Code §65943); California Energy Commission uses the term "data adequate" (Title 20 CCR § 1709); Bureau of Land Management uses the term "completed application" (43 CFR 2804.25).

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demonstrate Site Control or the Proposal will not be given further consideration.

- (k) Seller's Generating Facility must be a new, existing, or repowered Generating Facility that is an ERR,⁷ unless Seller intends to submit a Proposal for consideration under the Community Renewables program (as defined in Section 4.06), in which case the Generating Facility must be a new Generating Facility that qualifies as an ERR.
 - (i) An existing ERR Generating Facility must be certified by the California Energy Commission ("CEC") as an ERR or multiple ERRs prior to the Proposal Due Date as set forth in the RPS Solicitation Schedule.
 - (ii) For ERR Generating Facilities not yet on-line and for repowered ERR Generating Facilities, SCE requires Seller to seek CEC "pre-certification" as an ERR prior to the Commercial Operation Date.
- (l) Sellers' Proposals intending to deliver Bundled Energy Product shall convey to SCE all electric energy, as well as all attributes associated with such electric energy, including, but not limited to, Metered Amounts, Green Attributes, Capacity Attributes, and Resource Adequacy Benefits that are attributable to the ERR Generating Facility as detailed in the Renewable PPA.
- (m) SCE will only consider Proposals that are substantially complete and include all of the applicable information, representations, warranties, and covenants as set forth in this Procurement Protocol and/or the on-line application bidders are required to complete (the "Proposal Form").
- (n) The primary method for exchange of information or documents concerning this RPS Solicitation, including any such exchange concerning the preparation or submission of Proposals to SCE, will be via the RPS Solicitation Website or other method designated by SCE.

SCE may, in its sole discretion, decline to respond to any correspondence or other inquiry about this RPS Solicitation without liability or responsibility.
- (o) SCE may host a conference to discuss the process with participants. If a conference is held, information on how to attend the conference will be made available on the RPS Solicitation Website.

⁷ An ERR is a Generating Facility that meets all the criteria set forth in Public Utilities Code Section 399.12, Public Resources Code Section 25741, and the **Renewables Portfolio Standard Eligibility Guidebook, Ninth Edition** ("CEC RPS Eligibility Guidebook"). The Guidebook can be found by accessing the following link: <http://www.energy.ca.gov/renewables/documents/#rps>.

- (p) SCE encourages Women-Owned, Minority-Owned, Disabled Veteran-Owned, Lesbian-Owned, Gay-Owned, Bisexual-Owned, and/or Transgender-Owned Business Enterprises (“Diverse Business Enterprises”) to participate in the RPS Solicitation. Information on SCE’s Supplier Diversity Program can be found on the following SCE website: www.sce.com/sd

CPUC General Order (“GO”) 156

(<http://www.cpuc.ca.gov/PUC/documents/go.htm>) sets the rules governing, among other things, goals, annual reporting and annual planning in the development of programs to increase participation of Diverse Business Enterprises in procurement of contracts from utilities as required by the California Public Utilities Code.

You can help SCE achieve its GO 156 goals in the following ways:

- (i) For qualified Diverse Business Enterprise Sellers (Tier 1 – direct contracting with SCE), ensure you are certified by the CPUC (The Supplier Clearinghouse) (www.thesupplierclearinghouse.com). Disabled Veteran Owned Business Enterprises in California are certified through the California Department of General Services (www.dgs.ca.gov/) and are automatically recognized by The Supplier Clearinghouse.
- (ii) Require that any qualified Tier 2 Diverse Business Enterprises (subcontractors to a Tier 1 Seller) that perform work or deliver materials related to a project that is ultimately under contract with SCE are certified by one of the above-mentioned agencies.

Furthermore, as provided in Section 6.3 of GO 156, SCE’s Supplier Diversity efforts include encouraging its Sellers to develop plans to utilize Diverse Business Enterprise subcontractors. SCE can help with identifying Diverse Business Enterprises for subcontracting opportunities. In addition, the Renewable PPA includes a requirement to report payments made to Diverse Business Enterprises that supplied goods or services as subcontractors.

A sample list of potential products and services that may be available through Diverse Business Enterprises as subcontractors is provided in the table below. This table is not intended to serve as a comprehensive list of all of the subcontracting opportunities that may be available.

PRE-Commercial Operation Date		POST-Commercial Operation Date	
Products	Services	Products	Services
<ul style="list-style-type: none"> • Environmental Impact Studies • MRO (Balance of Plant: wiring, conduit, steel, concrete, etc.) • Panels • Technology 	<ul style="list-style-type: none"> • Construction • Construction • Consulting • Engineering (Interconnection design, roads/grading, SWPPP, Arc Flash Study, Geotechnical reports, environmental monitoring, etc.) • EPC Contractor • Installation • Land Acquisition • Legal Services • Permitting • Research and Development (R&D) • Site Prep • Transportation 	<ul style="list-style-type: none"> • IT Equipment (Hardware & Software) 	<ul style="list-style-type: none"> • Engineering (Fire protection and Telecommunication) • Facilities Management • IT Support (Hardware & Software) • Janitorial • Large Equipment rentals and operator • Legal Services • Panel Cleaning • Plant Maintenance • Plant Security • Regulatory Reporting Services • Specialty/Admin Staffing • Water Treatment & Testing

This list was compiled with input from SCE, San Diego Gas & Electric and Pacific Gas and Electric. Please note that there may be other potential products and services that may qualify.

*** End of ARTICLE ONE ***

ARTICLE TWO. PRODUCT DELIVERY AND PRICE

2.1 ERR Generating Facility Location and Interconnection

Seller's ERR Generating Facility may be located either:

(a) In-State

An ERR Generating Facility is considered "In-State" if such ERR Generating Facility's first point of interconnection is, or will be, to the transmission or distribution system of a California Balancing Authority ("CBA").

(b) Out-of-State

An ERR Generating Facility is considered "Out-of-State" if such ERR Generating Facility's first point of interconnection is not, or will not be, to the transmission or distribution system of a CBA but the ERR Generating facility is delivering Product. Seller shall comply with all requirements pertaining to "Out-of-State Facilities" as set forth in the CEC RPS Eligibility Guidebook, including, but not limited to, ensuring that:

- (i) The ERR Generating Facility is located so that its first point of interconnection is, or will be, to the Western Electricity Coordinating Council transmission system;
- (ii) The ERR Generating Facility does not cause or contribute to any violation of a California environmental quality standard or requirement within California; and
- (iii) The ERR Generating Facility participates in an RPS tracking and verification system approved by the CEC (including WREGIS and NERC E-Tags).

2.2 Delivery of Bundled Energy Product

(a) In-State

For In-State ERR Generating Facilities that are, or will be, interconnected to the CAISO, the Delivery Point must be the point where the ERR Generating Facility connects to the CAISO Controlled Grid.

For In-State ERR Generating Facilities that are, or will be, interconnected to a CBA other than the CAISO, the Delivery Point⁸ must be the intertie point where Seller's Transmission Provider ties to the CAISO ("CAISO Intertie").

⁸ The Delivery Point is subject to SCE's approval in its sole discretion.

(b) Out-of-State

Seller must reasonably demonstrate to SCE as part of its submitted Proposal package that the output of the proposed Out-of-State ERR Generating Facility can in fact be scheduled on an hourly or sub-hourly basis into a CBA, without, substituting electricity from another source, or dynamically transferred into a CBA. Such reasonable demonstration may include, for example, a Dynamic Scheduling Host Balancing Authority Operating agreement as defined in the CAISO Tariff.

Seller will be required to have firm transmission rights to the Delivery Point within the CAISO or to the respective CAISO Intertie for the duration of the term of the Final Agreement.

2.3 Existing ERR Generating Facility, Existing Power Purchase Agreement

An existing ERR Generating Facility with an existing power purchase agreement must submit a Proposal that:

- (a) States the full name of the ERR Generating Facility as well as the contract identification number, Qualifying Facilities (“QF”) number, or any other information necessary for SCE to identify the ERR Generating Facility;
- (b) States the date on which the Seller believes that the existing power purchase agreement will terminate;
- (c) Demonstrates to SCE’s reasonable satisfaction that Seller’s existing power purchase agreement will terminate, by its own terms, without further action of the parties thereto, prior to the date on which deliveries from the existing ERR Generating Facility will commence under Seller’s Proposal.

For Projects that are currently operating under a QF Power Purchase Agreement (“QF PPA”), the Interconnection Facilities Agreement (the “IFA”) is usually an integral part of the QF PPA, and will not survive the expiration of the QF PPA. Proposals that are intended to be end-to-end with an expiring QF PPA must undergo a technical review and convert to Wholesale Distribution Access Tariff agreement or other interconnection agreement. Sellers are responsible to ensure that they meet their delivery obligations under any agreement ultimately signed as a result of this Solicitation keeping in mind that Sellers may be obligated to undergo a lengthy review process when converting from a QF PPA. Sellers should check with their grid interconnection manager for more details regarding their specific projects.

2.4 Product Price or Contract Price

SCE intends to purchase Bundled Energy Product from those Sellers that have executed a Renewable PPA with SCE at the Product Price, in \$/MWh, as defined in the Renewable PPA and further outlined below.

The Product Price submitted by Seller must:

- (a) Conform with the pricing requirements in the Renewable PPA;
- (b) Assume, if applicable, posting Development Security, Performance Assurance and any other security as required by the Renewable PPA;
- (c) If applicable, include awards, subsidies, tax credits, grants, etc.;
- (d) If applicable, assume the cost to dynamically schedule or firm and shape the Product into the CAISO at the Delivery Point; and
- (e) If applicable, assume the cost of any firm transmission rights to deliver the Product into the CAISO at the Delivery Point.

SCE will not accept an indexed pricing Proposal.

2.5 Development Security and Performance Assurance

SCE requires collateral to be posted on executed Agreements. Acceptable forms of collateral are limited to cash and letters of credit. One-half of the Development Security (“DS”) is required to be posted within five (5) Business Days after execution of the Agreement, with the remainder to be posted within five (5) Business Days after CPUC Approval of the Agreement is either obtained or waived by SCE. The Development Security is held by SCE until the Initial Delivery Date of the project. Performance Assurance (“PA”) is required to be posted on or before the Initial Delivery Date through the end of the Term. {Instructions for calculating the Development Security and Performance Assurance amounts will be provided in the August Update.}

2.5 Use of the Mohave SO₂ Allowance Revolving Fund Memorandum Account

Proposals associated with the Hopi Tribe and/or Navajo Nation that qualify under the requirements of D.13-02-004, may be entitled to use available funds from the Mohave SO₂ Allowance Revolving Fund Memorandum Account to meet the Development Security obligations under the Renewable PPA, subject to the provision of the necessary documentation and assurances in the Final Agreement.

2.6 SCE Affiliates

SCE affiliates are permitted to participate in this RPS Solicitation. Seller must disclose whether it is an SCE affiliate.

*** End of ARTICLE TWO ***

ARTICLE THREE. RPS SOLICITATION SCHEDULE AND PROPOSAL SUBMITTAL PROCESS

3.1 RPS Solicitation Schedule

Dates*	Event
TBD	SCE releases 20 21 ²⁰ 18 ¹⁹ RPS Solicitation.
TBD	SCE hosts a Bidders' Conference.
TBD	Sellers to provide their full Proposal e-Binder to SCE via the RPS Solicitation Website or other method as determined by SCE.
TBD	<p>SCE submits Short-List to CPUC and Procurement Review Group ("PRG").</p> <p>Latest date SCE advises all Sellers on the status of their Proposals relative to SCE's Short-List.</p> <p>For Sellers whose Proposals have been named to the Short-List, the negotiations period begins.</p>
TBD	SCE and Short-Listed Sellers complete negotiations for the Final Agreements.
TBD	SCE signs the Final Agreement
TBD	SCE submits the Final Agreements by way of Advice Letters to the CPUC for approval.

* SCE reserves the right to make changes to the above schedule.

3.2 Proposal Instructions

- (a) Seller must input information and upload all of the documents described in this Section for each Proposal. The documents to be uploaded can be downloaded from the SCE RPS Solicitation Website.
- (b) The RPS Solicitation Website utilizes a web-based information-input system where all required information and documents are submitted to SCE by filling out on-line forms and uploading documents. When filling out the on-line

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Proposal Form, the website automatically checks portions of the data as it is inputted by Seller. The Proposal Form cannot be saved and uploaded unless the Proposal Form is complete. Drop-down menus and automatic re-direction to appropriate forms are incorporated to guide the Seller through the process.

Input sections for project-specific information are provided. Further, separate input sections for Proposals associated with that specific project are provided. Sellers may use these forms to input multiple, distinct Proposals associated with a specific project.

The Proposal Form has “check the box” attestations that Seller must acknowledge. If Seller is unwilling to make the required attestations by checking the box, Seller cannot participate in the RPS Solicitation.

- (c) Seller may not offer mutually exclusive proposals. Seller must clearly state which proposals are mutually exclusive.
- (d) Seller’s Proposal(s) must be complete in all respects and uploaded using the RPS Solicitation Website.

Important: *Seller is responsible for the accuracy of all information delivered to SCE through the RPS Solicitation Website. SCE will not alter, update, or change any information submitted to the RPS Solicitation Website. Seller risks disqualification if delivered information is incorrect or is in conflict with uploaded documents. Seller is advised to use care when assembling and delivering the required information.*

- (e) Proposals that are incomplete in any way or are delivered to SCE by any means other than uploaded through the RPS Solicitation Website will be rejected. Printed copies of Proposals, as well as electronic copies via CD, DVD, or flash drive, will not be accepted.
- (f) The Proposal Form along with the completed and uploaded documents set forth below make up the “Proposal e-Binder.” Proposal e-Binders must be completed and uploaded by the Proposal Due Date set forth in this document. The date and time set for submission of the Proposal e-Binders will be strictly enforced. Late submissions will be rejected.
- (g) Along with the Proposal Form, Seller must complete and upload to the RPS Solicitation Website ***all of the following documents***.⁹

⁹ Except for the proposal structure letter, interconnection documents, the environmental review documents, and the project boundary documents, forms for all of these documents are posted on the RPS Solicitation Website. Not all of these requirements are applicable to existing projects exercising the Standard Contract Option (see Section 4).

- (i) A **Proposal Structure Letter** (there is no template for this document). This document should include the following, as applicable:

- Introduction of the entities that comprise the Seller.
- Description of the Project. This includes Project location, where you are in the permitting and interconnection process, any challenges or issues and other information relevant to the Project.
- Summary of the Proposal.

Additionally, ~~T~~the Proposal Structure Letter must include:

- 1) **Workforce Development:** In conformance with the CPUC “2016 Renewables Portfolio Standard Procurement Plans, dated May 17, 2016” (‘ACR’)¹⁰, Sellers shall provide information and, where appropriate, documentation, as to the Project’s expected contribution to employment growth both in the construction phase of the Project and after construction is completed. Sellers submittal should include, without limitation, the number and type of jobs created and from what geographic region the work force is expected to come from.
- 2) **Disadvantaged Communities:** In compliance with the ACR, Sellers shall identify any Project offered that will give environmental or economic benefit to a community afflicted with poverty or high unemployment, or that suffers from high emission levels of toxic air contaminants, criteria air pollutants, and greenhouse gases. These communities may be identified using the census tracts within SCE’s service territory identified in the Excel file posted to the RPS Solicitation Website.
- 3) A fully executed **Officer’s Certificate** – this document, signed by an officer of either the sponsor or project company, signifies Seller’s agreement to certain conditions including, without limitation: i) an attestation that they have reviewed the relevant documents and is providing the proposal in good faith; ii) an attestation that Seller has site control; and iii) an attestation that they will not engage in collusion or other unlawful or unfair business practices in connection with the RPS Solicitation.

¹⁰ *Id.* at page 14.

- **THIS DOCUMENT MUST BE SIGNED AND UPLOADED WITHOUT MODIFICATION.**
- **ONE OFFICER’S CERTIFICATE SHOULD BE UPLOADED FOR EACH PROJECT.**

(ii) If not submitted through a previous solicitation, a fully completed and executed **Evergreen Non-Disclosure Agreement (“NDA”)** (this must be uploaded as a locked MS Word document);

- **THIS DOCUMENT MUST BE SIGNED AND UPLOADED WITHOUT MODIFICATION.**
- **THE EVERGREEN NDA IS INTENDED TO COVER ALL PROJECTS SUBMITTED BY SELLER OR BUYER. ONLY ONE SIGNED EVERGREEN NDA SHOULD BE UPLOADED.**

(iii) A fully completed **Project Viability Calculator** (This must be uploaded for each project as a password-protected MS Excel file);

(iv) A fully completed **Generation Profile** (This must be uploaded for each project as a password-protected MS Excel file);

(v) A completed Geographic Information System file of the project boundaries and associated gen-tie (“Project Boundary File”) as required by the CPUC; and;

(vi) For each project, a copy of the letter from the lead land use permitting agency documenting that the land use permit application for the project has been “deemed complete”¹¹ to begin the permitting review process (“**Environmental Review Letter**”). {SCE Note: This requirement applies if (1) the California Environmental Quality Act or the National Environmental Policy Act applies to the ERR Generating Facility and (2) a lead agency has been designated under the applicable law.}

Important: SCE will not accept the Evergreen NDA or the Officer’s Certificate if it has been changed to a different format or otherwise altered in any unauthorized way. Seller is required to fill out the locked MS Word Template only in the spaces provided and upload the resulting locked MS

¹¹ See Note 8.

Word document. Please sign and then scan and return ONLY the signature pages of each document.

- (h) Once SCE has completed its review of the above submittals, SCE may ask Seller to provide the following:
 - (i) Copies of the **Generating Facility's interconnection studies** and/or interconnection agreement¹²; and
 - (ii) A fully executed **Consent for Release of Interconnection Related Information** (this must be uploaded as a locked MS Word document);
{SCE Note: This document only pertains to Projects located in the SCE Service Territory. Disregard this requirement if your Project is located outside of the SCE Service Territory.}

For all interconnection and environmental review documents described above, SCE will accept documents uploaded to the RPS Solicitation Website in WORD or the PDF file format. Whenever possible, please upload these documents as searchable PDF files so that SCE may locate particular words or phrases within the respective files.

If Seller is unresponsive to SCE's requests for documentation, then the Proposals from Seller may be disqualified from further consideration.

3.3 The Renewable PPA¹²

For the delivery of Bundled Energy Product, SCE's Renewable PPA is structured under the assumption that:

- (a) Seller's Proposal is based upon the green-field development of a new ERR Generating Facility,
- (b) The ERR Generating Facility's first point of interconnection will be with the CAISO, and
- (c) SCE will be the Scheduling Coordinator.

SCE may serve as Scheduling Coordinator for any existing or proposed In-State ERR Generating Facility that is eligible to participate in this RPS Solicitation. Seller must indicate in its Proposal whether Seller wishes SCE to serve as the Scheduling Coordinator. **SCE DOES NOT SERVE AS SCHEDULING COORDINATOR FOR OUT-OF-STATE PROJECTS.**

¹² Attached as Associated Documents A and B.

3.4 Resource Adequacy Benefits

For the delivery of Bundled Energy Product, Seller must offer an ERR Generating Facility based on an interconnection assuming either Energy Only Deliverability Status (“EO”), or such proposals that include the conferment by the CAISO of FCDS, Partial Capacity Deliverability Status (“PCDS”) or Interim Deliverability Status (“IDS”) (collectively, “Capacity Deliverability Status”),¹³ and a CAISO Net Qualifying Capacity (“NQC”) assignment.

EO Projects will be deemed to have an NQC of zero and, therefore, cannot be considered to be a Resource Adequacy Resource.

Capacity Deliverability Status Projects are considered to be a Resource Adequacy Resource and are assigned a Qualifying Capacity by the CPUC. The Qualifying Capacity may be reduced by the CAISO as applicable based on: (i) testing and verification; (ii) application of performance criteria; and (iii) deliverability restrictions, yielding the NQC assignment conferred on the Project by the CAISO.

For Capacity Deliverability Status Projects, Seller must indicate a date upon which they anticipate the CAISO will confer on the Project Capacity Deliverability Status. Such date (the “RA Guarantee Date”) may not be earlier than, but may be later than, a date estimated in the Phase II Interconnection Study or equivalent, or interconnection agreement, at Seller’s discretion.¹⁴

For Capacity Deliverability Status Projects, if the Project’s NQC assignment is less than the Qualifying Capacity or is otherwise reduced by the CAISO for any reason, then SCE shall continue to pay to Seller the Product Price. However, Seller must pay to SCE liquidated damages as set forth in Section 3.02 of the Renewable PPA.

3.5 Independent Evaluator

SCE has engaged an Independent Evaluator (“IE”) to evaluate and report on the solicitation, evaluation, selection, and negotiation process for this RPS Solicitation.

¹³ Generating Facilities interconnecting at the distribution system level may be eligible for FCDS through the CAISO’s distributed generation deliverability assessment. The CAISO is working with utility distribution companies assigning FCDS to eligible distributed generation facilities pursuant to the CAISO Tariff Section 40.4.6.3 on an annual basis. The CAISO has posted these distributed generation deliverability assessment seasonal results to its website at <http://www.caiso.com/Documents/SystemRoot/PLANNING>. Additional information is also available on SCE’s website at <https://www.sce.com/wps/portal/home/regulatory/open-access-information>.

¹⁴ See Section 3.02 of the Renewable PPA for additional details.

The Independent Evaluator will review all Proposals and will have the opportunity to be present at meetings and conference calls between SCE and Short-Listed Sellers.

The Independent Evaluator will have full access to the RPS Solicitation Website and all the e-Binders and correspondence uploaded by Sellers.

The Independent Evaluator will periodically make presentations to SCE, the CPUC and the PRG in order to ensure that the RPS Solicitation process remains open, fair and transparent.

*** *End of ARTICLE THREE* ***

ARTICLE FOUR. STANDARD CONTRACT OPTION

4.1 Explanation of the Standard Contract Option

As part of the RPS Solicitation, SCE is offering a “Standard Contract Option” using the streamlined Renewable Auction Mechanism (“RAM”) procurement tool authorized in D.14-11-042. The Standard Contract Option is available for Proposals offering Bundled Energy Product with a first point of interconnection to the CAISO, and not dynamically scheduled ERR Generating Facilities.

The Standard Contract Option provides for the rapid deployment of Projects by avoiding the contract negotiation process and expediting the CPUC approval process for any Final Agreements. Sellers have the option to participate in the Standard Contract Option by checking a box in the Proposal Form. Subject to SCE’s selection of the Proposal and its agreement that a standard contract is appropriate for the Proposal, Seller will be offered a standard contract in the form of the Renewable PPA with no changes or negotiations.¹⁵ Once executed, these standard contracts will be submitted via a Tier 2 Advice Letter to the CPUC for approval.

Where circumstances dictate, the Standard Contract Option may not be the appropriate contracting option. Therefore, the Standard Contract Option can only be applied if SCE, in its sole discretion, determines that the Standard Contract Option is appropriate for a specific Project.

SCE will establish its Short-List based on Net Market Value and other criteria as set forth in Article Five, below. In order to be selected, the value of a standard contract project must rank within the range established for the entire Short-List.

In compliance with D.14-11-042, Projects that select the Standard Contract Option must commence commercial operation within 36 months of CPUC Approval of the executed Final Agreement (with a possible six-month extension for regulatory delay). Seller’s Proposal(s) must include sufficient documentation to support the project meeting the milestones to achieve commercial operation within the 36 months.

For the Standard Contract Option, Seller must comply with the requirements of Section 3.02.

SCE will seek approval of Standard Contract Option projects that result in Final Agreements through the Tier 2 Advice Letter process which allows for a faster anticipated CPUC approval time.

¹⁵If SCE uses the Standard Contract Option for Green Rate procurement, a representation and warranty is included in the Renewable PPA, only applicable to Green Rate Projects, obligating Sellers to comply with the Green-e[®] National Energy Standard.

*** *End of ARTICLE FOUR* ***

ARTICLE FIVE. EVALUATION OF PROPOSALS

5.1 Proposal Evaluation Overview

SCE evaluates and ranks Proposals for Bundled Product based on least-cost, best-fit (“LCBF”) principles that comply with criteria set forth by the CPUC in D.03-06-071 and D.04-07-029 (“LCBF Decisions”) and other CPUC decisions on the investor-owned utilities’ RPS Procurement Plans.¹⁶

The LCBF analysis evaluates both quantitative and qualitative aspects of each Proposal to estimate its value to SCE’s customers and its relative value in comparison to other Proposals.

Prior to receiving Proposals, SCE finalizes criteria with the IE to determine which attributes make Proposals clear outliers. SCE then finalizes the major assumptions and methodologies that drive valuation.

Once Proposals are received, SCE will determine which Proposals are clear outliers. For Proposals deemed clear outliers, SCE concludes any further review. SCE will then begin a review for completeness and conformity with the Procurement Protocol for the remaining Proposals. SCE will evaluate Proposals utilizing information that is inputted into the Proposal Form. Supporting documents, such as the Proposal Structure Letter, Interconnection Documents or any other supporting information are for informational purposes only and **ARE NOT** relevant inputs related to this stage of the Proposal evaluation process. SCE’s review includes an initial screen of the Proposal Form for required submission criteria. Proposals that are substantially complete but lacking required information are allowed a reasonable cure period to remedy any deficiencies. Following this check for conformity, SCE conducts an additional review to determine the reasonableness of Proposal parameters such as generation profiles and capacity factors. SCE works directly with Sellers to resolve any issues and ensure the data is ready for evaluation.

After these reviews, SCE performs a quantitative assessment of each Proposal and subsequently ranks them based on the Proposal’s benefit and cost relationship. Specifically, the total benefits and total costs are used to calculate the net levelized cost or “Net Market Value” for each complete and conforming Proposal. Benefits are comprised of separate capacity, energy, and congestion components, while costs include the contract payments, debt equivalents, integration cost, congestion cost, and transmission cost. SCE discounts the monthly benefit and cost streams to a common

¹⁶ See also Cal. Pub. Util. Code § 399.13(a)(4)(A).

base date. SCE also normalizes the net cost or benefit data by MWh generation. The result of the quantitative analysis is a merit-order ranking of all complete and conforming Proposals' Net Market Values that help define the preliminary Short-List.

Following the quantitative analysis, SCE conducts an assessment of the most competitive Proposals' qualitative attributes. SCE utilizes the Project Viability Calculator to assess certain factors including the company/development team experience, project technology, project financing and development milestones. Additional attributes such as nominal contract payments, contribution to other SCE program goals, transmission area, prior experience with project developers/sellers, seller concentration, and resource diversity are also considered in the qualitative analysis. If a Community Renewables procurement need is identified, eligibility for the Community Renewables program and Community Renewables Environmental Justice Resource status will also be considered. These qualitative attributes are then considered to either eliminate or add Proposals to the Short-List, or to determine tie-breakers, if any.

Following its analysis, SCE consults with its PRG regarding the Short-List and specific evaluation criteria. SCE will then develop a final Short-List and negotiate with the Short-Listed Sellers after notification of Short-Listing.

SCE, in its sole discretion, reserves the right to enter into Final Agreements with as many Sellers as SCE chooses, including the right to not enter into any Final Agreements at all. Whether a Proposal selected through this process results in an executed contract depends on the outcome of negotiations between SCE and Sellers and where Seller's Proposal pricing ranks based on the criteria set forth herein. Periodically, SCE updates the PRG regarding the progress of negotiations. Finally, SCE executes contracts and submits them to the CPUC for approval via advice letter filings.

For a more detailed discussion of the LCBF methodology, please see the LCBF Methodology document located on the SCE RPS Solicitation Website.

*** End of ARTICLE FIVE ***

ARTICLE SIX. SHORT-LISTING

6.1 Minimum Requirements

Sellers are required to follow all of the instructions contained in this Procurement Protocol and the Associated Documents and subsequent amendments in order to be eligible to compete in the solicitation process.

6.2 Upon Notification of Selection for the SCE Short-List

- (a) If SCE notifies Seller that its Proposal has been selected for SCE's Short-List and Seller would like to continue in the solicitation process, Seller must provide to SCE a red-line to the Renewable PPA showing changes Seller wishes to negotiate with SCE. The Renewable PPA is located on the SCE RPS Solicitation Website. Sellers are reminded that a finite amount of time is allotted for the negotiation of the Final Agreement as outlined in the RPS Solicitation Schedule.
- (b) As soon as possible after Short-List notification, if required, Seller shall submit to SCE all the elements of Exhibit B to the Renewable PPA as outlined in the Renewable PPA and include:

ERR Generating Facility Description

- ✓ Name and address of the ERR Generating Facility;
- ✓ General description and location of the Site;
- ✓ Specific description of the technology; and
- ✓ Table containing detailed project specifications and exact counts as applicable.

Site Plan Drawing

- ✓ Plan view of the ERR Generating Facility; and
- ✓ Major equipment components in their exact locations.

Single Line Drawing

- ✓ Up-to-date, stamped by a Professional Engineer whose certification is in force, and match the latest project characteristics: 1. Equipment clearly illustrated; 2. Electrical system; 3. Generators; 4. Unit and service transformers; 5. Interconnection transformers; 6. Metering; 7. Breakers; and 8. Disconnects;
- ✓ A station service transformer on the project's side of the meter;
- ✓ For solar PV projects, each typical solar array must be shown or described; and
- ✓ The Interconnection Point, as defined in the PPA clearly illustrated.

Site Map

Legal Description of the Site

- ✓ Derived from the registered deed for the property.
- ✓ APNs for the Project's site.

- (c) If Seller's Proposal has been selected for SCE's Short-List and Seller does not wish to continue in the 20~~2019~~²⁰⁴⁹ solicitation process, SCE requests that Seller withdraw its Proposal from this RPS Solicitation in writing (via the RPS Solicitation Website) within ten (10) Business Days after the Short-List notification from SCE.
- (d) If a Seller's Proposal has *not* been selected for SCE's Short-List, SCE will notify Seller (via the RPS Solicitation Website) no later than ten (10) Business Days following the date that SCE notifies all Sellers selected for the Short-List of their selection.
- (e) SCE, in its sole discretion, reserves the right to execute Final Agreements with as many Sellers or Buyers as SCE chooses including the right to choose not to enter into any Final Agreements. SCE may exercise this right at any time including, without limitations, prior to, during or at the conclusion of negotiations with shortlisted projects.

*** End of ARTICLE SIX ***

ARTICLE SEVEN. SELLER’S REPRESENTATIONS AND WARRANTIES

- 7.1 By submitting the Seller’s Officer’s Certificate to SCE as part of a complete and conforming Proposal package, the Seller represents and warrants that its offered Product Price or Contract Price assumes that Seller will post Development Security, Performance Assurance or other security, as applicable, equal to the amounts specified in the Renewable PPA.

*** End of ARTICLE SEVEN ***

ARTICLE EIGHT. REGULATORY APPROVAL

8.1 CPUC and FERC Approvals

SCE's obligations to purchase Product under a Final Agreement will only become effective upon CPUC Approval.

In the event a transaction occurs between SCE and any of its Affiliates, such Final Agreement may also require FERC approval. In such case, SCE's obligations to purchase power under such Final Agreement will only become effective upon approval by both the CPUC and FERC.

8.2 Support for Regulatory Purposes

SCE may request that Seller provide updates of any information requested in this RPS Solicitation for purposes of filing applications or advice letters with the CPUC for approval of any Final Agreement.

*** End of ARTICLE EIGHT ***

ARTICLE NINE. CONFIDENTIALITY, CONDUCT, AND SAFETY

9.1 Confidentiality

Sellers are required to enter into a Non-Disclosure Agreement with SCE in the form posted on the SCE RPS Solicitation Website.

9.2 Conduct

It is expected that the Parties will act in good faith in their dealings with each other with respect to this RPS Solicitation. Seller may not engage in Communications (as defined in Article Ten) with any other Seller in the RPS Solicitation concerning the price terms contained in their Proposal or related matters.

9.3 Safety

Seller must develop a written plan for the safe construction and operation of the ERR Generating Facility as set forth in the Renewable PPA.

*** End of ARTICLE NINE ***

ARTICLE TEN. WAIVERS AND RESERVATION OF RIGHTS

10.1 Termination of RPS Solicitation

SCE reserves the right at any time to modify any dates specified in this RPS Solicitation or abandon this RPS Solicitation without notice, without assigning any reasons, and without liability of Edison International, SCE or any of their subsidiaries, affiliates or representatives to any Seller.

SCE will not be deemed to have accepted any Proposal, and will not be bound by any term thereof, unless and until authorized representatives of SCE and Seller execute a Final Agreement and, if appropriate, related collateral and other required agreements.

In the event that SCE terminates this RPS Solicitation, Seller shall be responsible for any expenses incurred by Seller as a result of this RPS Solicitation.

10.2 Release of SCE for any Delays

Seller acknowledges that except for SCE's obligation to submit a fully executed Final Agreement to the CPUC for approval, Seller bears sole responsibility for submitting all applications and obtaining all permits, leases or mortgages, and interconnection, financing and other agreements necessary for Seller to perform under a Final Agreement.

Seller further acknowledges and agrees that SCE shall have no liability for the:

- (a) Time required to complete any studies, obtain any required permits for ERR Generating Facility operation, or enter into any agreements discussed or contemplated under this RPS Solicitation (including without limitation interconnection studies, leases, mortgages, financing or permits);
- (b) Time required to perform construction for Network Upgrades necessary to meet the Commercial Operation Deadline;
- (c) Time to construct the ERR Generating Facility;
- (d) Time required to acquire any environmental permits to construct or operate, including acquisition of any emission credits required by law or regulation; or
- (e) Failure to reach agreement on, or time to reach agreement regarding, the use of SCE property for the Site.

10.3 Waived Claims

By submitting a Proposal, Seller knowingly, voluntarily, and completely waives any rights under statute, regulation, state or federal constitution or common law to assert

2020-19 Request for Proposals from Eligible Renewable Energy Resource Suppliers for Renewable Products

any claim, complaint or other challenge in any regulatory, judicial or other forum, including without limitation, the CPUC (except as expressly provided below), the FERC, the Superior Court of the State of California (“State Court”) or any United States District Court (“Federal Court”) concerning or related in any way to the RPS Solicitation or this Procurement Protocol, including all exhibits, attachments, and appendices thereto (“Waived Claims”). Seller further expressly acknowledges and consents that if it asserts any Waived Claim at the CPUC, FERC, State Court or Federal Court, or otherwise in any forum, to the extent that Seller’s Proposal has not already been disqualified, SCE is entitled to automatically disqualify this Proposal from further consideration in the RPS Solicitation or otherwise, and further, SCE may elect to terminate the RPS Solicitation.

By submitting a Proposal, Seller further agrees that the sole forum in which Seller may assert any challenge with respect to the conduct or results of the RPS Solicitation is at the CPUC. Seller further agrees that: (1) the sole means of challenging the conduct or results of the RPS Solicitation is a complaint filed under Article 3, Complaints and Commission Investigations, of Title 20, Public Utilities and Energy, of the California Code of Regulations, (2) the sole basis for any such protest shall be that SCE allegedly failed in a material respect to conduct the RPS Solicitation in accordance with this Procurement Protocol; and (3) the exclusive remedy available to Seller in the case of such a protest shall be an order of the CPUC that SCE again conduct any portion of the RPS Solicitation that the CPUC determines was not previously conducted in accordance with this Procurement Protocol (including any Associated Documents). Seller 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 SCE elects to do otherwise in its sole discretion, during the pendency of such a protest the RPS Solicitation and any related regulatory proceedings related to the RPS Solicitation will continue as if the protest had not been filed, unless the CPUC issues an order suspending the RPS Solicitation or SCE has elected to terminate the RPS Solicitation.

Seller further acknowledges and agrees that if Seller asserts any Waived Claim, SCE shall be entitled to seek immediate dismissal of Seller’s claim, complaint or other challenge, with prejudice, by filing a motion to dismiss (or similar procedural device) supported by the language in this Article Nine and that Seller will not challenge or oppose such a request for dismissal. Seller further acknowledges and agrees that if it asserts any Waived Claim, and if SCE successfully has that claim dismissed or transferred to the CPUC, Seller shall pay SCE’s full costs and expenses incurred in seeking such dismissal or transfer, including reasonable attorneys’ fees.

Seller agrees to indemnify, defend and hold harmless SCE from any and all claims by any other Seller asserted in response to the assertion of any Waived Claim by Seller or as a result of a Seller’s protest to a filing at the CPUC resulting from the RPS Solicitation.

Except as expressly provided in this Procurement Protocol, nothing in the Procurement Protocol, including Seller's waiver of any Waived Claims as set forth above, shall in any way limit or otherwise affect the rights and remedies of SCE.

**** End of ARTICLE TEN ****

ARTICLE ELEVEN. COMMUNICATIONS

- 11.1 For purposes of this RPS Solicitation, “Communications” means the exchange of any material information by electronic, written, oral or other means other than as expressly provided for herein.

All Communications concerning this RPS Solicitation, including Communications concerning the preparation of Proposals or other submissions to SCE related to the RPS Solicitation, should be submitted to SCE via the RPS Solicitation Website.

SCE may, in its sole discretion, decline to respond to any correspondence or other inquiry without liability or responsibility.

*** End of ARTICLE ELEVEN ***

ARTICLE TWELVE. SCE RIGHTS AND DOCUMENT CONFLICTS

12.1 SCE's Rights

SCE may, at its sole discretion, enter into Final Agreements with one or more entities submitting Proposals that will provide the best value to SCE's customers considering a variety of factors.

SCE reserves the right to reject any Proposal at any time on the grounds that it does not conform to the terms and conditions of this Procurement Protocol.

SCE also retains the right, in its sole judgment, to:

- (a) Subject to D.14-11-042, modify this Procurement Protocol, and any of the Associated Documents, as it deems necessary;
- (b) Condition SCE's acceptance of any selected Proposal on a Seller's agreement to modifications thereto including any modifications that may be recommended by SCE's PRG; and
- (c) Determine what is or is not "reasonable," as this term is used within this Procurement Protocol.

12.2 Document Conflicts

In the event of any conflict between terms contained in this Procurement Protocol or any of the Associated Documents, the conflict will be resolved by the following priority of documents:

- (a) The Renewable PPA;
- (b) The CAISO Tariff; and
- (c) This Procurement Protocol;

Notwithstanding the foregoing, if a Final Agreement is executed between SCE and Seller, it will have precedence over the documents listed above.

*** *End of ARTICLE TWELVE* ***

PUBLIC APPENDIX J.1

2020 *Pro Forma* PCC 1 Renewable Energy Credits Sales Agreement

ID# _____, [Insert Name of Buyer]

PCC 1 REC SALES AGREEMENT

between

SOUTHERN CALIFORNIA EDISON COMPANY

and

[INSERT NAME OF BUYER]

{SCE DRAFTING NOTE: FOR ALL TRANSACTIONS IN WHICH THE PARTIES ARE ENABLED UNDER AN EEI AGREEMENT, PLEASE DELETE ALL LANGUAGE THAT APPEARS BRACKETED IN GREEN. FOR ALL TRANSACTIONS IN WHICH THE PARTIES ARE ENABLED UNDER AN ISDA AGREEMENT, PLEASE DELETE ALL LANGUAGE THAT APPEARS BRACKETED IN RED.}

[This REC Sales Confirmation (“Confirmation”) confirms the transaction (“Transaction”) between **Southern California Edison Company** (“Seller” or “SCE”) and **[Insert name of Buyer]** (“Buyer”), each individually a “Party” and together the “Parties”, effective as of _____, 201__ (the “Confirmation Effective Date”). This Transaction is governed by the ISDA 2002 Master Agreement between the Parties, effective as of **[Date]**, along with the Schedule and any amendments and annexes thereto (the “Master Agreement”), and including, the Power Annex, the Credit Support Annex, Paragraph 13 of the Credit Support Annex and any other Credit Support Document. The Master Agreement and this Confirmation shall be collectively referred to herein as the “Agreement”. Capitalized terms used but not otherwise defined in this Confirmation have the meanings ascribed to them in the Master Agreement or the Tariff. If any defined term in this Confirmation conflicts with the same defined term in the Tariff or Master Agreement, the definition set forth in this Confirmation shall supersede.]

[This REC Sales Confirmation (“Confirmation”) confirms the transaction (“Transaction”) between **Southern California Edison Company** (“Seller” or “SCE”) and **[Insert name of Buyer]** (“Buyer”), each individually a “Party” and together the “Parties”, effective as of _____, 201__ (the “Confirmation Effective Date”). This Transaction is governed by the Edison Electric Institute (“EEI”) Master Power Purchase and Sale Agreement between the Parties, effective as of **[Date]**, along with the Cover Sheet, any amendments and annexes thereto (the “Master Agreement”), and including, the EEI Collateral Annex to the Master Agreement along with the Paragraph 10 to the Collateral Annex between the Parties (such Paragraph 10 and the Collateral Annex are both referred to herein as the “Collateral Annex”) (the Master Agreement and the Collateral Annex shall be collectively referred to as the “EEI Agreement”). The EEI Agreement and this Confirmation shall be collectively referred to herein as the “Agreement”. Capitalized terms used but not otherwise defined in this Confirmation have the meanings ascribed to them in the EEI Agreement or the Tariff. If any defined term in this Confirmation conflicts with the same defined term in the Tariff or EEI Agreement, the definition set forth in this Confirmation shall supersede.]

ARTICLE 1 COMMERCIAL TERMS

Seller: SOUTHERN CALIFORNIA EDISON COMPANY		Buyer:
Trading:	<p><u>Seller</u> <u>Buyer</u></p> <p>Day Ahead: 626-307-4425 Real Time: 626-307-4453</p> <p>Contact information is for convenience and is subject to change by notice.</p>	
Scheduling:	<p><u>Seller</u> <u>Buyer</u></p> <p>Day Ahead: 626-307-4425 Real Time: 626-307-4453</p> <p>Contact information is for convenience and is subject to change by notice.</p>	
Product:	<p>The Product is a Firm Delivery Obligation of California RPS-Eligible Electric Energy and associated Green Attributes.</p> <p>During the Delivery Period, Seller shall deliver and sell, and Buyer shall purchase and receive, the Product, subject to the terms and conditions of this Confirmation. Seller shall not substitute or purchase any Green Attributes from any generating resource other than the Project for delivery hereunder.</p>	
Project:	<p>All Product sold hereunder shall be from one or more of the generating facilities listed in <u>Exhibit A</u> (collectively, the "Project").</p> <p>The Parties acknowledge and agree that the Project consists of one or more generating facilities and that Seller is permitted to utilize any one or more of these generating facilities in order to satisfy its obligations hereunder.</p> <p>The Parties further acknowledge and agree that, with respect to Section 3.2(a) of this Confirmation, Product shall solely be limited to the actual Product generated and delivered by the generating facility(ies) used to satisfy the Contract Quantity, and that Buyer is not entitled to any additional Product or other attributes related to the Product produced by the generating facility(ies) in the Project above and beyond the Contract Quantity.</p> <p>Subject to Buyer's consent, not to be unreasonably withheld, Seller may include additional generating facility(ies) in the Project such that Seller is permitted to utilize such additional generating facility(ies) to satisfy its obligations hereunder, provided that Seller notifies Buyer of the additional generating facility(ies) at least two (2) Business Days prior to such addition.</p>	
Contract Capacity	<p>"Contract Capacity" shall be equal to the Contract Quantity divided by the number of hours between the start of the Delivery Period and the end of the day on _____, 20__, rounded up to the nearest whole MW.</p>	

Contract Quantity:	“Contract Quantity” shall be equal to ____ MWh of CAISO Energy.
Contract Price:	“Contract Price” shall be Index. “REC Price” shall be \$/____ MWh.
Term:	The Term of this Transaction shall commence upon the Confirmation Effective Date and shall continue until delivery by Seller to Buyer of the Contract Quantity of the Product has been completed and all other obligations of the Parties under this Agreement have been satisfied, unless terminated earlier due to failure to satisfy the Conditions Precedent or as otherwise provided in the Agreement (“Term”).
Delivery Period:	Subject to the occurrence of the Condition Precedent Satisfaction Date, the delivery period of this Transaction shall commence on the later of (i) ____, 20__ and (ii) the tenth (10 th) Business Day after the Condition Precedent Satisfaction Date, and shall continue through ____, 20__ (“Delivery Period”).
Delivery Point:	Seller shall deliver the Product at the Pricing Node applicable to the Project.
Firm Delivery Obligation:	<p>“Firm Delivery Obligation” shall have the following meaning:</p> <p>The obligation to provide the Contract Quantity is a firm obligation in that Seller shall deliver the Contract Quantity of the Product from the Project consistent with the terms of this Confirmation without excuse other than Force Majeure, provided that, for purposes of this Confirmation, Force Majeure does not include the lack of wind, sun or other fuel source of an inherently intermittent nature. If a failure by Seller to deliver the Contract Quantity from the Project by the end of the Delivery Period is not excused by Force Majeure, [Article 4 of the Master Agreement][Part 6(c) of the Power Annex] shall apply.</p> <p>Seller shall convey title to and risk of loss of all CAISO Energy to Buyer at the Delivery Point.</p>
Scheduling Obligations:	Seller, or a qualified third party designated by Seller, shall act as Scheduling Coordinator for the Project. Buyer authorizes Seller, or its third party Scheduling Coordinator designee, to deliver the Contract Capacity and any Adjusted Contract Capacity to the CAISO at the Delivery Point as an agent on Buyer’s behalf.
Scheduling Period:	“Scheduling Period” means each hour of the Delivery Period.
Seller Regulatory Obligations:	Within ninety (90) days after the Confirmation Effective Date, SCE shall file with the CPUC the appropriate request for CPUC Approval. {SCE Comment: Please note that CPUC D.07-11-025 does not allow for any extensions to the ninety (90) day filing requirement} SCE shall expeditiously seek CPUC Approval, including promptly responding to any requests for information related to the request for CPUC Approval. As requested by SCE, Buyer shall use commercially reasonable efforts to support SCE in obtaining CPUC Approval. SCE has no obligation to seek rehearing or to appeal a CPUC decision which fails to approve this

	Agreement or which contains findings required for CPUC Approval with conditions or modifications unacceptable to either Party.
Conditions Precedent:	<p>The commencement of delivery of the Product and the obligation of Buyer to pay for the Product shall be contingent upon CPUC Approval of this Confirmation (the “Conditions Precedent”). Either Party, in its sole discretion, has the right to terminate this Confirmation upon notice in accordance with [Section 10.7][Section 12] of the Master Agreement, which such notice will be effective one (1) Business Day after such notice is given, if: (i) the CPUC issues a final and non-appealable order regarding this Confirmation which contains conditions or modifications unacceptable to either Party, or (ii) CPUC Approval of this Confirmation has not been obtained on or before the date that is [] ([]) days after the date that SCE files the request for CPUC Approval, and a notice of termination in accordance with [Section 10.7][Section 12] of the Master Agreement is given on or before the [] ([]) day after SCE files the request for CPUC Approval.</p> <p>Any termination made by a Party under this “Conditions Precedent” section shall be without liability or obligation to the other Party.</p> <p>Notwithstanding any other provision in this Confirmation, Seller will have no obligation to transfer Product to Buyer and Buyer shall have no obligation to receive or pay for the Product unless and until Seller and Buyer have obtained or waived, in their sole discretion, CPUC Approval of this Confirmation.</p>

ARTICLE 2 DEFINITIONS

“ACH” means the electronic funds transfer system operated by the National Automated Clearing House, or any successor entity.

“Adjusted Contract Capacity” has the meaning set forth in Section 3.3 of this Confirmation.

“Agreement” has the meaning set forth in the preamble of this Confirmation.

“Buyer” has the meaning set forth in the preamble of this Confirmation.

“Confirmation Effective Date” has the meaning set forth in the preamble of this Confirmation.

“CAISO” means the California Independent System Operator, or its successor.

“CAISO Energy” means “Energy” as defined in the Tariff.

“Calculation Period” means each calendar month during the Delivery Period.

“California RPS-Eligible Electric Energy” means electric energy from an Eligible Renewable Energy Resource, as such term is defined in Public Utilities Code Section 399.12 and 399.16.

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

“Condition Precedent” has the meaning set forth in Article 1 of this Confirmation.

“Condition Precedent Satisfaction Date” means the date on which CPUC Approval has been obtained.

“Confirmation” has the meaning set forth in the preamble of this Confirmation.

“Contract Capacity” has the meaning set forth in Article 1 of this Confirmation.

“Contract Price” has the meaning set forth in Article 1 of this Confirmation.

“Contract Quantity” has the meaning set forth in Article 1 of this Confirmation.

“Confirmation Effective Date” has the meaning set forth in the preamble of this Confirmation.

“CPUC” means the California Public Utilities Commission or its regulatory successor.

“CPUC Approval” means a decision of the CPUC that (i) is final and no longer subject to appeal, which approves the Agreement in full and in the form presented on terms and conditions acceptable to SCE in its sole discretion, including terms and conditions related to cost recovery and cost allocation of amounts paid to Seller under the Agreement; and (ii) does not contain conditions or modifications unacceptable to SCE, in SCE’s sole discretion.

“Day-Ahead Market” has the meaning set forth in the Tariff.

“Delivered Energy” means the CAISO Energy from the Project that is delivered and scheduled into either the Real Time-Market and/or Day-Ahead Market by Seller on behalf of Buyer at the Delivery Point.

“Delivery Point” has the meaning set forth in Article 1 of this Confirmation.

“Delivery Period” has the meaning set forth in Article 1 of this Confirmation.

“EEI Agreement” has the meaning set forth in the preamble of this Confirmation. {SCE Drafting Note: Delete this term if using the ISDA and not the EEI.}

“ERR” has the meaning set forth in Section 6.1(a) of this Confirmation.

“Firm Delivery Obligation” has the meaning set forth in Article 1 of this Confirmation.

“Green Attributes” means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Project, and its avoided emission of pollutants. Green Attributes include but are not limited to Renewable Energy Credits, as well as:

- (1) Any avoided emission of pollutants to the air, soil or water such as sulfur oxides (SO_x), nitrogen oxides (NO_x), carbon monoxide (CO) and other pollutants;
- (2) Any avoided emissions of carbon dioxide (CO₂), methane (CH₄), nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth’s climate by trapping heat in the atmosphere;¹
- (3) The reporting rights to these avoided emissions, such as Green Tag Reporting Rights.

Green Tag Reporting Rights are the right of a Green Tag Purchaser to report the ownership of accumulated Green Tags in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at the Green Tag Purchaser’s discretion, and include without limitation those Green Tag Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program. Green Tags are accumulated on a MWh basis and one Green Tag represents the Green Attributes associated with one (1) MWh of energy.

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

Green Attributes do not include:

- (i) Any energy, capacity, reliability or other power attributes from the Project,
- (ii) Production tax credits associated with the construction or operation of the Project and other financial incentives in the form of credits, reductions, or allowances associated with the Project that are applicable to a state or federal income taxation obligation,
- (iii) Fuel-related subsidies or “tipping fees” that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits, or
- (iv) Emission reduction credits encumbered or used by the Project for compliance with local, state, or federal operating and/or air quality permits.

If the Project is a biomass or biogas facility and Seller receives any tradable Green Attributes based on the greenhouse gas reduction benefits or other emission offsets attributed to its fuel usage, it shall provide Buyer with sufficient Green Attributes to ensure that there are zero (0) net emissions associated with the production of electricity from the Project.

“Index” means, for each Scheduling Period, the applicable CAISO market price for the CAISO Pricing Node for the applicable portion of the Project for each applicable period 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.

“Make-Up Amount” has the meaning set forth in Section 3.3 of this Confirmation.

“Master Agreement” has the meaning set forth in the preamble of this Confirmation.

“Monthly Cash Settlement Amount” has the meaning set forth in Article 4 of this Confirmation.

“Pricing Node” has the meaning set forth in the Tariff.

“Product” has the meaning set forth in Article 1 of this Confirmation.

“Project” has the meaning set forth in Article 1 of this Confirmation.

“Real-Time Market” has the meaning set forth in the Tariff.

“REC Price” has the meaning set forth in Article 1 of this Confirmation.

“Renewable Energy Credit” or “REC” has the meaning set forth in CPUC Decision 08-08-028, as such definition may be modified by the CPUC or applicable law from time to time.

“RPS” means the California Renewables Portfolio Standard Program as codified at California Public Utilities Code Section 399.11 *et seq.*, and any decisions by the CPUC related thereto.

“Scheduling Period” has the meaning set forth in Article 1 of this Confirmation.

“Seller” has the meaning set forth in the preamble of this Confirmation.

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

“Term” has the meaning set forth in Article 1 of this Confirmation.

“Transaction” has the meaning set forth in the preamble of this Confirmation.

“Under-delivered Product” has the meaning set forth in Section 3.3 of this Confirmation.

“Vintage” means the calendar year the WREGIS Certificate is associated with through the generation of electric energy.

“WREGIS” means the Western Renewable Energy Generation Information System or other process recognized under applicable laws for the registration, transfer or ownership of Green Attributes.

“WREGIS Certificate” means “Certificate” as defined by WREGIS in the WREGIS Operating Rules.

“WREGIS Operating Rules” means the operating rules and requirements adopted by WREGIS, as amended, supplemented or replaced from time to time.

ARTICLE 3 CONVEYANCE OF RENEWABLE ENERGY

3.1 Seller’s Conveyance of Electric Energy

Beginning on the first day of the Delivery Period and throughout all applicable months of the Delivery Period, Seller shall deliver and sell, and Buyer shall purchase and receive, the electric energy associated with the Product, subject to the terms and conditions of this Confirmation. Buyer will not be obligated to purchase from Seller any Product that is not or cannot be delivered as a result of Force Majeure.

3.2 Seller’s Conveyance Of Green Attributes

(a) Green Attributes

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

The Green Attributes are delivered and conveyed upon completion of all actions described in Section 3.2(b) below.

(b) Green Attributes Initially Credited to Seller’s WREGIS Account

- (1) During the Delivery Period, Seller, at its own cost and expense, shall maintain its registration with WREGIS. All Green Attributes transferred by Seller hereunder shall be designated California RPS-compliant with WREGIS. Seller shall, at its sole expense, use WREGIS as required pursuant to the WREGIS Operating Rules to effectuate the transfer of Green Attributes to Buyer in accordance with WREGIS reporting protocols and WREGIS Operating Rules.
- (2) For each applicable month of the Delivery Period, Seller shall deliver and convey the Green Attributes associated with the electric energy delivered pursuant to Section 3.1 above within thirty (30) days after the WREGIS Certificates for the Green Attributes are created. Seller shall deliver and convey such Green Attributes by properly transferring such WREGIS Certificates, in accordance with the rules and regulations of WREGIS, equivalent to the quantity of Green Attributes, to Buyer into Buyer’s WREGIS account such that all right, title and interest in and to the WREGIS Certificates shall transfer from Seller to Buyer; provided further, that if Seller fails to properly transfer such WREGIS Certificates to Buyer in

accordance with the above due to an error or omission of an administrative or clerical nature and if such failure can be cured with no harm to Buyer, then Seller may cure such failure within thirty (30) days after notice of such failure.

- (3) In addition to its other obligations under this Section 3.2, Seller shall convey to Buyer WREGIS Certificates from the Project that are of the same Vintage as the California RPS-Eligible Electric Energy that was provided under Section 3.1 of this Confirmation.

3.3 Delayed Delivery of Product

In the event Seller is unable to deliver any portion of the Contract Quantity, during any particular portion of the Delivery Period for any reason (such amount of Product being referred to herein as “Under-delivered Product”), Seller shall be permitted to increase the amount of Product it provides during any remaining portion of the Delivery Period (the “Make-Up Amount”) by increasing the Contract Capacity scheduled during the remaining portion of the Delivery Period (the “Adjusted Contract Capacity”). The aggregate amount of Product provided during the Delivery Period as part of any Make-Up Amount shall (a) be equivalent to the amount of Under-delivered Product, such that Seller will provide Product to Buyer in an aggregate amount equal to the Contract Quantity over the entire Delivery Period in accordance with this Confirmation, (b) be Product from the Project, and (c) be provided during the Delivery Period. In the event that there is any Under-delivered Product at any point in time during the Delivery Period, (i) such fact shall not constitute an Event of Default, and (ii) [Section 4.1 of the Master Agreement] [Part 6(c)(i) of the Power Annex] shall not apply with respect to such fact until the Delivery Period has concluded, provided that, if at the end of the Delivery Period, the amount of Product, including any Product in the form of a Make-Up Amount, provided by Seller to Buyer is less than the Contract Quantity, then [Section 4.1 of the Master Agreement] [Part 6(c)(i) of the Power Annex] will apply to the Under-delivered Product associated with such shortfall.

ARTICLE 4 COMPENSATION

4.1 Monthly Cash Settlement Amount

Buyer shall pay Seller the “Monthly Cash Settlement Amount”, in arrears, for each Calculation Period in the amount equal to the sum, of (A) plus (B) minus (C), where:

- A = the sum, over all hours of the Calculation Period, of (i) the applicable Contract Price for each hour of Delivered Energy within the applicable CAISO market (i.e. integrated forward market, fifteen minute, and/or Real-Time Market) multiplied by (ii) the quantity of Delivered Energy during the time interval in each respective market; and
- B = the REC Price multiplied by the quantity of Green Attributes (in MWhs) that will be conveyed as described in Section 3.2 and that are associated with the Delivered Energy in the Calculation Period; and
- C = the sum, over all hours of the Calculation Period, of (i) the applicable Contract Price for each hour of Delivered Energy within the applicable CAISO market (i.e. integrated forward market, fifteen minute, and/or Real-Time Market), multiplied by

- (ii) the quantity of Delivered Energy during the time interval in each respective market.

Such Monthly Cash Settlement Amount constitutes payment for the Product, including the Green Attributes, for such applicable Calculation Period. Buyer shall be obligated to make such payments with respect to each applicable Calculation Period notwithstanding the fact that the Green Attributes associated with a particular Calculation Period may be delivered or credited to Buyer's WREGIS account subsequent to the conclusion of the applicable Calculation Period in accordance with Section 3.2(b) of this Confirmation, provided that if Seller fails to comply with the provisions of Section 3.2(b), Buyer shall be entitled to exercise all rights and remedies available to Buyer under this Agreement for Seller's failure to deliver the Product.

4.2 **Payment**

Notwithstanding any provision to the contrary in [Section 6.2 of the Master Agreement] [Part 6(d)(ii) of the Power Annex], payments of each Monthly Cash Settlement Amount by Buyer to Seller under this Confirmation shall be due and payable on or before the later of the twentieth (20th) day of the month in which the Buyer receives from Seller an invoice for the Calculation Period to which the Monthly Cash Settlement Amount pertains, or within ten (10) Business Days, or, if such day is not a [Business Day] [Local Business Day], then on the next [Business Day] [Local Business Day], following receipt of an invoice issued by Seller for the applicable Calculation Period.

Payment to Seller shall be made by ACH, or in another form reasonably requested, pursuant to the following:

JP Morgan Chase Bank
New York, NY
ABA: [_____]
ACCT: [_____]

4.3 **Invoicing**

Invoices to Buyer will be sent by hard copy and PDF format to:

[_____-]
Attn:
Phone:
Facsimile:

For purposes of this Confirmation, Buyer shall be deemed to have received an invoice upon the receipt of either the hard copy or PDF format of the invoice, whichever comes first.

ARTICLE 5 REPRESENTATIONS, WARRANTIES AND COVENANTS

5.1 **Seller's Representation, Warranties, and Covenants Related to Green Attributes**

- (a) Seller, and, if applicable, its successors, represents and warrants that throughout the 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 Confirmation 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.

"Commercially reasonable efforts" shall not require Seller to incur out-of-pocket expenses in excess of \$25,000 in the aggregate in any one calendar year.

- (b) 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.
- (c) In addition to the foregoing, Seller warrants, represents and covenants, as of the Confirmation Effective Date and throughout the Term, that:
 - (i) Seller has the right to sell all right, title, and interest in the Product agreed to be delivered hereunder;
 - (ii) Seller has not sold the Product to be delivered under this Confirmation to any other person or entity;
 - (iii) at the time of delivery, all rights, title, and interest in the Product to be delivered under this Confirmation are free and clear of all liens, taxes, claims, security interests, or other encumbrances of any kind whatsoever;
 - (iv) the electric energy generated with the Green Attributes delivered under this Confirmation was not and will not be separately sold, marketed, reported, or otherwise represented as renewable energy, renewable electricity, clean energy, zero-emission energy, or in any similar manner;
 - (v) the Project and all electrical output from the Project is registered with WREGIS as California RPS-Eligible Electric Energy; and
 - (vi) the Project meets the criteria in either (A) or (B):
 - (A) The Project 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
 - (B) The Project has an agreement to dynamically transfer electricity to a California balancing authority.
- (d) Seller and, if applicable, its successors, represents and warrants that throughout the Delivery Period of this Agreement the renewable energy credits transferred to Buyer conform to the definition and attributes required for compliance with the California Renewables Portfolio Standard, as set forth in California Public Utilities Commission Decision 08-08-028, and as may be modified by subsequent decision of the California Public Utilities Commission or by subsequent legislation. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be

materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law.

- (e) Seller makes no representation, warranty or covenant with respect to any portfolio content category designation pursuant to California Public Utilities Code Section 399.16 nor any eligibility of the Product to qualify as excess procurement pursuant to California Public Utilities Code Section 399.13(a)(4)(B).
- (f) If and to the extent that the Product sold by Seller is a resale of part or all of a contract 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 Electric Energy and Green Attributes that have not yet been generated prior to the commencement of the Delivery Period;
 - (iii) The Delivered Energy transferred hereunder is transferred to Buyer in real time; and
 - (iv) If the Project 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 6 GOVERNING LAW

6.1 Applicability to Transactions under this Confirmation

Notwithstanding [Section 10.6] [Section 13] of the Master Agreement, for the purposes of the Transaction memorialized in this Confirmation, the provision set forth below will apply. This provision does not change the Governing Law applicable to any other Transaction entered into between the Parties under the Master Agreement.

6.2 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.

ARTICLE 7 CREDIT AND COLLATERAL

7.1 General Provisions

ID# _____, *[Insert Name of Buyer]*

To the extent that there are conflicting credit terms between the Master Agreement and this Confirmation, the credit and collateral terms set forth in this Confirmation shall prevail. All implied rights relating to financial assurances arising from Section 2-609 of the Uniform Commercial Code or case law applying similar doctrines, are hereby waived.

7.2 Collateral Requirements

Buyer shall provide its **[Fixed Independent Amount]** **[Independent Amount]** requirement of **[insert dollar amount]** *{SCE Comment: Highest Monthly Cash Settlement Amount for two consecutive months}* within five (5) Business Days following the Condition Precedent Satisfaction Date. Such requirement can be satisfied with Buyer's **[Collateral Threshold]** **[Threshold]** or by posting Cash or a Letter of Credit. This **[Fixed Independent Amount]** **[Independent Amount]** constitutes the sole **[Collateral Requirement]** **[Credit Support Amount]** for Buyer under this Confirmation, and shall be maintained throughout the Delivery Period until all Buyer's obligations have been satisfied under this Confirmation.

For avoidance of doubt, **[Collateral Requirement]** **[Credit Support Amount]** for Seller is zero under this Confirmation.

ARTICLE 8 CONFIDENTIALITY

Notwithstanding **[Section 10.11 (Confidentiality) of the Master Agreement and Cover Sheet]** **[Part 5(a) of the Schedule]**², the Parties agree that a Party may also disclose the terms of this Transaction to WREGIS.

ARTICLE 9 TERMINATION

9.1 Termination Payment

If this Confirmation is terminated for any Event of Default, such termination shall be treated in accordance with **[Sections 5.2 and 5.3]** **[Sections 6(a) and 6(e)]** of the Master Agreement and the corresponding **[Termination Payment]** **[Early Termination Amount]** may be netted against other Transactions between the Parties under the Master Agreement.

[Signatures are on the following page]

² SCE Drafting Note: Please reference the appropriate section related to "Confidentiality" from the Schedule to the ISDA Master Agreement.

ID# _____, *[Insert Name of Buyer]*

**ACKNOWLEDGED AND AGREED TO AS OF THE CONFIRMATION EFFECTIVE
DATE:**

[_____]

**SOUTHERN CALIFORNIA EDISON
COMPANY,**

a _____.

a California corporation.

By: _____

By: _____

William V. Walsh

Vice President, Energy Procurement &
Management

Date: _____

Date: _____

ID# _____, *[Insert Name of Buyer]***EXHIBIT A***{SCE COMMENT: Generating Facility information to be populated as necessary.}*

Name of Facility:	
Resource:	
Location:	
EIA-860 Number:	
CEC ID:	
WREGIS ID:	
CEC RPS Eligibility Date:	
On-line Date:	

Name of Facility:	
Resource:	
Location:	
EIA-860 Number:	
CEC ID:	
WREGIS ID:	
CEC RPS Eligibility Date:	
On-line Date:	

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ID# _____, *[Insert Name of Buyer]*

Resource:	
Location:	
EIA-860 Number:	
CEC ID:	
WREGIS ID:	
CEC RPS Eligibility Date:	
On-line Date:	

Name of Facility:	
Resource:	
Location:	
EIA-860 Number:	
CEC ID:	
WREGIS ID:	
CEC RPS Eligibility Date:	
On-line Date:	

Name of Facility:	
Resource:	
Location:	
EIA-860 Number:	
CEC ID:	
WREGIS ID:	
CEC RPS Eligibility Date:	
On-line Date:	

PUBLIC APPENDIX J.2

Redline of 2019 *Pro Forma* Renewable Energy Credits Sales Agreement

PCC 1 REC SALES AGREEMENT~~CONFIRMATION~~*between***SOUTHERN CALIFORNIA EDISON COMPANY***and***[INSERT NAME OF BUYER]**

{SCE DRAFTING NOTE: FOR ALL TRANSACTIONS IN WHICH THE PARTIES ARE ENABLED UNDER AN EEI AGREEMENT, PLEASE DELETE ALL LANGUAGE THAT APPEARS BRACKETED IN GREEN. FOR ALL TRANSACTIONS IN WHICH THE PARTIES ARE ENABLED UNDER AN ISDA AGREEMENT, PLEASE DELETE ALL LANGUAGE THAT APPEARS BRACKETED IN RED.}

[This REC Sales Confirmation (“Confirmation”) confirms the transaction (“Transaction”) between **Southern California Edison Company** (“Seller” or “SCE”) and **[Insert name of Buyer]** (“Buyer”), each individually a “Party” and together the “Parties”, effective as of _____, 201__ (the “Confirmation Effective Date”). This Transaction is governed by the ISDA 2002 Master Agreement between the Parties, effective as of **[Date]**, along with the Schedule and any amendments and annexes thereto (the “Master Agreement”), and including, the Power Annex, the Credit Support Annex, Paragraph 13 of the Credit Support Annex and any other Credit Support Document. The Master Agreement and this Confirmation shall be collectively referred to herein as the “Agreement”. Capitalized terms used but not otherwise defined in this Confirmation have the meanings ascribed to them in the Master Agreement or the Tariff. If any defined term in this Confirmation conflicts with the same defined term in the Tariff or Master Agreement, the definition set forth in this Confirmation shall supersede.]

[This REC Sales Confirmation (“Confirmation”) confirms the transaction (“Transaction”) between **Southern California Edison Company** (“Seller” or “SCE”) and **[Insert name of Buyer]** (“Buyer”), each individually a “Party” and together the “Parties”, effective as of _____, 201__ (the “Confirmation Effective Date”). This Transaction is governed by the Edison Electric Institute (“EEI”) Master Power Purchase and Sale Agreement between the Parties, effective as of **[Date]**, along with the Cover Sheet, any amendments and annexes thereto (the “Master Agreement”), and including, the EEI Collateral Annex to the Master Agreement along with the Paragraph 10 to the Collateral Annex between the Parties (such Paragraph 10 and the Collateral Annex are both referred to herein as the “Collateral Annex”) (the Master Agreement and the Collateral Annex shall be collectively referred to as the “EEI Agreement”). The EEI Agreement and this Confirmation shall be collectively referred to herein as the “Agreement”. Capitalized terms used but not otherwise defined in this Confirmation have the meanings ascribed to them in the EEI Agreement or the Tariff. If any defined term in this Confirmation conflicts with the same defined term in the Tariff or EEI Agreement, the definition set forth in this Confirmation shall supersede.]

ARTICLE 1

COMMERCIAL TERMS

Seller: SOUTHERN CALIFORNIA EDISON COMPANY		Buyer:
Trading:	<p><u>Seller</u> <u>Buyer</u></p> <p>Day Ahead: 626-307-4425 Real Time: 626-307-4453</p> <p>Contact information is for convenience and is subject to change by notice.</p>	
Scheduling:	<p><u>Seller</u> <u>Buyer</u></p> <p>Day Ahead: 626-307-4425 Real Time: 626-307-4453</p> <p>Contact information is for convenience and is subject to change by notice.</p>	
Product:	<p>The Product is a Firm Delivery Obligation of California RPS-Eligible Electric Energy and associated Green Attributes.</p> <p>During the Delivery Period, Seller shall deliver and sell, and Buyer shall purchase and receive, the Product, subject to the terms and conditions of this Confirmation. Seller shall not substitute or purchase any Green Attributes from any generating resource other than the Project for delivery hereunder.</p>	
Project:	<p>All Product sold hereunder shall be from one or more of the generating facilities listed in <u>Exhibit A</u> (collectively, the "Project").</p> <p>The Parties acknowledge and agree that the Project consists of one or more generating facilities and that Seller is permitted to utilize any one or more of these generating facilities in order to satisfy its obligations hereunder.</p> <p>The Parties further acknowledge and agree that, with respect to Section 3.2(a) of this Confirmation, Product shall solely be limited to the actual Product generated and delivered by the generating facility(ies) used to satisfy the Contract Quantity, and that Buyer is not entitled to any additional Product or other attributes related to the Product produced by the generating facility(ies) in the Project above and beyond the Contract Quantity.</p> <p>Subject to Buyer's consent, not to be unreasonably withheld, Seller may include additional generating facility(ies) in the Project such that Seller is permitted to utilize such additional generating facility(ies) to satisfy its obligations hereunder, provided that Seller notifies Buyer of the additional generating facility(ies) at least two (2) Business Days prior to such addition.</p>	
Contract Capacity	<p>"Contract Capacity" shall be equal to the Contract Quantity divided by the number of hours between the start of the Delivery Period and the end of the day on _____, 20__, rounded up to the nearest whole MW.</p>	

Contract Quantity:	“Contract Quantity” shall be equal to ____ MWh of CAISO Energy.
Contract Price:	“Contract Price” shall be Index. “REC Price” shall be \$/____ MWh.
Term:	The Term of this Transaction shall commence upon the Confirmation Effective Date and shall continue until delivery by Seller to Buyer of the Contract Quantity of the Product has been completed and all other obligations of the Parties under this Agreement have been satisfied, unless terminated earlier due to failure to satisfy the Conditions Precedent or as otherwise provided in the Agreement (“Term”).
Delivery Period:	Subject to the occurrence of the Condition Precedent Satisfaction Date, the delivery period of this Transaction shall commence on the later of (i) ____, 20__ and (ii) the tenth (10 th) Business Day after the Condition Precedent Satisfaction Date, and shall continue through ____, 20__ (“Delivery Period”).
Delivery Point:	Seller shall deliver the Product at the Pricing Node applicable to the Project.
Firm Delivery Obligation:	<p>“Firm Delivery Obligation” shall have the following meaning:</p> <p>The obligation to provide the Contract Quantity is a firm obligation in that Seller shall deliver the Contract Quantity of the Product from the Project consistent with the terms of this Confirmation without excuse other than Force Majeure, provided that, for purposes of this Confirmation, Force Majeure does not include the lack of wind, sun or other fuel source of an inherently intermittent nature. If a failure by Seller to deliver the Contract Quantity from the Project by the end of the Delivery Period is not excused by Force Majeure, [Article 4 of the Master Agreement][Part 6(c) of the Power Annex] shall apply.</p> <p>Seller shall convey title to and risk of loss of all CAISO Energy to Buyer at the Delivery Point.</p>
Scheduling Obligations:	Seller, or a qualified third party designated by Seller, shall act as Scheduling Coordinator for the Project. Buyer authorizes Seller, or its third party Scheduling Coordinator designee, to deliver the Contract Capacity and any Adjusted Contract Capacity to the CAISO at the Delivery Point as an agent on Buyer’s behalf.
Scheduling Period:	“Scheduling Period” means each hour of the Delivery Period.
Seller Regulatory Obligations:	Within ninety (90) days after the Confirmation Effective Date, SCE shall file with the CPUC the appropriate request for CPUC Approval. {SCE Comment: Please note that CPUC D.07-11-025 does not allow for any extensions to the ninety (90) day filing requirement} SCE shall expeditiously seek CPUC Approval, including promptly responding to any requests for information related to the request for CPUC Approval. As requested by SCE, Buyer shall use commercially reasonable efforts to support SCE in obtaining CPUC Approval. SCE has no obligation to seek rehearing or to appeal a CPUC decision which fails to approve this

	Agreement or which contains findings required for CPUC Approval with conditions or modifications unacceptable to either Party.
Conditions Precedent:	<p>The commencement of delivery of the Product and the obligation of Buyer to pay for the Product shall be contingent upon CPUC Approval of this Confirmation (the “Conditions Precedent”). Either Party, in its sole discretion, has the right to terminate this Confirmation upon notice in accordance with [Section 10.7][Section 12] of the Master Agreement, which such notice will be effective one (1) Business Day after such notice is given, if: (i) the CPUC issues a final and non-appealable order regarding this Confirmation which contains conditions or modifications unacceptable to either Party, or (ii) CPUC Approval of this Confirmation has not been obtained on or before the date that is [] ([]) days after the date that SCE files the request for CPUC Approval, and a notice of termination in accordance with [Section 10.7][Section 12] of the Master Agreement is given on or before the [] ([]) day after SCE files the request for CPUC Approval.</p> <p>Any termination made by a Party under this “Conditions Precedent” section shall be without liability or obligation to the other Party.</p> <p>Notwithstanding any other provision in this Confirmation, Seller will have no obligation to transfer Product to Buyer and Buyer shall have no obligation to receive or pay for the Product unless and until Seller and Buyer have obtained or waived, in their sole discretion, CPUC Approval of this Confirmation.</p>

ARTICLE 2 DEFINITIONS

“ACH” means the electronic funds transfer system operated by the National Automated Clearing House, or any successor entity.

“Adjusted Contract Capacity” has the meaning set forth in Section 3.3 of this Confirmation.

“Agreement” has the meaning set forth in the preamble of this Confirmation.

~~“ACH” means the electronic funds transfer system operated by the National Automated Clearing House, or any successor entity.~~

“Buyer” has the meaning set forth in the preamble of this Confirmation.

“Confirmation Effective Date” has the meaning set forth in the preamble of this Confirmation.

“CAISO” means the California Independent System Operator, or its successor.

“CAISO Energy” means “Energy” as defined in the Tariff.

“Calculation Period” means each calendar month during the Delivery Period.

“California RPS-Eligible Electric Energy” means electric energy from an Eligible Renewable Energy Resource, as such term is defined in Public Utilities Code Section 399.12 and 399.16.

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

“Condition Precedent” has the meaning set forth in Article 1 of this Confirmation.

“Condition Precedent Satisfaction Date” means the date on which CPUC Approval has been obtained.

“Confirmation” has the meaning set forth in the preamble of this Confirmation.

“Contract Capacity” has the meaning set forth in Article 1 of this Confirmation.

“Contract Price” has the meaning set forth in Article 1 of this Confirmation.

“Contract Quantity” has the meaning set forth in Article 1 of this Confirmation.

“Confirmation Effective Date” has the meaning set forth in the preamble of this Confirmation.

“CPUC” means the California Public Utilities Commission or its regulatory successor.

“CPUC Approval” means a decision of the CPUC that (i) is final and no longer subject to appeal, which approves the Agreement in full and in the form presented on terms and conditions acceptable to SCE in its sole discretion, including terms and conditions related to cost recovery and cost allocation of amounts paid to Seller under the Agreement; and (ii) does not contain conditions or modifications unacceptable to SCE, in SCE’s sole discretion.

“Day-Ahead Market” has the meaning set forth in the Tariff.

“Delivered Energy” means the CAISO Energy from the Project that is delivered and scheduled into either the Real Time-Market and/or Day-Ahead Market by Seller on behalf of Buyer at the Delivery Point.

“Delivery Point” has the meaning set forth in Article 1 of this Confirmation.

“Delivery Period” has the meaning set forth in Article 1 of this Confirmation.

“EEI Agreement” has the meaning set forth in the preamble of this Confirmation. [{SCE Drafting Note: Delete this term if using the ISDA and not the EEI.}](#)

“ERR” has the meaning set forth in Section 6.1(a) of this Confirmation.

“Firm Delivery Obligation” has the meaning set forth in Article 1 of this Confirmation.

“Green Attributes” means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Project, and its avoided emission of pollutants. Green Attributes include but are not limited to Renewable Energy Credits, as well as:

- (1) Any avoided emission of pollutants to the air, soil or water such as sulfur oxides (SO_x), nitrogen oxides (NO_x), carbon monoxide (CO) and other pollutants;
- (2) Any avoided emissions of carbon dioxide (CO₂), methane (CH₄), nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth’s climate by trapping heat in the atmosphere;¹
- (3) The reporting rights to these avoided emissions, such as Green Tag Reporting Rights.

Green Tag Reporting Rights are the right of a Green Tag Purchaser to report the ownership of accumulated Green Tags in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at the Green Tag Purchaser’s discretion, and include without limitation those Green Tag Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions

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

trading program. Green Tags are accumulated on a MWh basis and one Green Tag represents the Green Attributes associated with one (1) MWh of energy.

Green Attributes do not include:

- (i) Any energy, capacity, reliability or other power attributes from the Project,
- (ii) Production tax credits associated with the construction or operation of the Project and other financial incentives in the form of credits, reductions, or allowances associated with the Project that are applicable to a state or federal income taxation obligation,
- (iii) Fuel-related subsidies or “tipping fees” that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits, or
- (iv) Emission reduction credits encumbered or used by the Project for compliance with local, state, or federal operating and/or air quality permits.

If the Project is a biomass or biogas facility and Seller receives any tradable Green Attributes based on the greenhouse gas reduction benefits or other emission offsets attributed to its fuel usage, it shall provide Buyer with sufficient Green Attributes to ensure that there are zero (0) net emissions associated with the production of electricity from the Project.

“Index” means, for each Scheduling Period, the applicable CAISO market price for the CAISO Pricing Node for the applicable portion of the Project for each applicable period 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.

“Make-Up Amount” has the meaning set forth in Section 3.3 of this Confirmation.

“Master Agreement” has the meaning set forth in the preamble of this Confirmation.

“Monthly Cash Settlement Amount” has the meaning set forth in Article 4 of this Confirmation.

“Pricing Node” has the meaning set forth in the Tariff.

“Product” has the meaning set forth in Article 1 of this Confirmation.

“Project” has the meaning set forth in Article 1 of this Confirmation.

“Real-Time Market” has the meaning set forth in the Tariff.

“REC Price” has the meaning set forth in Article 1 of this Confirmation.

“Renewable Energy Credit” or “REC” has the meaning set forth in CPUC Decision 08-08-028, as such definition may be modified by the CPUC or applicable law from time to time.

“RPS” means the California Renewables Portfolio Standard Program as codified at California Public Utilities Code Section 399.11 *et seq.*, and any decisions by the CPUC related thereto.

“Scheduling Period” has the meaning set forth in Article 1 of this Confirmation.

“Seller” has the meaning set forth in the preamble of this Confirmation.

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

“Term” has the meaning set forth in Article 1 of this Confirmation.

“Transaction” has the meaning set forth in the preamble of this Confirmation.

“Under-delivered Product” has the meaning set forth in Section 3.3 of this Confirmation.

“Vintage” means the calendar year the WREGIS Certificate is associated with through the generation of electric energy.

“WREGIS” means the Western Renewable Energy Generation Information System or other process recognized under applicable laws for the registration, transfer or ownership of Green Attributes.

“WREGIS Certificate” means “Certificate” as defined by WREGIS in the WREGIS Operating Rules.

“WREGIS Operating Rules” means the operating rules and requirements adopted by WREGIS, as amended, supplemented or replaced from time to time.

ARTICLE 3 CONVEYANCE OF RENEWABLE ENERGY

3.1 Seller’s Conveyance of Electric Energy

Beginning on the first day of the Delivery Period and throughout all applicable months of the Delivery Period, Seller shall deliver and sell, and Buyer shall purchase and receive, the electric energy associated with the Product, subject to the terms and conditions of this Confirmation. Buyer will not be obligated to purchase from Seller any Product that is not or cannot be delivered as a result of Force Majeure.

3.2 Seller’s Conveyance Of Green Attributes

(a) Green Attributes

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

The Green Attributes are delivered and conveyed upon completion of all actions described in Section 3.2(b) below.

(b) Green Attributes Initially Credited to Seller’s WREGIS Account

- (1) During the Delivery Period, Seller, at its own cost and expense, shall maintain its registration with WREGIS. All Green Attributes transferred by Seller hereunder shall be designated California RPS-compliant with WREGIS. Seller shall, at its sole expense, use WREGIS as required pursuant to the WREGIS Operating Rules to effectuate the transfer of Green Attributes to Buyer in accordance with WREGIS reporting protocols and WREGIS Operating Rules.
- (2) For each applicable month of the Delivery Period, Seller shall deliver and convey the Green Attributes associated with the electric energy delivered pursuant to Section 3.1 above within thirty (30) days after the WREGIS Certificates for the Green Attributes are created. Seller shall deliver and convey such Green Attributes by properly transferring such WREGIS Certificates, in accordance with the rules and regulations of WREGIS, equivalent to the quantity of Green Attributes, to Buyer into Buyer’s WREGIS account such that all right, title and interest in and to

the WREGIS Certificates shall transfer from Seller to Buyer; provided further, that if Seller fails to properly transfer such WREGIS Certificates to Buyer in accordance with the above due to an error or omission of an administrative or clerical nature and if such failure can be cured with no harm to Buyer, then Seller may cure such failure within thirty (30) days after notice of such failure.

- (3) In addition to its other obligations under this Section 3.2, Seller shall convey to Buyer WREGIS Certificates from the Project that are of the same Vintage as the California RPS-Eligible Electric Energy that was provided under Section 3.1 of this Confirmation.

3.3 **Delayed Delivery of Product**

In the event Seller is unable to deliver any portion of the Contract Quantity, during any particular portion of the Delivery Period for any reason (such amount of Product being referred to herein as “Under-delivered Product”), Seller shall be permitted to increase the amount of Product it provides during any remaining portion of the Delivery Period (the “Make-Up Amount”) by increasing the Contract Capacity scheduled during the remaining portion of the Delivery Period (the “Adjusted Contract Capacity”). The aggregate amount of Product provided during the Delivery Period as part of any Make-Up Amount shall (a) be equivalent to the amount of Under-delivered Product, such that Seller will provide Product to Buyer in an aggregate amount equal to the Contract Quantity over the entire Delivery Period in accordance with this Confirmation, (b) be Product from the Project, and (c) be provided during the Delivery Period. In the event that there is any Under-delivered Product at any point in time during the Delivery Period, (i) such fact shall not constitute an Event of Default, and (ii) [Section 4.1 of the Master Agreement] [Part 6(c)(i) of the Power Annex] shall not apply with respect to such fact until the Delivery Period has concluded, provided that, if at the end of the Delivery Period, the amount of Product, including any Product in the form of a Make-Up Amount, provided by Seller to Buyer is less than the Contract Quantity, then [Section 4.1 of the Master Agreement] [Part 6(c)(i) of the Power Annex] will apply to the Under-delivered Product associated with such shortfall.

ARTICLE 4 COMPENSATION

4.1 **Monthly Cash Settlement Amount**

Buyer shall pay Seller the “Monthly Cash Settlement Amount”, in arrears, for each Calculation Period in the amount equal to the sum, of (A) plus (B) minus (C), where:

- A = the sum, over all hours of the Calculation Period, of (i) the applicable Contract Price for each hour of Delivered Energy within the applicable CAISO market (i.e. integrated forward market, fifteen minute, and/or Real-Time Market) multiplied by (ii) the quantity of Delivered Energy during the time interval in each respective market; and
- B = the REC Price multiplied by the quantity of Green Attributes (in MWhs) that will be conveyed as described in Section 3.2 and that are associated with the Delivered Energy in the Calculation Period; and
- C = the sum, over all hours of the Calculation Period, of (i) the applicable Contract Price for each hour of Delivered Energy within the applicable CAISO market (i.e.

integrated forward market, fifteen minute, and/or Real-Time Market), multiplied by
(ii) the quantity of Delivered Energy during the time interval in each respective market.

Such Monthly Cash Settlement Amount constitutes payment for the Product, including the Green Attributes, for such applicable Calculation Period. Buyer shall be obligated to make such payments with respect to each applicable Calculation Period notwithstanding the fact that the Green Attributes associated with a particular Calculation Period may be delivered or credited to Buyer's WREGIS account subsequent to the conclusion of the applicable Calculation Period in accordance with Section 3.2(b) of this Confirmation, provided that if Seller fails to comply with the provisions of Section 3.2(b), Buyer shall be entitled to exercise all rights and remedies available to Buyer under this Agreement for Seller's failure to deliver the Product.

4.2 **Payment**

Notwithstanding any provision to the contrary in [Section 6.2 of the Master Agreement] [Part 6(d)(ii) of the Power Annex], payments of each Monthly Cash Settlement Amount by Buyer to Seller under this Confirmation shall be due and payable on or before the later of the twentieth (20th) day of the month in which the Buyer receives from Seller an invoice for the Calculation Period to which the Monthly Cash Settlement Amount pertains, or within ten (10) Business Days, or, if such day is not a [Business Day] [Local Business Day], then on the next [Business Day] [Local Business Day], following receipt of an invoice issued by Seller for the applicable Calculation Period.

Payment to Seller shall be made by ACH, or in another form reasonably requested, pursuant to the following:

JP Morgan Chase Bank
New York, NY
ABA: [_____]
ACCT: [_____]

4.3 **Invoicing**

Invoices to Buyer will be sent by hard copy and PDF format to:

[_____-]
Attn:
Phone:
Facsimile:

For purposes of this Confirmation, Buyer shall be deemed to have received an invoice upon the receipt of either the hard copy or PDF format of the invoice, whichever comes first.

ARTICLE 5 REPRESENTATIONS, WARRANTIES AND COVENANTS

5.1 **Seller's Representation, Warranties, and Covenants Related to Green Attributes**

- (a) Seller, and, if applicable, its successors, represents and warrants that throughout the 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 Confirmation 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.

“Commercially reasonable efforts” shall not require Seller to incur out-of-pocket expenses in excess of \$25,000 in the aggregate in any one calendar year.

- (b) 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 of Product under the ~~contract~~ [Agreement](#).
- (c) In addition to the foregoing, Seller warrants, represents and covenants, as of the Confirmation Effective Date and throughout the Term, that:
 - (i) Seller has the right to sell all right, title, and interest in the Product agreed to be delivered hereunder;
 - (ii) Seller has not sold the Product to be delivered under this Confirmation to any other person or entity;
 - (iii) at the time of delivery, all rights, title, and interest in the Product to be delivered under this Confirmation are free and clear of all liens, taxes, claims, security interests, or other encumbrances of any kind whatsoever;
 - (iv) the electric energy generated with the Green Attributes delivered under this Confirmation was not and will not be separately sold, marketed, reported, or otherwise represented as renewable energy, renewable electricity, clean energy, zero-emission energy, or in any similar manner;
 - (v) the Project and all electrical output from the Project is registered with WREGIS as California RPS-Eligible Electric Energy; and
 - (vi) the Project meets the criteria in either (A) or (B):
 - (A) The Project 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
 - (B) The Project has an agreement to dynamically transfer electricity to a California balancing authority.
- (d) [Seller and, if applicable, its successors, represents and warrants that throughout the Delivery Period of this Agreement the renewable energy credits transferred to Buyer conform to the definition and attributes required for compliance with the California Renewables Portfolio Standard, as set forth in California Public Utilities Commission Decision 08-08-028, and as may be modified by subsequent decision of the California](#)

Public Utilities Commission or by subsequent legislation. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law.

~~(d)~~(c) Seller makes no representation, warranty or covenant with respect to any portfolio content category designation pursuant to California Public Utilities Code Section 399.16 nor any eligibility of the Product to qualify as excess procurement pursuant to California Public Utilities Code Section 399.13(a)(4)(B).

~~(e)~~(f) If and to the extent that the Product sold by Seller is a resale of part or all of a contract 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 Electric Energy and Green Attributes that have not yet been generated prior to the commencement of the Delivery Period;
- (iii) The Delivered Energy transferred hereunder is transferred to Buyer in real time; and
- (iv) If the Project 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 6 GOVERNING LAW

6.1 Applicability to Transactions under this Confirmation

Notwithstanding [Section 10.6] [Section 13] of the Master Agreement, for the purposes of the Transaction memorialized in this Confirmation, the provision set forth below will apply. This provision does not change the Governing Law applicable to any other Transaction entered into between the Parties under the Master Agreement.

6.2 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.

ARTICLE 7 CREDIT AND COLLATERAL

7.1 General Provisions

To the extent that there are conflicting credit terms between the Master Agreement and this Confirmation, the credit and collateral terms set forth in this Confirmation shall prevail. All implied rights relating to financial assurances arising from Section 2-609 of the Uniform Commercial Code or case law applying similar doctrines, are hereby waived.

7.2 Collateral Requirements

Buyer shall provide its **[Fixed Independent Amount]** **[Independent Amount]** requirement of *[insert dollar amount]* *{SCE Comment: Highest Monthly Cash Settlement Amount for two consecutive months}* within five (5) Business Days following the Condition Precedent Satisfaction Date. Such requirement can be satisfied with Buyer's **[Collateral Threshold]** **[Threshold]** or by posting Cash or a Letter of Credit. This **[Fixed Independent Amount]** **[Independent Amount]** constitutes the sole **[Collateral Requirement]** **[Credit Support Amount]** for Buyer under this Confirmation, and shall be maintained throughout the Delivery Period until all Buyer's obligations have been satisfied under this Confirmation.

For avoidance of doubt, **[Collateral Requirement]** **[Credit Support Amount]** for Seller is zero under this Confirmation.

ARTICLE 8 CONFIDENTIALITY

Notwithstanding **[Section 10.11 (Confidentiality) of the Master Agreement and Cover Sheet]** **[Part 5(a) of the Schedule]**², the Parties agree that a Party may also disclose the terms of this Transaction to WREGIS.

ARTICLE 9 TERMINATION

9.1 Termination Payment

If this Confirmation is terminated for any Event of Default, such termination shall be treated in accordance with **[Sections 5.2 and 5.3]** **[Sections 6(a) and 6(e)]** of the Master Agreement and the corresponding **[Termination Payment]** **[Early Termination Amount]** may be netted against other Transactions between the Parties under the Master Agreement.

[Signatures are on the following page]

² SCE Drafting Note: Please reference the appropriate section related to "Confidentiality" from the Schedule to the ISDA Master Agreement.

ID# _____, *[Insert Name of Buyer]*

**ACKNOWLEDGED AND AGREED TO AS OF THE CONFIRMATION EFFECTIVE
DATE:**

[_____]

**SOUTHERN CALIFORNIA EDISON
COMPANY,**

a _____.

a California corporation.

By: _____

By: _____

~~Colin E. Cushnie~~ William V. Walsh

Vice President, Energy Procurement &
Management

Date: _____

Date: _____

ID# _____, [Insert Name of Buyer]

EXHIBIT A

{SCE COMMENT: Generating Facility information to be populated as necessary.}

Name of Facility:	
Resource:	
Location:	
EIA-860 Number:	
CEC ID:	
WREGIS ID:	
CEC RPS Eligibility Date:	
On-line Date:	

Name of Facility:	
Resource:	
Location:	
EIA-860 Number:	
CEC ID:	
WREGIS ID:	
CEC RPS Eligibility Date:	
On-line Date:	

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ID# _____, *[Insert Name of Buyer]*

Resource:	
Location:	
EIA-860 Number:	
CEC ID:	
WREGIS ID:	
CEC RPS Eligibility Date:	
On-line Date:	

Name of Facility:	
Resource:	
Location:	
EIA-860 Number:	
CEC ID:	
WREGIS ID:	
CEC RPS Eligibility Date:	
On-line Date:	

Name of Facility:	
Resource:	
Location:	
EIA-860 Number:	
CEC ID:	
WREGIS ID:	
CEC RPS Eligibility Date:	
On-line Date:	

~~*{SCE COMMENT: Generating Facility information to be populated as necessary.}*~~

PUBLIC APPENDIX K

2020 *Pro Forma* PCC 3 Renewable Energy Credits Sales Agreement

PCC 3 REC SALES AGREEMENT*between***SOUTHERN CALIFORNIA EDISON COMPANY***and***[INSERT NAME OF BUYER]**

This PCC 3 REC Sales Agreement (the “Agreement”) is entered into effective [Date of last signature] (the “Effective Date”), between Southern California Edison Company, a California corporation (“SCE” or “Seller”), and [_____] a [State of formation] [Type of entity, e.g., corporation, limited liability company] (“Buyer”) with its principal place of business at [City, State]. SCE and Buyer are sometimes referred to herein individually as a “Party” and collectively as the “Parties”.

RECITALS

- A. WHEREAS the RPS Program provides for the creation and use of transferable Renewable Energy Credits;
- B. WHEREAS Seller desires to sell Renewable Energy Credits; and
- C. WHEREAS Buyer desires to purchase Renewable Energy Credits.

NOW, THEREFORE, in consideration of these recitals and the agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

AGREEMENT**I. DEFINITIONS**

For purposes of this Agreement, the following capitalized terms will have the following meanings:

- 1.0. “ACH” has the meaning set forth in Section 2.3 of this Agreement.
- 1.1. “Affiliate” means with respect to any person, any other person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such person. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power; provided, that (a) SCE will be deemed to have no Affiliates, except for purposes of Article VI, with respect to which, Edison International will be deemed to be SCE’s sole Affiliate.
- 1.2. “Agreement” has the meaning set forth in the preamble of this Agreement.
- 1.3. “Arbitrator” has the meaning set forth in Section 7.2 of this Agreement.

- 1.4. “Business Day” means any day except a Saturday, a Sunday, a Federal Reserve Bank holiday, or the Friday immediately following the U.S. Thanksgiving holiday. A Business Day will commence at 8:00 a.m. and end at 5:00 p.m. Pacific prevailing time.
- 1.5. “Buyer” has the meaning set forth in the preamble of this Agreement.
- 1.6. “California RPS-Eligible Electric Energy” means electric energy from an Eligible Renewable Energy Resource, as such term is defined in Public Utilities Code Section 399.12 and 399.16.
- 1.7. “CEC” means the California Energy Commission or its regulatory successor.
- 1.8. “Condition Precedent” has the meaning set forth in Section 2.1 of this Agreement.
- 1.9. “Condition Precedent Satisfaction Date” means the date on which CPUC Approval has been obtained.
- 1.10. “Confidential Information” has the meaning set forth in Article VI of this Agreement.
- 1.11. “Contract Quantity” has the meaning set forth in Section 2.0 of this Agreement.
- 1.12. “CPUC” means the California Public Utilities Commission or its regulatory successor.
- 1.13. “CPUC Approval” means a decision of the CPUC that (i) is final and no longer subject to appeal, which approves the Agreement in full and in the form presented on terms and conditions acceptable to SCE in its sole discretion, including terms and conditions related to cost recovery and cost allocation of amounts paid to Seller under the Agreement; and (ii) does not contain conditions or modifications unacceptable to SCE, in SCE’s sole discretion.
- 1.14. “Effective Date” has the meaning set forth in the preamble of this Agreement.
- 1.15. “ERR” has the meaning set forth in Section 3.0(a) of this Agreement.
- 1.16. “Event of Default” has the meaning set forth in Section 5.0 of this Agreement.
- 1.17. “Interest Rate” means, for any date, (i) the per annum rate of interest equal to the “Prime Rate” published in The Wall Street Journal under “Money Rates” or such date (or if not published on such date on the most recent preceding day on which published); plus (ii) two percentage points (2%); provided, in no event may the Interest Rate exceed the maximum interest rate permitted by applicable law.
- 1.18. “JAMS” has the meaning set forth in Section 7.1 of this Agreement.
- 1.19. “Mediator” has the meaning set forth in Section 7.1 of this Agreement.
- 1.20. “Notice” means any notices, invoices, requests, letters, communications or other writings provided in accordance with Section 8.4 of this Agreement.
- 1.21. “Product” means California RPS-Eligible Portfolio Content Category 3 (“PCC-3”) Renewable Energy Credits, excluding energy and capacity.

- 1.22. "Project" means, collectively, the generating facilities listed in Exhibit A. The Parties acknowledge and agree that the Project consists of one or more generating facilities and that Seller is permitted to utilize any one or more of these generating facilities in order to satisfy its obligations hereunder.
- 1.23. "REC Price" has the meaning set forth in Section 2.0 of this Agreement.
- 1.24. "Reference Market-Maker" means a leading dealer in the relevant market that is not an Affiliate of either Party and that is selected by a Party in good faith from among dealers of the highest credit standing which satisfy all the criteria that such Party applies generally at the time in deciding whether to offer or to make an extension of credit. Such dealer may be represented by a broker.
- 1.25. "Renewable Energy Credit" or "REC" has the meaning set forth in CPUC Decision 08-08-028, as such definition may be modified by the CPUC or applicable law from time to time.
- 1.26. "RPS" means the California Renewables Portfolio Standard Program as codified at California Public Utilities Code Section 399.11 *et seq.*, and any decisions by the CPUC related thereto.
- 1.27. "Seller" has the meaning set forth in the preamble of this Agreement.
- 1.28. "Term" has the meaning set forth in Section 2.1 of this Agreement.
- 1.29. "Total Purchase Price" means the REC Price multiplied by the Contract Quantity.
- 1.30. "Vintage" means the calendar year the WREGIS Certificate is associated with through the generation of electric energy.
- 1.31. "WREGIS" means the Western Renewable Energy Generation Information System or other process recognized under applicable laws for the registration, transfer or ownership of RECs.
- 1.32. "WREGIS Certificate" means "Certificate" as defined by WREGIS in the WREGIS Operating Rules.
- 1.33. "WREGIS Operating Rules" means the operating rules and requirements adopted by WREGIS, as amended, supplemented or replaced from time to time.

II. PURCHASE AND SALE OF CONTRACT QUANTITY

2.0. Purchase.

The Contract Quantity shall be ____ RECs, of the following Vintage(s): _____.

The REC Price for the Product shall be \$____/REC.

The Contract Quantity of the Product shall be delivered and conveyed upon completion of all actions described in Section 2.4 below.

2.1. Term; Condition Precedent; CPUC Approval.

The Term of this Agreement shall commence upon the Effective Date and shall continue until delivery by Seller to Buyer of the Contract Quantity of the Product has been completed and all other obligations of the Parties under this Agreement have been satisfied, unless terminated earlier

due to failure to satisfy the Condition Precedent or as otherwise provided in this Agreement (“Term”).

Within ninety (90) days after the Effective Date, SCE shall file with the CPUC the appropriate request for CPUC Approval. *{SCE Comment: Please note that CPUC D.07-11-025 does not allow for any extensions to the ninety (90) day filing requirement}* SCE shall expeditiously seek CPUC Approval, including promptly responding to any requests for information related to the request for CPUC Approval. As requested by SCE, Buyer shall use commercially reasonable efforts to support SCE in obtaining CPUC Approval. SCE has no obligation to seek rehearing or to appeal a CPUC decision which fails to approve this Agreement or which contains findings required for CPUC Approval with conditions or modifications unacceptable to either Party.

The delivery of the Product and the obligation of Buyer to pay for the Product shall be contingent upon CPUC Approval of this Agreement (the “Condition Precedent”). Either Party, in its sole discretion, has the right to terminate this Agreement upon notice in accordance with Section 8.4, which notice will be effective one (1) Business Day after such notice is given, if: (i) the CPUC issues a final and non-appealable order regarding this Agreement which contains conditions or modifications unacceptable to either Party, or (ii) CPUC Approval of this Agreement has not been obtained on or before the date that is [] ([]) days after the date that SCE files the request for CPUC Approval, and a notice of termination in accordance with Section 8.4 is given on or before the [] ([]) day after SCE files the request for CPUC Approval.

Any termination made by a Party under this Section 2.1 shall be without liability or obligation to the other Party.

Notwithstanding any other provision in this Agreement, Seller will have no obligation to transfer Product to Buyer and Buyer shall have no obligation to receive or pay for the Product unless and until Seller and Buyer have obtained or waived, each in their sole discretion, CPUC Approval of this Agreement.

- 2.2. Invoicing. Seller will forward an invoice to Buyer detailing the Total Purchase Price owed for the Contract Quantity of the Product in accordance with this Agreement, along with payment instructions to Buyer, no later than ten (10) Business Days after the Condition Precedent Satisfaction Date.
- 2.3. Payment. Buyer will pay Seller for the Contract Quantity of the Product in full, by paying the Total Purchase Price to Seller within three (3) Business Days after Buyer’s receipt of Seller’s invoice.

All funds to be paid to Seller under this Agreement will be rendered in the form of immediately available funds (U.S. Dollars) by wire or Automated Clearing House (“ACH”) transfer to the account listed in Section 8.4 hereof.

- 2.4. Transfer of Product.

During the Term, Seller, at its own cost and expense, shall maintain its registration with WREGIS. Seller shall, at its sole expense, use WREGIS as required pursuant to the WREGIS Operating Rules to effectuate the transfer of the Product to Buyer in accordance with WREGIS reporting protocols and WREGIS Operating Rules.

Seller shall initiate a transfer of the Product within ten (10) Business Days after the later of (i) the Condition Precedent Satisfaction Date and (ii) receipt of payment of the Total Purchase Price by Seller.

Seller shall deliver and convey the Product by properly transferring the WREGIS Certificates associated with the Product, in accordance with the rules and regulations of WREGIS, to Buyer into Buyer's WREGIS account such that all right, title and interest in and to the Product shall transfer from Seller to Buyer.

Buyer will cooperate fully and assist Seller with all reasonable efforts to obtain any and all required approvals and/or certificates which may be required to effectuate the delivery of the Contract Quantity of the Product and to comply with any and all other regulatory obligations relating to recording and tracking of the transfer of the Contract Quantity of the Product as required by WREGIS.

- 2.5. Notification of Error or Non-Recordation. If WREGIS notifies a Party or the Parties of a determination that would prevent, or an error that would result in, the transfer of the Contract Quantity of the Product not being effectuated or recorded, the Parties will attempt in good faith to remedy the error and/or non-recordation and, if such error or non-recordation may be corrected, the Parties will resubmit to WREGIS any documentation reasonably necessary to correct such non-recordation within three (3) Business Days after receiving notice of non-recordation.
- 2.6. Errors. In the event that a Party submits erroneous information regarding the transaction contemplated by this Agreement or WREGIS erroneously records information submitted pursuant to this Article II, the Parties will promptly cooperate with each other and take all actions necessary to submit and rectify such error.
- 2.7. Disputes. If Buyer in good faith disputes the correctness of an invoice, Buyer will pay the undisputed amount when due and submit to Seller a Notice in writing detailing the items disputed and the reasons therefore within five (5) Business Days after receipt of the invoice from Seller. If the Parties are unable to resolve the dispute promptly, the dispute will be subject to the provisions of Article VII. If it is determined that Buyer owes all or a portion of the disputed amount, Buyer will pay Seller that amount within five (5) Business Days after such determination, along with interest accrued at the Interest Rate from and including the original payment due date but excluding the date the payment is made.
- 2.8. Taxes. Each Party will be responsible for any taxes, tax-related assessments or other fees incurred by it as a result of its purchase or sale, as the case may be, of the Contract Quantity of the Product hereunder.
- 2.9. Documentation. Buyer will promptly furnish to Seller any documentation which Buyer submits to WREGIS to effectuate the transfer of the Contract Quantity of the Product.
- 2.10. Credit. There shall be no collateral required for either Seller or Buyer under this Agreement.

III. REPRESENTATIONS, WARRANTIES AND COVENANTS**3.0 Seller's Representations, Warranties and Covenants.**

- (a) Seller, and, if applicable, its successors, represents and warrants that throughout the Term of this Agreement that:
 - (i) At the time the Product was created, the Project qualified and was 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) At the time the Product was created, the Project's output qualified 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.

"Commercially reasonable efforts" shall not require Seller to incur out-of-pocket expenses in excess of \$25,000 in the aggregate in any one calendar year.

- (b) 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 delivery of the Product under this Agreement.
- (c) In addition to the foregoing, Seller represents, warrants and covenants, as of the Effective Date and throughout the Term, that:
 - (i) Seller has the right to sell all right, title, and interest in the Contract Quantity of the Product agreed to be delivered hereunder;
 - (ii) Seller has not sold the Contract Quantity of the Product to be delivered under this Agreement to any other person or entity; and
 - (iii) at the time of delivery, all rights, title, and interest in the Contract Quantity of the Product to be delivered under this Agreement are free and clear of all liens, taxes, claims, security interests, or other encumbrances of any kind whatsoever.
- (d) Seller and, if applicable, its successors, represents and warrants that throughout the 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.
- (e) Seller makes no representation, warranty or covenant with respect to any portfolio content category designation pursuant to California Public Utilities Code Section 399.16 nor any

eligibility of the Product to qualify as excess procurement pursuant to California Public Utilities Code Section 399.13(a)(4)(B).

EXCEPT AS PROVIDED HEREIN, SELLER EXPRESSLY NEGATES ANY OTHER REPRESENTATION OR WARRANTY, WRITTEN OR ORAL, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY WITH RESPECT TO CONFORMITY TO MODELS OR SAMPLES OR MERCHANTABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE. THERE IS NO WARRANTY OR REPRESENTATION THAT BUYER'S USE OF THE PRODUCT AND/OR THE RPS PROGRAM WILL NOT BE CHALLENGED BY A GOVERNMENT AGENCY, PRIVATE PARTY, OR OTHER INTERESTED THIRD PARTY.

3.1 Representations of Both Parties. Each Party represents and warrants that on and as of the Effective Date and as of the date of transfer of the Contract Quantity of the Product hereunder:

- (a) Such Party is validly existing and in good standing under the laws of the jurisdiction of its organization. Such Party is not the subject of bankruptcy, receivership or other insolvency proceedings, nor has it made a general assignment for the benefit of creditors, commenced any proceeding for liquidation, reorganization or other relief with respect to itself or its debts, or admitted its inability to meet its obligations as they become due.
- (b) Such Party (i) has the power and authority to execute and deliver this Agreement and any other documentation relating hereto and to perform its obligations hereunder and (ii) has taken all necessary action to authorize such execution, delivery and performance.
- (c) The execution, delivery and performance of this Agreement by such Party does not violate or conflict with any law applicable to such Party, any provisions of such Party's organizational documents, any order or judgment of any court or other agency or governmental authority, or any contractual restriction binding upon affecting such Party, or any of its assets, and the person executing this Agreement on behalf of such Party is duly authorized to do so.
- (d) Except for the effecting of the transfer in WREGIS as described in this Agreement, such Party has obtained all governmental and other consents required to have been obtained by such Party, if any, to effect the transactions contemplated hereunder, and all such consents are in full force and effect and all conditions thereof have been complied with.
- (e) This Agreement constitutes a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, subject to bankruptcy, reorganization, and similar laws affecting creditors' rights generally and to general principles of equity (regardless whether considered in a proceeding in equity or at law).
- (f) Such Party will be solely responsible for all payments or obligations to any investment banker, broker, finder or intermediary engaged or utilized by such Party who is entitled to any fee or commission in connection with the transactions contemplated hereby.
- (g) There is no pending or threatened litigation, arbitration or administrative proceeding that materially adversely affects such Party's ability to perform under this Agreement.

3.2 This Article III survives the expiration or termination of this Agreement.

IV. LIMITATION OF LIABILITY

4.0 Limitation of Remedies, Liability and Damages. THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES WILL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY WILL BE LIMITED AS SET FORTH IN SUCH PROVISION AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN OR IN A TRANSACTION, THE OBLIGOR'S LIABILITY WILL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY, SUCH DIRECT ACTUAL DAMAGES WILL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. SUBJECT TO SECTION 8.6 (INDEMNIFICATION), NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, NEITHER PARTY WILL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY PROVISION SET FORTH IN THIS AGREEMENT OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

4.1 This Article IV survives the expiration or termination of this Agreement.

V. EVENTS OF DEFAULT

5.0 Event of Default. "Event of Default" will mean:

- (a) the failure by a Party to make, when due, any payment, required under this Agreement to be made by such Party if such failure is not remedied within five (5) Business Days after written Notice of such failure is given to the Party owing such payment; or
- (b) any representation or warranty made by a Party in this Agreement will prove to have been false or misleading in any material respect when made; or
- (c) the failure by a Party to perform any covenant, obligation, or agreement set forth in this Agreement (other than its obligations to make any payment or obligations which are

otherwise specifically covered in this Article V as a separate Event of Default), and such failure is not cured within five (5) Business Days after written Notice thereof to such Party; or

(d) a Party also commits an Event of Default if it:

- (i) makes an assignment or any general arrangement for the benefit of creditors,
- (ii) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause under bankruptcy or similar law for the protection of creditors, or has such petition filed against it,
- (iii) otherwise becomes bankrupt or insolvent (however evidenced), or
- (iv) becomes unable to pay its debts as they fall due.

5.1 Remedies. If an Event of Default occurs, and is continuing, with respect to either Party at any time during the term of this Agreement, the non-Defaulting Party may (a) upon two (2) Business Days' written Notice to the defaulting Party terminate this Agreement, and/or (b) withhold any payments due in respect of this Agreement to the extent of its damages, subject to Article IV, and/or (c) exercise such other remedies as may be available at law or in equity or as otherwise provided in this Agreement; provided, upon the occurrence of any Event of Default listed in clause (d) of the definition of "Event of Default" above as it may apply to any Party, this Agreement will automatically terminate, without notice.

5.2 Buyer's Liability. In the event Buyer causes an Event of Default and Seller elects to terminate this Agreement, Buyer will pay Seller termination damages equal to: (a) the amount due for any Product delivered to Buyer for which Seller has not been paid, plus (b) the positive difference, if any, between (i) the aggregate price set forth in this Agreement for all remaining Product to be delivered under this Agreement, minus (ii) the aggregate market price for equivalent Product (equivalent with respect to Contract Quantity and Vintage) as of the date such Product was to be delivered by Seller to Buyer, to be determined based on the average bid prices quoted by two (2) Reference Market-Makers plus (c) interest at the Interest Rate from the due date or the termination date, whichever is earlier, plus (d) all reasonable collection costs, plus (e) any brokerage fees and other costs reasonably incurred in terminating any arrangement pursuant to which it hedges its obligations or entering into any other replacement transactions.

5.3 Seller's Liability. In the event Seller causes an Event of Default and Buyer elects to terminate this Agreement, Seller will pay Buyer termination damages equal to: (a) the positive difference, if any, between (i) the aggregate market price for equivalent Product (equivalent with respect to Contract Quantity and Vintage) as of the date such Product that was not delivered by Seller to Buyer, to be determined based on the average offer prices quoted by two (2) Reference Market-Makers, minus (ii) the aggregate price set forth in this Agreement for all such Product not delivered by Seller to Buyer, minus (b) the amount due for any Product delivered to Buyer for which Seller has not been paid, plus (c) interest at the Interest Rate from the due date or the termination date, whichever is earlier, plus (d) all reasonable collection costs, plus (e) any brokerage fees and other costs reasonably incurred in terminating any arrangement pursuant to which it hedges its obligations or entering into any other replacement transactions.

- 5.4 Past Due Amounts. All overdue payments will bear interest from, and including the due date to, but excluding, the date of payment at the Interest Rate.

VI. CONFIDENTIALITY

Neither Party will disclose directly or indirectly without the prior written consent of the other Party the terms of this Agreement, any documents relating to this Agreement, any transaction, or any information made available by one Party to the other Party with respect to this Agreement (collectively, “Confidential Information”) to any third party (other than such disclosing Party’s or its Affiliates, employees, lenders, counsel, accountants, other agents of the Party, and ratings agencies who have a need to know such information and have agreed to keep the information confidential) except (i) in order to comply with any applicable law, order, regulation, ruling, summons, subpoena, exchange rule, or accounting disclosure rule or standard, or to make any showing required by any applicable governmental authority, (ii) to the extent necessary for the enforcement of this Agreement or to implement any transaction, (iii) to the extent such information was independently obtained from a non-confidential source that disclosed such information in a manner that did not violate its obligations to the non-disclosing Party in making such disclosure, (iv) to the extent such disclosure to a third party is for the sole purpose of calculating a published index, so long as such third party (1) has agreed prior to the disclosure to protect the specific information disclosed from public disclosure and (2) is a party engaged in the business of collecting such information for the purpose of establishing, creating, or formulating a published index, (v) to the extent such information is or becomes generally available to the public (other than in violation of the confidentiality provisions of this Agreement) prior to such disclosure by a Party, (vi) when required to be released in connection with any regulatory proceeding (provided that the releasing Party makes reasonable efforts to obtain confidential treatment of the information being released), or (vii) with respect to SCE, as may be furnished to its duly authorized regulatory and governmental agencies or entities, including without limitation the CPUC and all divisions thereof, the Federal Energy Regulatory Commission, the Energy Resources and Development Commission and to SCE’s Procurement Review Group, a group of participants including members of the CPUC and other governmental agencies and consumer groups established by the CPUC in D.02-08-071 and D.03-06-071. The existence of this Agreement is not subject to this confidentiality obligation; provided that neither Party will make any public announcement relating to this Agreement unless required pursuant to subsection (i) or (vi) of the foregoing sentence. The Parties will be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with, this confidentiality obligation. With respect to information provided concerning a transaction, this obligation will survive for a period of two (2) years following the completion, termination or expiration of such transaction. With respect to other Confidential Information, this obligation will survive for a period of three (3) years following the termination of this Agreement.

VII. DISPUTE RESOLUTION

- 7.0 Disputes. Any unresolved disputes between the Parties will initially be referred to a Vice President of SCE, or his or her designee, and an officer of the other Party for resolution. Either Party may initiate this informal resolution procedure by providing written Notice of the dispute to the other Party pursuant to Section 8.4.
- 7.1 Mediation. Either Party may initiate mediation by providing to the other Party a written request for mediation, setting forth a description of the dispute and the relief requested. The Parties will cooperate with one another in selecting the mediator (“Mediator”) from the panel of neutrals from Judicial Arbitration and Mediation Services, Inc. (“JAMS”), its successor, or any other mutually acceptable non-JAMS Mediator, and in scheduling the time and place of the mediation. Such

selection and scheduling will be completed within 45 days of the written request for mediation. Unless otherwise agreed to by the Parties, the mediation will not be scheduled for a date that is greater than 120 days from the date of the initial written demand for mediation. The Parties covenant that they will participate in the mediation in good faith, and that they will share equally in its costs (other than each Party's individual attorneys' fees and costs related to the Party's participation in the mediation, which fees and costs will be borne by such Party). All offers, promises, conduct and statements, whether oral or written, made in connection with or during the mediation by either of the Parties, their agents, representatives, employees, experts and attorneys, and by the Mediator or any of the Mediator's agents, representatives and employees, will not be subject to discovery and will be confidential, privileged and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding between or involving the Parties, or either of them, provided that evidence that is otherwise admissible or discoverable will not be rendered inadmissible or non-discoverable as a result of its use in the mediation.

Notwithstanding the rules and procedures that would otherwise apply to the mediation, and unless the Parties agree to a different arrangement, the mediation will take place in Los Angeles County, California.

- 7.2 Arbitration. Either Party may initiate binding arbitration with respect to the matters first submitted to mediation by making a written demand for binding arbitration before a single, neutral arbitrator (the "Arbitrator") at any time following the unsuccessful conclusion of the mediation provided for above.

The Parties will cooperate with one another in selecting the Arbitrator within 60 days of the initial written demand for arbitration and will further cooperate in scheduling the arbitration to commence no later than 180 days from the date of the initial written demand. If, notwithstanding their good faith efforts, the Parties are unable to agree upon a mutually acceptable Arbitrator, the Arbitrator will be appointed as provided for in California Code of Civil Procedure section 1281.6. To be qualified as an Arbitrator, each candidate must be a retired judge of a trial court of any state or federal court, or retired justice of any appellate or supreme court. Unless otherwise agreed to by the Parties, the individual acting as the Mediator will be disqualified from serving as the Arbitrator in the dispute, although the Arbitrator may be another member of the JAMS panel of neutrals or such other panel of neutrals from which the Parties have agreed to select the Mediator.

Upon a Party's written demand for binding arbitration, such dispute submitted to arbitration, including the determination of the scope or applicability of this agreement to arbitrate, will be determined by binding arbitration before the Arbitrator. Except as provided for herein, the arbitration will be conducted by the Arbitrator in accordance with the rules and procedures for arbitration of complex business disputes for the organization with which the Arbitrator is associated; absent the existence of such rules and procedures, the arbitration will be conducted in accordance with the California Arbitration Act, California Code of Civil Procedure Section 1280 *et seq.* and California procedural law (including the Code of Civil Procedure, Civil Code, Evidence Code and Rules of Court, but excluding local rules).

Notwithstanding the rules and procedures that would otherwise apply to the arbitration, and unless the Parties agree to a different arrangement, the place of the arbitration will be in Los Angeles County, California.

Also notwithstanding the rules and procedures that would otherwise apply to the arbitration, and unless the Parties agree to a different arrangement, discovery will be limited as follows. Before discovery commences, the Parties will exchange an initial disclosure of all documents and percipient witnesses which they intend to rely upon or use at any arbitration proceeding (except for documents and witnesses to be used solely for impeachment). The initial disclosure will occur within thirty (30) days after the initial conference with the Arbitrator or at such time as the Arbitrator may order. Discovery may commence at any time after the Parties' initial disclosure. The Parties will not be permitted to propound any interrogatories or requests for admissions. Discovery will be limited to 25 document requests (with no subparts), three lay witness depositions, and three expert witness depositions (unless the Arbitrator holds otherwise following a showing by the Party seeking the additional documents or depositions that the documents or depositions are critical for a fair resolution of the dispute or that a Party has improperly withheld documents). Each Party is allowed a maximum of three (3) expert witnesses, excluding rebuttal experts. Within sixty (60) days after the initial disclosure, or at such other time as the Arbitrator may order, the Parties will exchange a list of all experts upon which they intend to rely at the arbitration proceeding. Within 30 days after the initial expert disclosure, the Parties may designate a maximum of two (2) rebuttal experts. Unless the Parties agree otherwise, all direct testimony will be in form of affidavits or declarations under penalty of perjury. Each Party will make available for cross examination at the arbitration hearing its witnesses whose direct testimony has been so submitted.

Judgment on the award may be entered in any court having jurisdiction. The Arbitrator will, in any award, allocate all of the costs of the binding arbitration (other than each Party's individual attorneys' fees and costs related to the Party's participation in the arbitration, which fees and costs will be borne by such Party), including the fees of the Arbitrator and any expert witnesses, against the Party who did not prevail. Until such award is made, however, the Parties will share equally in paying the costs of arbitration.

At the conclusion of the arbitration hearing, the Arbitrator shall prepare in writing and provide to each Party a decision setting forth factual findings, legal analysis, and the reasons on which the Arbitrator's decision is based. The Arbitrator shall also have the authority to resolve claims or issues in advance of the arbitration hearing that would be appropriate for a California superior court judge to resolve in advance of trial. The Arbitrator shall not have the power to commit errors of law or fact, or to commit any abuse of discretion, that would constitute reversible error had the decision been rendered by a California superior court. The Arbitrator's decision may be vacated or corrected on appeal to a California court of competent jurisdiction for such error. Unless otherwise agreed to by the Parties, all proceedings before the Arbitrator shall be reported and transcribed by a certified court reporter, with each Party bearing one-half of the court reporter's fees.

THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY LITIGATION ARISING UNDER THIS AGREEMENT.

7.3 This Article VII survives the expiration or termination of this Agreement.

VIII. MISCELLANEOUS

ID# _____, [Insert Name of Buyer]

- 8.0 Entire Agreement. This Agreement constitutes the entire understanding of the Parties with respect to the subject matter hereof. It supersedes any prior agreement, both written and oral, or prior understandings regarding the same Contract Quantity of the Product.
- 8.1 Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be unenforceable, the remaining provisions will remain in full force and effect.
- 8.2 Headings. Descriptive headings are for convenience only and will not control or affect the meaning or construction of any provision of this Agreement.
- 8.3 Counterparts. This Agreement may be executed in any number of counterparts, all of which together will constitute a single instrument.
- 8.4 Notices. Any communications required or permitted pursuant to this Agreement will be deemed to have been given (a) on the second Business Day after being deposited in the United States mail, registered or certified and with proper postage prepaid, (b) on the first Business Day after being deposited with FedEx or other recognized overnight courier service with proper fees prepaid or (c) on the Business Day on which it is sent by e-mail or fax with confirmed receipt:

[BUYER'S NAME] ("Buyer")	SOUTHERN CALIFORNIA EDISON COMPANY ("SCE")
All Notices are deemed provided in accordance with Section 8.4 if made to the address and facsimile numbers provided below:	Unless otherwise specified, all Notices are deemed provided in accordance with Section 8.4 if made to the Contract Sponsor at the address or facsimile number provided below:
Contract Sponsor: Attn: Street: City: Phone: Facsimile:	Contract Sponsor: Attn: Energy Contract Management Street: 2244 Walnut Grove Avenue City: Rosemead, California 91770 Phone: 626-302-3240 Facsimile: 626-302-3254
Reference Numbers: Duns: Federal Tax ID Number:	Reference Numbers: Duns: 006908818 Federal Tax ID Number: 95-1240335
Contract Administration: Attn: Phone: Facsimile:	Contract Management: Attn: Energy Contract Management Phone: 626-302-9513 Facsimile: 626 302-6377
Trading: Attn: Phone: Facsimile:	Manager of Trading: Phone: (626) 302-3727 Facsimile: (626) 302-3410 E-mail: presched@sce.com

ID# _____, [Insert Name of Buyer]

[BUYER'S NAME] ("Buyer")	SOUTHERN CALIFORNIA EDISON COMPANY ("SCE")
Payments and Invoices: Attn: Phone: Facsimile: E-mail:	Payments and Invoices: Attn: ECM – Contract Settlements Phone: 626-302-8908 or 302-3205 E-mail: ppfdpowersettle@sce.com
Wire or ACH Transfer: BNK: ABA: ACCT:	Wire or ACH Transfer: BNK: JP Morgan Chase Bank ABA: ACCT:
Credit and Collections: Attn: Phone: Facsimile: E-mail:	Manager of Credit Risk Attn: Manager Credit Risk Phone: 626-302-3672 Collateral Desk: Email: scecollateral@sce.com Phone: 626-302-3383
With additional Notices of an Event of Default or Potential Event of Default to: Attn: Phone: Facsimile: E-mail:	With additional Notices of an Event of Default or Potential Event of Default to: Attn: Manager SCE Law Department Commercial Transactions Section Email: PPLegalNotice@sce.com

- 8.5 Successors and Assigns. This Agreement will be binding upon, and inure to the benefit of, the Parties and their respective successors and permitted assigns.
- 8.6 Indemnification. Each Party agrees to indemnify, defend, and hold harmless the other Party, and any of said other Party's, directors, officers, employees, agents and permitted assigns, from and against all claims, losses, liabilities, damages, judgments, awards, fines, penalties, costs, and expenses (including reasonable attorney's fees and disbursements) directly incurred in connection with or directly arising out of: (a) any breach of representation or warranty or failure to perform any covenant or agreement in this Agreement by said Party; or (b) any violation of applicable law, regulation or order by said Party. Damages related to any Product shall be calculated consistent with Sections 5.2 or 5.3, as applicable. This Section 8.6 survives the expiration or termination of this Agreement.
- 8.7 Choice of 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.

- 8.8 Venue. Notwithstanding any right that they may otherwise have under law to venue in other counties or locations, the Parties consent to jurisdiction and venue in Los Angeles County, California for any litigation or arbitration of any disputes of any nature arising out of or relating to this Agreement, including without limitation, disputes sounding in contract, tort or based on statute or regulation, that the Parties are unable to settle between themselves.
- 8.9 Amendment and Waiver. This Agreement may only be amended, changed or modified by a writing signed by both Parties. Any waiver of the requirements and provisions of this Agreement must be in a writing signed by the Party waiving its rights hereunder. The failure of either Party to enforce at any time any of the provisions of this Agreement or to require at any time performance by the other Party of any of such provisions will in no way be construed as a waiver of such provision or a relinquishment of the right to enforce such provision thereafter.
- 8.10 No Waiver of Privileges. Nothing in this Agreement is intended to waive any attorney-client, work-product, or other privilege applicable to any statement, document, communication or other material of a Party or the Parties.
- 8.11 Term. This Agreement will be effective as of the Effective Date, and except as otherwise provided herein, will terminate when the obligations of both Parties under the Agreement have been satisfied.
- 8.12 No Agency. Nothing in this Agreement will be construed to render either Party an agent, employee, representative, joint venturer or partner of the other Party.
- 8.13 No Construction for or Against Either Party. The Parties acknowledge that they have read and understood this Agreement. The Parties further acknowledge that, in entering into this Agreement, they have been advised by the attorneys of their choice. Accordingly, no Party to this Agreement will be deemed to be the drafter of any part of it, and no ambiguity in its provisions will be construed against any Party of that reason.
- 8.14 No Rights in Third Parties. Except as provided for in Section 8.5 above, the Parties do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established thereunder.
- 8.15 Forward Merchant. The Parties agree that this Agreement for the sale and purchase of the Contract Quantity of the Product will constitute “forward contracts,” and that the Parties will constitute “forward contract merchants” within the meaning of the United States Bankruptcy Code.
- 8.16 Assignment. Neither Party will assign this Agreement or its rights hereunder, without the prior written consent of the other Party, which consent may be withheld in the exercise of its sole discretion.

[Signatures are on the following page]

ID# _____, *[Insert Name of Buyer]*

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective duly authorized representative.

SOUTHERN CALIFORNIA EDISON COMPANY

By:

Title:

Date:

[BUYER'S NAME]

By:

Title:

Date:

ID# _____, [Insert Name of Buyer]

EXHIBIT A*{SCE COMMENT: Generating Facility information to be populated as necessary.}*

Name of Facility:	
Resource:	
Location:	
EIA-860 Number:	
CEC ID:	
WREGIS ID:	
CEC RPS Eligibility Date:	
On-line Date:	

Name of Facility:	
Resource:	
Location:	
EIA-860 Number:	
CEC ID:	
WREGIS ID:	
CEC RPS Eligibility Date:	
On-line Date:	

Resource:	

ID# _____, *[Insert Name of Buyer]*

Location:	
EIA-860 Number:	
CEC ID:	
WREGIS ID:	
CEC RPS Eligibility Date:	
On-line Date:	

Name of Facility:	
Resource:	
Location:	
EIA-860 Number:	
CEC ID:	
WREGIS ID:	
CEC RPS Eligibility Date:	
On-line Date:	

Name of Facility:	
Resource:	
Location:	
EIA-860 Number:	
CEC ID:	
WREGIS ID:	
CEC RPS Eligibility Date:	
On-line Date:	

PUBLIC APPENDIX L.1

2020 REC Sales Procurement Protocol



SOUTHERN CALIFORNIA
EDISON[®]

An *EDISON INTERNATIONAL*[®] Company

2020 RPS ENERGY SALES OF RENEWABLE ENERGY CREDIT PRODUCTS

Solicitation Instructions

Posted

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ASSOCIATED DOCUMENTS

- A 2020 *PRO FORMA* PCC 1 REC SALES AGREEMENT
- B EEI ENABLING AGREEMENT COVER SHEET
- C PARAGRAPH 10 TO THE EEI COLLATERAL ANNEX
- C 2020 BUNDLED RPS ENERGY SALES PROPOSAL FORM
- D NON-DISCLOSURE AGREEMENT
- E 2020 *PRO FORMA* PCC 3 REC SALES AGREEMENT

The above documents may be located and downloaded from the Solicitation Website which may be found here: [Power Advocate Website](#) (“the “Website”)

ARTICLE ONE.

GENERAL INFORMATION

1.1 Introduction

{SCE Drafting Note: This section to be updated as necessary based on RECs being sold as a bundled PCC 1 or unbundled PCC 3 RECs product only or both}

In this 2020 Bundled RPS Energy Sales Solicitation (“Solicitation”), Southern California Edison Company (“SCE”) is soliciting proposals (“Proposal” or “Proposals”) from interested offerors (“Buyer” or “Buyers”) to purchase energy and associated Renewable Energy Credits (“RECs”) (collectively “Product”), or RECs only, from SCE using an agreement in the form of the applicable *Pro Forma* PCC 1 REC Sales Confirmation or PCC 3 REC Sales Confirmation (each, a “REC Sales Agreement”), posted on the Website.

The purpose of these Solicitation Instructions (“Instructions”) is to:

- (a) Describe the Product SCE is soliciting;
- (b) Set forth the requirements of each Proposal;
- (c) Document the rights that SCE reserves for itself with regard to the Solicitation; and
- (d) Describe the time frame for the Solicitation.

These Instructions and the documents listed above under “Associated Documents” (the “Associated Documents”) are available on the Website.

Capitalized terms used in these Instructions, but not otherwise defined herein have the meanings set forth in the REC Sales Agreement.

1.2 Definition of Products Being Solicited

SCE will be selling bundled and unbundled RPS-eligible energy and associated RECs to interested buyers. The Product will come from resources within SCE’s portfolio of energy contracts. Buyers may not qualify or restrict in any manner the resources from which SCE may, in its sole discretion, choose to deliver the Product.

Buyers will have the option of selecting Product generated from:

- i) Bioenergy Renewable Auction Mechanism (“BioRAM”) contracts as required by D.18-12-003; or
- ii) Other Eligible Renewable Resources
 - a. Portfolio Content Category 1 (PCC 1); or

b. Portfolio Content Category 3 (PCC 3)

Note: Pursuant to an order of the California Public Utilities Commission (“CPUC”), SCE cannot utilize RECs generated from BioRAM facilities for compliance purposes and is attempting to sell all RECs and associated energy (as a bundled product) generated from these facilities.

Buyers may submit Proposals to purchase RECs from SCE for any term length up to a **TBD year period** - between **20xx and 20xx** (**20xx to 20xx** vintage RECs).

Buyers may submit a maximum of two bids for each allowable term length for each vintage of RECs.

For a complete definition of the various categories of RECs, SCE encourages all Buyers to review California Public Utilities Commission (“CPUC”) Decision (“D.”) 11-12-052, available at the following link:

[D1112052 Implementing Portfolio Content Categories for the Renewables Portfolio Standard Program](#)

1.3 Basic Terms and Conditions

- (a) Price: Published CAISO Day-Ahead Market SP15 price plus a price specified by Buyer for the associated REC.
- (b) Term Length: **[TBD]** years or less (deliveries in **[0000, 0000 and 0000]** only).
- (c) Quantity: Buyers may specify any quantity of Product, subject to the below limits:
 - (i) PCC 1: At least 5,000 MWh and no greater than **[TBD]** MWh.
 - (ii) PCC 3: At least 5,000 MWh and no greater than **[TBD]** MWh.
 - (iii) BioRAM: No minimum and no greater than **[TBD]** MWh.
- (d) Portfolio Content Category: Buyers shall specify whether they want to purchase RECs only (unbundled PCC 3) or RECs together with the associated energy (bundled PCC 1 or BioRAM-sourced RECs).
- (e) SCE will only consider Proposals that are substantially complete and include all of the applicable information, representations, warranties, and covenants as set forth in these Instructions and/or the 2020 Bundled RPS Energy Sales Bid Form that Buyers are required to complete (the “Proposal Form”).
- (f) The primary method for exchange of information or documents concerning this Solicitation, including any such exchange concerning the preparation or

submission of Proposals to SCE, will be via the Website or other method designated by SCE. **In order to participate in this Solicitation, Buyers must register on the Website.**

SCE may, in its sole discretion, decline to respond to any correspondence or other inquiry about this Solicitation without liability or responsibility.

(g) **{TBD}** SCE will host a conference to discuss this Solicitation with interested parties. Information on how to attend the conference will be made available on the Website. **{TBD}**

1.4 SCE Affiliates

SCE affiliates are permitted to participate in this Solicitation. Buyers must disclose if they are an SCE affiliate.

1.5 Collateral

For contracts with term lengths of 2 years or less, SCE requires no collateral posting from Buyers.

For term lengths greater than 2 years, SCE will require collateral as follows:

{TBD}

*** End of ARTICLE ONE ***

ARTICLE TWO. PRODUCT PRICE

2.1 Product Price

SCE intends to sell Product to those Buyers that have executed a PCC 1 REC Sales Agreement or PCC 3 REC Sales Agreement with SCE at the Contract Price, in \$/MWh, as defined in the applicable REC Sales Agreement. The Contract Price submitted by Buyer as part of its Proposal must conform to the pricing requirements in the REC Sales Agreement.

Under the PCC 1 REC Sales Agreement, SCE acts as Scheduling Coordinator and Buyer authorizes SCE to deliver the Contract Capacity to CAISO as an agent on Buyer's behalf. However, SCE receives the CAISO revenues from such deliveries which compensates SCE for the energy portion of the Bundled Product transaction. SCE then invoices Buyer for the REC price.

SCE will not accept any pricing Proposal that does not conform to the foregoing. Additionally, SCE will not accept index pricing or other such pricing for this Solicitation.

*** End of ARTICLE TWO ***

ARTICLE THREE. SOLICITATION SCHEDULE AND PROPOSAL SUBMITTAL PROCESS

3.1 Solicitation Schedule

Dates*	Event
TBD	SCE launches the 20XX Bundled RPS Energy Sales Solicitation
TBD	SCE hosts a Solicitation Conference (if applicable)
TBD	Buyers provide all Proposals to SCE via the Website
TBD	Buyers notifies Buyers of selection status
TBD	Contract execution

* SCE reserves the right to make changes to the above schedule.

3.2 Proposal Submittal Process

In order to have a complete and conforming Proposal submittal package, a Respondent must provide the following documents as electronic attachments through the Website by [REDACTED].

- (1) A fully completed Proposal Form (available on the Website) with final, binding pricing
 - i. Buyer must input all information and upload the Proposal Form to the Website prior to the due date.
 - ii. The Proposal Form has “check the box” attestations that Buyer must acknowledge. If Buyer is unwilling to make the required attestations by checking the box, Buyer cannot participate in this Solicitation.
 - iii. Buyer is responsible for the accuracy of all information sent to SCE. SCE will not alter, update, or change any information submitted. Buyer risks disqualification if delivered information is incorrect or is in conflict with any uploaded documents. Buyer is advised to use care when assembling and delivering all required information.
 - iv. Proposals that are incomplete or are delivered to SCE other than through the Website will be rejected. Printed copies of Proposals, as well as electronic copies via CD, DVD, or flash drive, will not be accepted.
 - v. The Proposal Form must be completed and uploaded by the date and time indicated in the Solicitation Schedule above. The date and time

set for submission of the Proposal will be strictly enforced. Late submissions will be rejected.

- vi. Once SCE has completed its review of the Proposal Form, SCE may ask Buyer for additional information.
- vii. If Buyer is unresponsive to SCE's requests for documentation, then the Proposals from Buyer may be disqualified from further consideration.

In the Proposal Form, Buyers have the choice to state their bid preference of Product from two different sources: i) Product from BioRAM Contracts; or ii) Product from non-BioRAM Contracts.

For Product from Eligible Renewable Resources other than BioRAM Contracts:

Select "RECs from eligible non-BioRAM renewable resources" from the "Bid Preference" drop down menu. Buyers should enter: i) the quantity (in MWh) of Product they wish to purchase for the Delivery Year shown; and ii) the Bid Price for the REC (per MWh).

For Product from BioRAM Contracts:

Select "RECs from BioRAM resources" from the "Bid Preference" drop down menu. Indicate the percentage of the BioRAM facility's output Buyer wants to receive in the corresponding Delivery Year. There are three BioRAM facilities that will be included in this REC Sales RFO; Pacific Ultrapower Chinese Station, Rio Bravo Rocklin, and Rio Bravo Fresno. The capacity and the 2019 monthly output (in MWh) for each BioRAM facility is listed in the Table below:

Project Name	Capacity	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
Pacific Ultrapower Chinese Station	18 MW	13,122	11,624	12,462	7,291	13,350	12,381	10,330	12,831	12,714	13,199	7,835	13,382
Rio Bravo Rocklin	24 MW	13,494	14,754	17,639	9,459	10,151	15,304	16,673	17,631	16,964	11,439	17,587	15,319
Rio Bravo Fresno	24 MW	13,303	15,981	17,092	17,113	5,712	17,424	17,197	17,713	16,193	16,746	17,468	16,416

Bidders should note that their bid percentage of any unit for any given month is not a guarantee that the facility will deliver any set amount. The actual amount of energy deliveries, and therefore RECs generated, could be more or less than the amounts shown.

- (2) An executed Confidentiality Agreement/NDA, unless Respondent already has in place an evergreen NDA with SCE or has agreed to the 'check the box' Non-Disclosure attestations in the Proposal Form.

SCE will not accept Proposals received after the submittal deadline. SCE will only consider submissions that, as of the submittal deadline, constitute complete and conforming indicative Proposals.

In addition to the documents listed above, for parties that do not have an enabling agreement in place with SCE, SCE requests that Buyers submit as part of their Proposal submittal package:

- (1) Copies of their two most recent audited annual financial statements, including certified independent accountant reports thereon;
- (2) An Enabling Agreement that Buyer is willing to sign. **Note: Only minor modifications to the Enabling Agreement will be accepted for this Solicitation.**

Each document uploaded should be labeled with a unique identifier containing the company name, document name and date (e.g., ABC Company-SCE 2019 Bundled RPS Energy Sales RFO_Proposal Template-mm.dd.yy.xlsx).

3.3 Independent Evaluator

SCE has engaged an Independent Evaluator (“IE”), **Accion Group**, to evaluate and report on the solicitation, evaluation, selection, and negotiation process for this Solicitation.

The Independent Evaluator will review all Proposals and will have the opportunity to be present at all meetings and conference calls between SCE and Buyers.

The Independent Evaluator will have full access to the Website and all correspondence to and from Buyers.

The IE’s main job is to ensure that the Solicitation process remains open, fair and transparent. The IE may periodically make presentations to SCE, the CPUC and SCE’s Procurement Review Group (“PRG”).

Questions regarding the integrity of the evaluation process or the role of the IE may be referred to **Harry Judd and/or Sheri Vincent-Crisp of Accion Group** at the following e-mail addresses: **hjudd@acciongroup.com and svincentcrisp@acciongroup.com.**

*** *End of ARTICLE THREE* ***

ARTICLE FOUR. EVALUATION OF PROPOSALS

4.1 Proposal Evaluation Overview

For Proposals to purchase RECs, SCE will consider price and quantity as the sole quantitative criteria taking into consideration vintage and other relevant factors. SCE may consider qualitative factors such as the existence of an EEI Master Agreement between SCE and the Buyer, if no EEI Master Agreement is in place the level of difficulty and time to negotiate one, structure of the purchase offered by Buyer (such as requests for Product from one specific resource over a set amount of time or a set quantity of RECs delivered monthly, etc.), and availability of product.

OTHER THAN CHANGES REQUIRED FOR CONTRACTS FOR PRODUCT FROM BIO-RAM RESOURCES, SCE WILL NOT NEGOTIATE OR ACCEPT CHANGES TO THE REC SALES AGREEMENT FOR THIS SOLICITATION.

Buyer specific details will be filled in the PCC 1 REC Sales Agreement or PCC 3 REC Sales Agreement but otherwise no changes will be made.

*** *End of ARTICLE FOUR* ***

ARTICLE FIVE.

BUYER'S REPRESENTATIONS AND WARRANTIES

- 5.1 By submitting a Proposal to SCE, the Buyer represents and warrants that the offered Contract Price assumes no collateral posting and that Buyer agrees with the terms of the applicable REC Sales Agreement without modification.

**** End of ARTICLE FIVE ****

ARTICLE SIX. REGULATORY APPROVAL

6.1 CPUC and FERC Approvals

SCE's obligations under a signed REC Sales Agreement ("Final Agreement") will only become effective upon CPUC Approval.

In the event a transaction occurs between SCE and any of its Affiliates, such Final Agreement may also require FERC approval. In such case, SCE's obligations under such Final Agreement will only become effective upon approval by both the CPUC and FERC.

6.2 Support for Regulatory Purposes

SCE may request that Buyer provide updates of any information requested in this Solicitation for purposes of filing applications or advice letters with the CPUC for approval of any Final Agreement.

*** End of ARTICLE SIX ***

ARTICLE SEVEN. CONFIDENTIALITY AND CONDUCT

7.1 Confidentiality

By submitting a Proposal, Buyer agrees to be bound by the confidentiality provisions in these Instructions including, without limitation, the provisions of the Non-Disclosure Agreement uploaded to the Website (the “NDA”). No Buyer shall collaborate on or discuss with any other Buyer any potential bidding strategies, the substance of any Proposals, including without limitation the price or any other terms or conditions of any proposals, or whether SCE has selected Buyer’s Proposal or not.

All information and documents in Buyer’s Proposal that have been clearly identified and marked by Buyer as “Confidential” on each page on which confidential information appears shall be considered confidential information. SCE shall not disclose such confidential information and documents to any third parties except form SCE’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, Buyer’s Proposal and other information submitted to SCE will be disclosed to the Independent Evaluator.

Notwithstanding the foregoing, it is expressly contemplated that the information and documents submitted by Buyer in connection with this Solicitation, including Buyer’s confidential information, may be provided to the CPUC, its staff, and the PRG. SCE retains the right to disclose any information or documents provided by Buyer 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 (“CAISO”) rule, or order issued by a court or entity with competent jurisdiction over SCE at any time even in the absence of a protective order, confidentiality agreement, or nondisclosure agreement, as the case may be, without notification to Buyer and without liability or any responsibility of SCE to Buyer. SCE cannot ensure that the CPUC will afford confidential treatment to Buyer’s confidential information, or that confidentiality agreement or orders will be obtained from and/or honored by the PRG, the California Energy Commission (“CEC”), or the CPUC. By submitting a Proposal, Buyer agrees to adhere and be bound by the confidentiality provisions described in this section and the NDA.

The treatment of confidential information described above shall continue to apply to information related to selected Proposals.

7.2 Conduct

It is expected that the parties will act in good faith in their dealings with each other with respect to this Solicitation. Buyer may not engage in Communications (as defined in Article Nine) with any other Buyer in the Solicitation concerning the price terms contained in their Proposal or related matters.

*** *End of ARTICLE SEVEN* ***

ARTICLE EIGHT. WAIVERS AND RESERVATION OF RIGHTS

8.1 Termination of Solicitation

SCE reserves the right at any time to modify any dates specified in this Solicitation or abandon this Solicitation without notice, without assigning any reasons, and without liability of Edison International, SCE or any of their subsidiaries, affiliates or representatives to any Buyer.

SCE will not be deemed to have accepted any Proposal, and will not be bound by any term thereof, unless and until authorized representatives of both SCE and Buyer execute a Final Agreement and, if appropriate, related collateral and other required agreements.

In the event that SCE terminates this Solicitation, Buyer shall be responsible for any expenses incurred by Buyer as a result of this Solicitation.

8.2 Release of SCE for any Delays

Buyer acknowledges that except for SCE's obligation to submit a fully executed Final Agreement to the CPUC for approval, Buyer bears sole responsibility for taking all actions necessary for Buyer to perform under a Final Agreement.

Buyer further acknowledges and agrees that SCE shall have no liability for any delay or cancellation in the Solicitation or any failure to reach agreement on, or time required to approve and sign, any REC Sales Agreement.

8.3 Waived Claims

By submitting a Proposal, Buyer knowingly, voluntarily, and completely waives any rights under statute, regulation, state or federal constitution or common law to assert any claim, complaint or other challenge in any regulatory, judicial or other forum, including without limitation, the CPUC (except as expressly provided below), the FERC, the Superior Court of the State of California ("State Court") or any United States District Court ("Federal Court") concerning or related in any way to the Solicitation or these Instructions, including all exhibits, attachments, and appendices thereto ("Waived Claims"). Buyer further expressly acknowledges and consents that if it asserts any Waived Claim at the CPUC, FERC, State Court or Federal Court, or otherwise in any forum, to the extent that Buyer's Proposal has not already been disqualified, SCE is entitled to automatically disqualify the Proposal from further consideration in the Solicitation or otherwise, and further, SCE may elect to terminate the Solicitation.

By submitting a Proposal, Buyer further agrees that the sole forum in which Buyer may assert any challenge with respect to the conduct or results of the Solicitation is at the CPUC. Buyer further agrees that: (1) the sole means of challenging the conduct

or results of the Solicitation is a complaint filed under Article 3, Complaints and Commission Investigations, of Title 20, Public Utilities and Energy, of the California Code of Regulations, (2) the sole basis for any such protest shall be that SCE allegedly failed in a material respect to conduct the Solicitation in accordance with these Instructions; and (3) the exclusive remedy available to Buyer in the case of such a protest shall be an order of the CPUC that SCE again conduct any portion of the Solicitation that the CPUC determines was not previously conducted in accordance with these Instructions (including any Associated Documents). Buyer 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 SCE elects to do otherwise in its sole discretion, during the pendency of such a protest the Solicitation and any related regulatory proceedings related to the Solicitation will continue as if the protest had not been filed, unless the CPUC issues an order suspending the Solicitation or SCE has elected to terminate the Solicitation.

Buyer further acknowledges and agrees that if Buyer asserts any Waived Claim, SCE shall be entitled to seek immediate dismissal of Buyer's claim, complaint or other challenge, with prejudice, by filing a motion to dismiss (or similar procedural device) supported by the language in this Article Eight and that Buyer will not challenge or oppose such a request for dismissal. Buyer further acknowledges and agrees that if it asserts any Waived Claim, and if SCE successfully has that claim dismissed or transferred to the CPUC, Buyer shall pay SCE's full costs and expenses incurred in seeking such dismissal or transfer, including reasonable attorneys' fees.

Buyer agrees to indemnify, defend and hold harmless SCE from any and all claims by any other Buyer asserted in response to the assertion of any Waived Claim by Buyer or as a result of a Buyer's protest to a filing at the CPUC resulting from the Solicitation.

Except as expressly provided in these Instructions, nothing in the Instructions, including Buyer's waiver of any Waived Claims as set forth above, shall in any way limit or otherwise affect the rights and remedies of SCE.

*** End of ARTICLE EIGHT ***

ARTICLE NINE. COMMUNICATIONS

- 9.1 For purposes of this Solicitation, “Communications” means the exchange of any material information by electronic, written, oral or other means other than as expressly provided for herein.

All Communications concerning this Solicitation, including Communications concerning the preparation of Proposals or other submissions to SCE related to the Solicitation, should be submitted to SCE via the Website.

SCE may, in its sole discretion, decline to respond to any correspondence or other inquiry without liability or responsibility.

*** *End of ARTICLE NINE* ***

ARTICLE TEN. SCE RIGHTS AND DOCUMENT CONFLICTS

10.1 SCE's Rights

SCE may, at its sole discretion, enter into Final Agreements with one or more entities submitting Proposals that will provide the best value to SCE's customers considering a variety of factors.

SCE reserves the right to reject any or all Proposals at any time on the grounds that it does not conform to the terms and conditions of these Instructions.

SCE also retains the right, in its sole judgment, to:

- (a) Modify these Instructions and any of the Associated Documents, as it deems necessary; and
- (b) Condition SCE's acceptance of any selected Proposal on a Buyer's agreement to modifications thereto including any modifications that may be recommended by SCE's PRG.

10.2 Document Conflicts

In the event of any conflict between terms contained in these Instructions or any of the Associated Documents, the conflict will be resolved by the following priority of documents:

- (a) The applicable REC Sales Agreement;
- (b) The CAISO Tariff; and
- (c) These Instructions;

Notwithstanding the foregoing, if a Final Agreement is executed between SCE and Buyer, it will have precedence over the documents listed above.

*** End of ARTICLE TEN***

PUBLIC APPENDIX L.2

Redline of 2019 REC Sales Procurement Protocol



SOUTHERN CALIFORNIA
EDISON[®]

An *EDISON INTERNATIONAL*[®] Company

202019 ~~BUNDLED~~ RPS ENERGY SALES OF
RENEWABLE ENERGY CREDIT PRODUCTS

Solicitation Instructions

Posted

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~~2020~~19 ~~Bundled~~ RPS Energy ~~REC~~ Sales

List of Associated Documents

ASSOCIATED DOCUMENTS

- A [2020 PRO FORMA PCC 1 REC SALES AGREEMENT CONFIRMATION](#)
- B EEI ENABLING AGREEMENT COVER SHEET
- C PARAGRAPH 10 TO THE EEI COLLATERAL ANNEX
- C [2020~~19~~ BUNDLED RPS ENERGY SALES PROPOSAL FORM](#)
- D NON-DISCLOSURE AGREEMENT
- E [2020 PRO FORMA PCC 3 REC SALES AGREEMENT](#)

The above documents may be located and downloaded from the Solicitation Website which may be found here: [Power Advocate Website](#) (“the “Website”)

ARTICLE ONE.

GENERAL INFORMATION

1.1 Introduction *{SCE Drafting Note: This section to be updated as necessary based on RECs being sold as a bundled PCC 1 or unbundled PCC 3 RECs product, RECs-only or both}*

In this 20~~20~~19 Bundled RPS Energy Sales Solicitation (“Solicitation”), Southern California Edison Company (“SCE”) is soliciting proposals (“Proposal” or “Proposals”) from interested offerors (“Buyer” or “Buyers”) to purchase energy and associated Renewable Energy Credits (“RECs”) (collectively “Product”), or RECs only, from SCE using an agreement in the form of the applicable Pro Forma PCC 1 REC Sales Confirmation or PCC 3 REC Sales Confirmation (each, a “REC Sales Agreement”), posted on the Website.

The purpose of these Solicitation Instructions (“Instructions”) is to:

- (a) Describe the Product SCE is soliciting;
- (b) Set forth the requirements of each Proposal;
- (c) Document the rights that SCE reserves for itself with regard to the Solicitation; and
- (d) Describe the time frame for the Solicitation.

These Instructions and the documents listed above under “Associated Documents” (the “Associated Documents”) are available on the Website.

Capitalized terms used in these Instructions, but not otherwise defined herein have the meanings set forth in the REC Sales Agreement.

1.2 Definition of Products Being Solicited

SCE will be selling bundled and unbundled RPS-eligible energy and associated RECs to interested buyers. The Product will come from resources within SCE’s portfolio of energy contracts. Buyers may not qualify or restrict in any manner the resources from which SCE may, in its sole discretion, choose to deliver the Product.

Buyers will have the option of selecting Product generated from:

- i) Bioenergy Renewable Auction Mechanism (“BioRAM”) contracts as required by D.18-12-003; or

ii) Other Eligible Renewable Resources

a. Portfolio Content Category 1 (PCC 1); or

~~a.~~b. Portfolio Content Category 3 (PCC 3)

Note: Pursuant to an order of the California Public Utilities Commission (“CPUC”), SCE cannot utilize RECs generated from BioRAM facilities for compliance purposes and is attempting to sell all RECs and associated energy (as a bundled product) generated from these facilities.

Buyers may submit Proposals to purchase RECs from SCE for any term length up to a **TBD year period** - between **20xx0000** and **20xx0000** (**20xx0000** to **20xx0000** vintage RECs).

Buyers may submit a maximum of two bids for each allowable term length for each vintage of RECs.

For a complete definition of ~~what constitutes~~ the various categories of RECs, SCE encourages all Buyers to review California Public Utilities Commission (“CPUC”) Decision (“D.”) 11-12-052, available at the following link:

[D1112052 Implementing Portfolio Content Categories for the Renewables Portfolio Standard Program](#)

1.3 Basic Terms and Conditions

- (a) Price: Published CAISO Day-Ahead Market SP15 price plus a price specified by Buyer for the associated REC.
- (b) Term Length: **[TBD]** years or less (deliveries in **[0000, 0000 and 0000]** only).
- (c) Quantity: Buyers may specify any quantity of Product, subject to the below limits:-
 - (i) PCC 1: At least 5,000 MWh and no greater than **[TBD]** MWh.
 - (ii) PCC 3: At least 5,000 MWh and no greater than **[TBD]** MWh.
 - ~~(i)(iii)~~ BioRAM: No minimum and no greater than **[TBD]** MWh.
- ~~(e)(d)~~ Portfolio Content Category: Buyers shall specify whether they want to purchase RECs only (unbundled PCC 3) or RECs together with the associated energy (bundled PCC 1 or BioRAM-sourced RECs).
- ~~(d)(e)~~ SCE will only consider Proposals that are substantially complete and include all of the applicable information, representations, warranties, and covenants as set forth in these Instructions and/or the 20**2019** Bundled RPS Energy Sales Bid Form that Buyers are required to complete (the “Proposal Form”).
- ~~(e)(f)~~ The primary method for exchange of information or documents concerning this Solicitation, including any such exchange concerning the preparation or submission of Proposals to SCE, will be via the Website or other method

~~20**2019** Bundled RPS Energy~~ REC Sales

designated by SCE. **In order to participate in this Solicitation, Buyers must register on the Website.**

SCE may, in its sole discretion, decline to respond to any correspondence or other inquiry about this Solicitation without liability or responsibility.

~~(g)~~ **{TBD}** SCE will host a conference to discuss this Solicitation with interested parties. Information on how to attend the conference will be made available on the Website. **{TBD}**

1.4 SCE Affiliates

SCE affiliates are permitted to participate in this Solicitation. Buyers must disclose if they are an SCE affiliate.

1.5 Collateral

For contracts with term lengths of 2 years or less, SCE requires no collateral posting from Buyers.

For term lengths greater than 2 years, SCE will require collateral as follows:

{TBD}

*** *End of ARTICLE ONE* ***

ARTICLE TWO. PRODUCT PRICE

2.1 Product Price

SCE intends to sell Product to those Buyers that have executed a [PCC 1 REC Sales Agreement](#) or [PCC 3 REC Sales Agreement](#) with SCE at the Contract Price, in \$/MWh, as defined in the [applicable](#) REC Sales Agreement. The Contract Price submitted by Buyer as part of its Proposal must conform to the pricing requirements in the REC Sales Agreement.

Under the [PCC 1](#) REC Sales Agreement, SCE acts as Scheduling Coordinator and Buyer authorizes SCE to deliver the Contract Capacity to CAISO as an agent on Buyer's behalf. However, SCE receives the CAISO revenues from such deliveries which compensates SCE for the energy portion of the Bundled Product transaction. SCE then invoices Buyer for the REC price.

SCE will not accept any pricing Proposal that does not conform to the foregoing. Additionally, SCE will not accept index pricing or other such pricing for this Solicitation.

*** End of ARTICLE TWO ***

ARTICLE THREE. SOLICITATION SCHEDULE AND PROPOSAL SUBMITTAL PROCESS

3.1 Solicitation Schedule

Dates*	Event
TBD	SCE launches the 20XX Bundled RPS Energy Sales Solicitation
TBD	SCE hosts a Solicitation Conference (if applicable)
TBD	Buyers provide all Proposals to SCE via the Website
TBD	Buyers notifies Buyers of selection status
TBD	Contract execution

* SCE reserves the right to make changes to the above schedule.

3.2 Proposal Submittal Process

In order to have a complete and conforming Proposal submittal package, a Respondent must provide the following documents as electronic attachments through the Website by [REDACTED].

- (1) A fully completed Proposal Form (available on the Website) with final, binding pricing
 - i. Buyer must input all information and upload the Proposal Form to the Website prior to the due date.
 - ii. The Proposal Form has “check the box” attestations that Buyer must acknowledge. If Buyer is unwilling to make the required attestations by checking the box, Buyer cannot participate in this Solicitation.
 - iii. Buyer is responsible for the accuracy of all information sent to SCE. SCE will not alter, update, or change any information submitted. Buyer risks disqualification if delivered information is incorrect or is in conflict with any uploaded documents. Buyer is advised to use care when assembling and delivering all required information.
 - iv. Proposals that are incomplete or are delivered to SCE other than through the Website will be rejected. Printed copies of Proposals, as well as electronic copies via CD, DVD, or flash drive, will not be accepted.
 - v. The Proposal Form must be completed and uploaded by the date and time indicated in the Solicitation Schedule above. The date and time

set for submission of the Proposal will be strictly enforced. Late submissions will be rejected.

- vi. Once SCE has completed its review of the Proposal Form, SCE may ask Buyer for additional information.
- vii. If Buyer is unresponsive to SCE's requests for documentation, then the Proposals from Buyer may be disqualified from further consideration.

In the Proposal Form, Buyers have the choice to state their bid preference of Product from two different sources: i) Product from BioRAM Contracts; or ii) Product from non-BioRAM Contracts.

For Product from Eligible Renewable Resources other than BioRAM Contracts:

Select "RECs from eligible non-BioRAM renewable resources" from the "Bid Preference" drop down menu. Buyers should enter: i) the quantity (in MWh) of Product they wish to purchase for the Delivery Year shown; and ii) the Bid Price for the REC (per MWh).

For Product from BioRAM Contracts:

Select "RECs from BioRAM resources" from the "Bid Preference" drop down menu. Indicate the percentage of the BioRAM facility's output Buyer wants to receive in the corresponding Delivery Year. There are three BioRAM facilities that will be included in this REC Sales RFO; Pacific Ultrapower Chinese Station, Rio Bravo Rocklin, and Rio Bravo Fresno. The capacity and the 2019⁹⁸ monthly output (in MWh) for each BioRAM facility is listed in the Table below:

Project Name	Capacity	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
Pacific Ultrapower Chinese Station	18 MW	13,122	11,624	12,462	7,291	13,350	12,381	10,330	12,831	12,714	13,199	7,835	13,382
Rio Bravo Rocklin	24 MW	13,494	14,754	17,639	9,459	10,151	15,304	16,673	17,631	16,964	11,439	17,587	15,319
Rio Bravo Fresno	24 MW	13,303	15,981	17,092	17,113	5,712	17,424	17,197	17,713	16,193	16,746	17,468	16,416

Bidders should note that their bid percentage of any unit for any given month is not a guarantee that the facility will deliver any set amount. The actual amount of energy deliveries, and therefore RECs generated, could be more or less than the amounts shown.

- (2) An executed Confidentiality Agreement/NDA, unless Respondent already has in place an evergreen NDA with SCE or has agreed to the 'check the box' Non-Disclosure attestations in the Proposal Form.

SCE will not accept Proposals received after the submittal deadline. SCE will only consider submissions that, as of the submittal deadline, constitute complete and conforming indicative Proposals.

In addition to the documents listed above, for parties that do not have an enabling agreement in place with SCE, SCE requests that Buyers submit as part of their Proposal submittal package:

- (1) Copies of their two most recent audited annual financial statements, including certified independent accountant reports thereon;
- (2) An Enabling Agreement that Buyer is willing to sign. **Note: Only minor modifications to the Enabling Agreement will be accepted for this Solicitation.**

Each document uploaded should be labeled with a unique identifier containing the company name, document name and date (e.g., ABC Company-SCE 2019 Bundled RPS Energy Sales RFO_Proposal Template-mm.dd.yy.xlsx).

3.3 Independent Evaluator

SCE has engaged an Independent Evaluator (“IE”), **Accion Group**, to evaluate and report on the solicitation, evaluation, selection, and negotiation process for this Solicitation.

The Independent Evaluator will review all Proposals and will have the opportunity to be present at all meetings and conference calls between SCE and Buyers.

The Independent Evaluator will have full access to the Website and all correspondence to and from Buyers.

The IE’s main job is to ensure that the Solicitation process remains open, fair and transparent. The IE may periodically make presentations to SCE, the CPUC and SCE’s Procurement Review Group (“PRG”).

Questions regarding the integrity of the evaluation process or the role of the IE may be referred to **Harry Judd and/or Sheri Vincent-Crisp of Accion Group** at the following e-mail addresses: **hjudd@acciongroup.com** and **svincentcrisp@acciongroup.com**.

*** End of ARTICLE THREE ***

ARTICLE FOUR. EVALUATION OF PROPOSALS

4.1 Proposal Evaluation Overview

For Proposals to purchase RECs, SCE will consider price and quantity as the sole quantitative criteria taking into consideration vintage and other relevant factors. SCE may consider qualitative factors such as the existence of an EEI Master Agreement between SCE and the Buyer, [if no EEI Master Agreement is in place the level of difficulty and time to negotiate one](#), structure of the purchase offered by Buyer (such as requests for Product from one specific resource over a set amount of time or a set quantity of RECs delivered monthly, etc.), [and availability of product](#).

OTHER THAN CHANGES REQUIRED FOR CONTRACTS FOR PRODUCT FROM BIO-RAM RESOURCES, SCE WILL NOT NEGOTIATE OR ACCEPT CHANGES TO THE REC SALES AGREEMENT FOR THIS SOLICITATION.

Buyer specific details will be filled in the [PCC 1](#) REC Sales Agreement [or PCC 3 REC Sales Agreement](#) but otherwise no changes will be made.

*** End of ARTICLE FOUR ***

ARTICLE FIVE.

BUYER'S REPRESENTATIONS AND WARRANTIES

- 5.1 By submitting a Proposal to SCE, the Buyer represents and warrants that the offered Contract Price assumes no collateral posting and that Buyer agrees with the terms of the [applicable](#) REC Sales Agreement without modification.

**** End of ARTICLE FIVE ****

ARTICLE SIX. REGULATORY APPROVAL

6.1 CPUC and FERC Approvals

SCE's obligations under a signed REC Sales Agreement ("Final Agreement") will only become effective upon CPUC Approval.

In the event a transaction occurs between SCE and any of its Affiliates, such Final Agreement may also require FERC approval. In such case, SCE's obligations under such Final Agreement will only become effective upon approval by both the CPUC and FERC.

6.2 Support for Regulatory Purposes

SCE may request that Buyer provide updates of any information requested in this Solicitation for purposes of filing applications or advice letters with the CPUC for approval of any Final Agreement.

*** End of ARTICLE SIX ***

ARTICLE SEVEN. CONFIDENTIALITY AND CONDUCT

7.1 Confidentiality

By submitting a Proposal, Buyer agrees to be bound by the confidentiality provisions in these Instructions including, without limitation, the provisions of the Non-Disclosure Agreement uploaded to the Website (the “NDA”). No Buyer shall collaborate on or discuss with any other Buyer any potential bidding strategies, the substance of any Proposals, including without limitation the price or any other terms or conditions of any proposals, or whether SCE has selected Buyer’s Proposal or not.

All information and documents in Buyer’s Proposal that have been clearly identified and marked by Buyer as “Confidential” on each page on which confidential information appears shall be considered confidential information. SCE shall not disclose such confidential information and documents to any third parties except form SCE’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, Buyer’s Proposal and other information submitted to SCE will be disclosed to the Independent Evaluator.

Notwithstanding the foregoing, it is expressly contemplated that the information and documents submitted by Buyer in connection with this Solicitation, including Buyer’s confidential information, may be provided to the CPUC, its staff, and the PRG. SCE retains the right to disclose any information or documents provided by Buyer 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 (“CAISO”) rule, or order issued by a court or entity with competent jurisdiction over SCE at any time even in the absence of a protective order, confidentiality agreement, or nondisclosure agreement, as the case may be, without notification to Buyer and without liability or any responsibility of SCE to Buyer. SCE cannot ensure that the CPUC will afford confidential treatment to Buyer’s confidential information, or that confidentiality agreement or orders will be obtained from and/or honored by the PRG, the California Energy Commission (“CEC”), or the CPUC. By submitting a Proposal, Buyer agrees to adhere and be bound by the confidentiality provisions described in this section and the NDA.

The treatment of confidential information described above shall continue to apply to information related to selected Proposals.

7.2 Conduct

It is expected that the parties will act in good faith in their dealings with each other with respect to this Solicitation. Buyer may not engage in Communications (as defined in Article Nine) with any other Buyer in the Solicitation concerning the price terms contained in their Proposal or related matters.

*** *End of ARTICLE SEVEN* ***

ARTICLE EIGHT. WAIVERS AND RESERVATION OF RIGHTS

8.1 Termination of Solicitation

SCE reserves the right at any time to modify any dates specified in this Solicitation or abandon this Solicitation without notice, without assigning any reasons, and without liability of Edison International, SCE or any of their subsidiaries, affiliates or representatives to any Buyer.

SCE will not be deemed to have accepted any Proposal, and will not be bound by any term thereof, unless and until authorized representatives of both SCE and Buyer execute a Final Agreement and, if appropriate, related collateral and other required agreements.

In the event that SCE terminates this Solicitation, Buyer shall be responsible for any expenses incurred by Buyer as a result of this Solicitation.

8.2 Release of SCE for any Delays

Buyer acknowledges that except for SCE's obligation to submit a fully executed Final Agreement to the CPUC for approval, Buyer bears sole responsibility for taking all actions necessary for Buyer to perform under a Final Agreement.

Buyer further acknowledges and agrees that SCE shall have no liability for any delay or cancellation in the Solicitation or any failure to reach agreement on, or time required to approve and sign, any REC Sales Agreement.

8.3 Waived Claims

By submitting a Proposal, Buyer knowingly, voluntarily, and completely waives any rights under statute, regulation, state or federal constitution or common law to assert any claim, complaint or other challenge in any regulatory, judicial or other forum, including without limitation, the CPUC (except as expressly provided below), the FERC, the Superior Court of the State of California ("State Court") or any United States District Court ("Federal Court") concerning or related in any way to the Solicitation or these Instructions, including all exhibits, attachments, and appendices thereto ("Waived Claims"). Buyer further expressly acknowledges and consents that if it asserts any Waived Claim at the CPUC, FERC, State Court or Federal Court, or otherwise in any forum, to the extent that Buyer's Proposal has not already been disqualified, SCE is entitled to automatically disqualify the Proposal from further consideration in the Solicitation or otherwise, and further, SCE may elect to terminate the Solicitation.

By submitting a Proposal, Buyer further agrees that the sole forum in which Buyer may assert any challenge with respect to the conduct or results of the Solicitation is at the CPUC. Buyer further agrees that: (1) the sole means of challenging the conduct

or results of the Solicitation is a complaint filed under Article 3, Complaints and Commission Investigations, of Title 20, Public Utilities and Energy, of the California Code of Regulations, (2) the sole basis for any such protest shall be that SCE allegedly failed in a material respect to conduct the Solicitation in accordance with these Instructions; and (3) the exclusive remedy available to Buyer in the case of such a protest shall be an order of the CPUC that SCE again conduct any portion of the Solicitation that the CPUC determines was not previously conducted in accordance with these Instructions (including any Associated Documents). Buyer 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 SCE elects to do otherwise in its sole discretion, during the pendency of such a protest the Solicitation and any related regulatory proceedings related to the Solicitation will continue as if the protest had not been filed, unless the CPUC issues an order suspending the Solicitation or SCE has elected to terminate the Solicitation.

Buyer further acknowledges and agrees that if Buyer asserts any Waived Claim, SCE shall be entitled to seek immediate dismissal of Buyer's claim, complaint or other challenge, with prejudice, by filing a motion to dismiss (or similar procedural device) supported by the language in this Article Eight and that Buyer will not challenge or oppose such a request for dismissal. Buyer further acknowledges and agrees that if it asserts any Waived Claim, and if SCE successfully has that claim dismissed or transferred to the CPUC, Buyer shall pay SCE's full costs and expenses incurred in seeking such dismissal or transfer, including reasonable attorneys' fees.

Buyer agrees to indemnify, defend and hold harmless SCE from any and all claims by any other Buyer asserted in response to the assertion of any Waived Claim by Buyer or as a result of a Buyer's protest to a filing at the CPUC resulting from the Solicitation.

Except as expressly provided in these Instructions, nothing in the Instructions, including Buyer's waiver of any Waived Claims as set forth above, shall in any way limit or otherwise affect the rights and remedies of SCE.

*** End of ARTICLE EIGHT ***

ARTICLE NINE. COMMUNICATIONS

- 9.1 For purposes of this Solicitation, “Communications” means the exchange of any material information by electronic, written, oral or other means other than as expressly provided for herein.

All Communications concerning this Solicitation, including Communications concerning the preparation of Proposals or other submissions to SCE related to the Solicitation, should be submitted to SCE via the Website.

SCE may, in its sole discretion, decline to respond to any correspondence or other inquiry without liability or responsibility.

*** *End of ARTICLE NINE* ***

ARTICLE TEN. SCE RIGHTS AND DOCUMENT CONFLICTS

10.1 SCE's Rights

SCE may, at its sole discretion, enter into Final Agreements with one or more entities submitting Proposals that will provide the best value to SCE's customers considering a variety of factors.

SCE reserves the right to reject any or all Proposals at any time on the grounds that it does not conform to the terms and conditions of these Instructions.

SCE also retains the right, in its sole judgment, to:

- (a) Modify these Instructions and any of the Associated Documents, as it deems necessary; and
- (b) Condition SCE's acceptance of any selected Proposal on a Buyer's agreement to modifications thereto including any modifications that may be recommended by SCE's PRG; and.

10.2 Document Conflicts

In the event of any conflict between terms contained in these Instructions or any of the Associated Documents, the conflict will be resolved by the following priority of documents:

- (a) The applicable REC Sales Agreement;
- (b) The CAISO Tariff; and
- (c) These Instructions;

Notwithstanding the foregoing, if a Final Agreement is executed between SCE and Buyer, it will have precedence over the documents listed above.

*** End of ARTICLE TEN***