



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

**FILED**

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Application of SOUTHERN CALIFORNIA  
EDISON COMPANY (U338E) for Approval  
Under Public Utilities Code Section 851 to Sell  
the Lower Tule Hydroelectric Power Plant to  
Lower Tule Hydro LLC.

A.25-03-001

**SOUTHERN CALIFORNIA EDISON COMPANY'S (U 338-E) MOTION TO  
REOPEN THE RECORD TO SUBMIT ADDITIONAL EVIDENCE**

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**Dated: June 19, 2026**

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**SOUTHERN CALIFORNIA EDISON COMPANY’S (U 338-E) MOTION TO  
REOPEN THE RECORD TO SUBMIT ADDITIONAL EVIDENCE**

Pursuant to Rule 13.15 of the California Public Utilities Commission (“CPUC” or “Commission”) Rules of Practice and Procedure (“Rule 13.15,” or the “Rule”), Southern California Edison Company (“SCE”) respectfully submits this motion (this “Motion”) to set aside submission of the above-referenced proceeding and reopen the record to allow for the taking of additional evidence as more fully explained below. SCE proposes the evidence be labeled Exhibit SCE-0003, attached here as Attachment A.

**I.**

**FACTUAL AND PROCEDURAL BACKGROUND**

SCE filed its application in this proceeding on March 4, 2025, seeking Commission approval of the proposed sale of SCE’s Lower Tule plant, a small hydroelectric (“Hydro”) project, to Lower Tule Hydro LLC (the “Buyer”). SCE filed its Opening Brief on September 15, 2025.

The proposed sale is the subject of an asset purchase agreement (“APA”) executed between SCE and the Buyer. In the APA, SCE and Buyer agreed that, as consideration for the

transfer of the Lower Tule project, SCE would pay the Buyer (a) a transfer payment of \$5.970 million and (b) an estimated cost-of-ownership (“COO”) charge of \$2.918 million upon closing of the transaction.

The APA further provided that the estimated COO charge would be adjusted by changes that would benefit the Buyer only, as determined pursuant to the Generator Interconnection Agreement (“GIA”). As the interconnection work progressed, the parties realized that the estimated COO charge should be reduced to account for, among other things, significantly lower-than-forecasted interconnection costs. On April 29, 2026, SCE and the Buyer amended the APA (the “Amendment”), attached as Attachment A in SCE-0003, to change the methodology used for calculating the future COO charges. The changes in the Amendment simplify the payment structure for COO charges by adopting a fixed rate to be paid by the Buyer over the term of the GIA, which eliminates the need for assumptions made regarding future changes to the FERC tariff, discount rates, and other variables. On March 6, 2026, SCE notified Energy Division staff of the intent to execute the Amendment with the Buyer. On March 9, 2026, the Energy Division provided guidance to SCE to file this Motion to reopen the record to submit the Amendment as additional evidence and update the loss-on-sale calculation due to potential significant changes to the financial impact of the transaction.

Additionally, while preparing the final loss-on-sale calculations for SCE’s tier 1 true-up Advice letters for other recently approved Small Hydro transactions,<sup>1</sup> SCE identified additional relevant costs that were not attributed to each small Hydro facility, including the Lower Tule Project. SCE would have ordinarily included this correction in a post-closing tier 1 true-up Advice letter. However, given the Commission’s guidance to file a motion to reopen the record to update the financial impact of the Amendment, SCE has also included these updates herein, so

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<sup>1</sup> A.24-08-012/ D.25-09-012: Application of SCE for Approval Under Public Utilities Code Section 851 to Sell Certain Hydroelectric Power Plants to San Bernardino Valley Municipal Water District; A.24-09-008/ D.26-01-006: Application of SCE for Approval Under Public Utilities Code Section 851 to Sell Certain Hydroelectric Power Plants to Fontana Union Water Company.

the Commission has a complete and updated record to inform its decision-making in this proceeding.

The updates due to the changes in the Amendment result in a net positive impact in the loss-on-sale calculation, reducing the loss that will be allocated to customers, and additional reductions to SCE's rate base and revenue requirement, as compared to the original application. As set forth in SCE's application and direct testimony, the proposed transaction, as originally presented, would reduce SCE's rate base obligation by \$12.434 million. The revisions addressed in this Motion increase that reduction to \$13.948 million. In addition, those revisions reduce SCE's revenue requirement to \$27.302 million, as compared to the \$33.768 million originally submitted in SCE's application. Finally, these changes do not have an impact on SCE's decision to sell the Lower Tule plant, as the updates impact the transaction's Present Value Revenue Requirement ("PVRR") calculation equally across the three alternative scenarios reviewed and analyzed by SCE, which are described at page 2 of SCE's Application and pages 4-5 of SCE's Opening Brief. An updated loss-on-sale calculation, using a June 30, 2026 closing date, is attached as Attachment B in SCE-0003.

SCE therefore believes it is appropriate for the Commission to set aside the submission of the final exhibits and reopen the record for the limited purposes of admitting the Amendment into the record and updating the loss-on-sale calculation.

## II.

### DISCUSSION

#### A. Lower Tule Asset Purchase Agreement Amendment

Subsequent to executing the APA, SCE refined the design and engineering for the interconnection facilities for the Lower Tule project. Due to the resulting changes in project scope and schedule, the estimated interconnection costs have significantly decreased, from approximately \$5.299 million to \$1.181 million. Because the original APA did not include a mechanism to decrease the COO charge, SCE and Buyer entered into the Amendment to revise the relevant provisions so that the resulting cost savings, in both reduced interconnection costs

and lower COO charge true-up, reduce the overall cost of the transaction to customers. This amendment adjusted two key areas in the APA:

1) Removed the estimated COO charge to be paid at closing. The Amendment modifies the original APA's Exhibit F to introduce significant changes to the methodology used for calculating the future COO charges. The prior approach, which was based on net present value calculations with a one-way true up favoring the Buyer if interconnection costs increased beyond the original estimate, has been eliminated in favor of a more straightforward structure. Under the new terms, the Buyer is required to pay a COO charge at a fixed rate of \$1,000 per month per powerhouse for the entire duration of the GIA. The one-way true-up of the COO charge in favor of the Buyer was removed in order to ensure that SCE, and more particularly its customers, benefit from the lower COO charge.

The GIA-tariffed calculation will be amended upon assignment and assumption of the GIA by the Buyer post-closing to align with the APA, as amended. SCE will invoice and record a fixed rate of \$1,000 per month per powerhouse for the entire duration of the GIA which will record as Other Operating Revenue ("OOR") over the life of the GIA. Recording GIA revenue as OOR is consistent with customary accounting practice.

The original APA required SCE to pay the Buyer the COO charge, initially estimated to be \$2.918 million, at closing.<sup>2</sup> As a result of the simplified payment structure for the COO charges in the Amended APA, there is no payment related to a COO charge estimate at closing.

2) Increased the base transfer payment by \$298,000. In order to account for increased operating costs for the Buyer related to leased Ethernet cable service enabling a SCE-required remote terminal unit (RTU) that was not originally accounted for in the transfer payment and additional interest incurred by the Buyer due to delays in the regulatory approval as a result of this request to reopen the record, the transfer payment has been re-calculated and now equals \$6.268 million.

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<sup>2</sup> SCE Application at p.3 and p.14; SCE-0001 at p.4 and p.9.

**B. SCE’s Updated Loss-on-Sale Calculation**

As described in Section I above, SCE has updated its loss-on-sale calculation to include assets that were not in its original application. SCE is currently completing its final accounting in preparation to submit the Tier 1 “true up” Advice Letters for the CPUC-approved Small Hydro transactions with San Bernardino Valley Municipal Water District and Fontana Union Water Company. While completing the final accounting, SCE discovered that several hardware assets were recently reclassified as Information Technology (“IT”) assets to specific plant assets. As of January 1, 2025, SCE transferred the hardware assets to specific classes of plant, in this instance the Lower Tule facility, in compliance with FERC Order 898 implementation.<sup>3</sup> SCE also discovered that the capitalized relicensing costs associated with the Small Hydro facilities were not included in its original filing. As discussed above, these types of account changes would typically be incorporated into SCE’s post-closing Tier 1 true-up Advice Letter, however, SCE is incorporating these changes into the updated loss-on-sale calculation now to provide the Commission with the most up-to-date financial impact of the transaction in real time. The inclusion of these accounts results in an increase of approximately \$0.374 million to the overall transaction costs in the loss-on-sale calculation in Attachment B of SCE-0003.<sup>4</sup>

**C. Updated Exhibit List and Compliance with ALJ Rulings Regarding Entering Exhibits into the Record**

In accordance with Administrative Law Judge (“ALJ”) McGary’s June 30, 2025 *Ruling Regarding Document Only Evidence Process and Briefing Schedule* and December 18, 2025 *Ruling Entering Stipulated Exhibits Into The Evidentiary Record*, SCE has updated the joint exhibit list that includes the exhibit number, name, simple description, and Bates stamp range of each exhibit, attached here as Attachment B. Concurrent with the filing of this Motion, SCE is

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<sup>3</sup> FERC Order No. 898 implementation refers to utilities adopting the revised Uniform System of Accounts (USofA) effective January 1, 2025, including new and modified accounts for renewable generation, energy storage, environmental (REC) credits, and related hardware/software assets.

<sup>4</sup> SCE’s updated loss-on-sale calculation assumes a target closing date of June 30, 2026 and updates the depreciation forecast.

also serving a writable Microsoft Word version of the final exhibit list to ALJ McGary and the Service List. Finally, SCE has uploaded proposed Exhibit SCE-0003 to the Commission's Supporting Documents website in compliance with Rule 13.7(f) of the Commission's Rules of Practice and Procedure.

### **III.**

#### **CONCLUSION**

SCE believes the information described in this Motion establishes good cause to reopen the record to admit additional evidence, as the changes described in this motion result in a net-positive impact on customers. The changes in this Motion reduce SCE's original requested revenue requirement from \$33.768 million to \$27.302 million, a savings of \$6.466 million. The changes in this Motion also increase the SCE rate base reduction to \$13.948 million from \$12.434 million. However, since this Motion does not otherwise materially change the case presented to the Commission, SCE and the Buyer are hopeful that this filing will not require significant additional time in rendering a decision in this proceeding.

SCE thanks the Commission for its consideration of the new evidence and respectfully requests the Commission grant SCE's Motion to reopen the record to admit this additional evidence.

Respectfully submitted,

ROBERT PONTELLE  
CLAIRE KEANE

*/s/ Claire Keane*

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By: Claire Keane

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Dated: June 19, 2026

**Attachment A**

Application No.: A.25-03-001  
Exhibit No.: SCE-0003  
Witnesses: A. Bahen



SOUTHERN CALIFORNIA  
**EDISON**<sup>®</sup>

(U 338-E)

***SCE Exhibit in Support of its Lower Tule Hydroelectric 851 Sale to Lower Tule Hydro LLC - Amendment to the Lower Tule Asset Purchase Agreement Between SCE and Lower Tule Hydro LLC, Updated Loss-on-Sale Calculation Worksheet, and Updated Values References In SCE's Application and SCE-0001***

Before the

**Public Utilities Commission of the State of California**

Rosemead, California  
June 19, 2026

**SCE Exhibit in Support of its Lower Tule Hydroelectric 851 Sale to Lower Tule Hydro LLC - Amendment to the Lower Tule Asset Purchase Agreement Between SCE and Lower Tule Hydro LLC, Updated Loss-on-Sale Calculation Worksheet, and Updated Values References In SCE’s Application and SCE-0001**

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**I.**

**SUMMARY OF EXHIBIT SCE-0003**

On April 29, 2026, Southern California Edison Company (“SCE”) and Lower Tule Hydro LLC (“Buyer”), amended their previously executed Asset Purchase Agreement (the “Amendment”) to change the methodology used for calculating the future Cost-of-Ownership (“COO”) charges. Due to the resulting changes in project scope and schedule, the estimated interconnection costs have significantly decreased, from approximately \$5.299 million to \$1.181 million. Because the original APA did not include a mechanism to decrease the COO charge, SCE and Buyer entered into the Amendment to revise the relevant provisions so that the resulting cost savings, in both reduced interconnection costs and lower COO charge true-up, reduce the overall cost of the transaction to customers. SCE is also including several assets attributed to the Lower Tule facility that were not included in the original application. These updates have a net-positive impact for customers in SCE’s Lower Tule Loss-on-Sale Calculation.

Testimony below describes the background of the original Asset Purchase Agreement (“APA”), the nature of the changes in the Amendment, and the net-positive impact the changes have on SCE’s Lower Tule Loss-on-Sale calculation.

The attachments to this exhibit include: Attachment A, the Amendment; Attachment B, the updated Lower Tule Loss-On-Sale calculation; And Attachment C, a table summary of the updated Loss-on-Sale calculation values that now supersede the values in SCE’s Application and SCE-0001.

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**II.**

**BACKGROUND**

Southern California Edison Company (“SCE”) filed its application in this proceeding on March 4, 2025, seeking Commission approval of the proposed sale of SCE’s Lower Tule plant, a small hydroelectric (“Hydro”) project, to Lower Tule Hydro LLC (the “Buyer”). SCE filed its Opening Brief on September 15, 2025, however additional information has developed since that time.

The proposed sale is the subject of an asset purchase agreement (“APA”) executed between SCE and the Buyer. In the APA, SCE and Buyer agreed that, as consideration for the transfer of the Lower Tule project, SCE would pay the Buyer (a) a transfer payment of \$5.970 million and (b) an estimated cost-of-ownership (“COO”) charge of \$2.918 million upon closing of the transaction.

The APA further provided that the estimated COO charge would be adjusted by changes that would benefit the Buyer only, as determined pursuant to the Generator Interconnection Agreement (“GIA”). As the interconnection work progressed, the parties realized that the estimated COO charge should be reduced to account for, among other things, significantly lower-than-forecasted interconnection costs. On April 29, 2026, SCE and the Buyer amended the APA (the “Amendment”), attached hereto as Attachment A, to change the methodology used for calculating the future COO charges. The changes in the Amendment simplify the payment structure for COO charges by adopting a fixed rate to be paid by the Buyer over the term of the GIA, which eliminates the need for assumptions made regarding future changes to the FERC tariff, discount rates, and other variables. On March 6, 2026, SCE notified Energy Division staff of the intent to execute the Amendment with the Buyer. On March 9, 2026, the Energy Division provided guidance to SCE to file this motion to reopen the record to submit the Amendment as additional evidence and update the loss-on-sale calculation due to potential significant changes to the financial impact of the transaction.

1           Additionally, while preparing the final loss-on-sale calculations for SCE’s tier 1 true-up Advice  
2 letters for other recently approved Small Hydro transactions,<sup>1</sup> SCE discovered additional relevant costs  
3 that were not attributed to each small Hydro facility, including the Lower Tule Project. SCE would have  
4 ordinarily included this correction in a post-closing tier 1 true-up Advice letter. However, given the  
5 Commission’s guidance to file a motion to reopen the record to update the financial impact of the  
6 Amendment, SCE has also included these updates herein, so the Commission has a complete and  
7 updated record to inform its decision-making in this proceeding.

8           The updates due to the changes in the Amendment result in a net positive impact in the loss-on-  
9 sale calculation, reducing the loss that will be allocated to customers, and additional reductions to SCE’s  
10 rate base and revenue requirement, as compared to the original application. As set forth in SCE’s  
11 application and direct testimony, the proposed transaction, as originally presented, would reduce SCE’s  
12 rate base obligation by \$12.434 million. The revisions addressed in this testimony increase that  
13 reduction to \$13.948 million. In addition, those revisions reduce SCE’s revenue requirement to \$27.302  
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15 changes do not have an impact on SCE’s decision to sell the Lower Tule plant, as the updates impact the  
16 transaction’s Present Value Revenue Requirement (“PVR”) calculation equally across the three  
17 alternative scenarios reviewed and analyzed by SCE, which are described at page 2 of SCE’s  
18 Application and pages 4-5 of SCE’s Opening Brief. An updated loss-on-sale calculation, using a June  
19 30, 2026 closing date, is attached hereto as Attachment B.

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<sup>1</sup> A.24-08-012/ D.25-09-012: Application of SCE for Approval Under Public Utilities Code Section 851 to Sell Certain Hydroelectric Power Plants to San Bernardino Valley Municipal Water District; A.24-09-008/ D.26-01-006: Application of SCE for Approval Under Public Utilities Code Section 851 to Sell Certain Hydroelectric Power Plants to Fontana Union Water Company.

1 **III.**

2 **DISCUSSION**

3 **A. Lower Tule Asset Purchase Agreement Amendment**

4 Subsequent to executing the APA, SCE refined the design and engineering for the  
5 interconnection facilities for the Lower Tule project. Due to the resulting changes in project scope and  
6 schedule, the estimated interconnection costs have significantly decreased, from approximately \$5.299  
7 million to \$1.181 million. Because the original APA did not include a mechanism to decrease the COO  
8 charge, SCE and Buyer entered into the Amendment to revise the relevant provisions so that the  
9 resulting cost savings, in both reduced interconnection costs and lower COO charge true-up, reduce the  
10 overall cost of the transaction to customers. This amendment adjusted two key areas in the APA:

11 1) Removed the estimated COO charge to be paid at closing. The Amendment modifies the  
12 original APA's Exhibit F to introduce significant changes to the methodology used for calculating the  
13 future COO charges. The prior approach, which was based on net present value calculations with a one-  
14 way true up favoring the Buyer if interconnection costs increased beyond the original estimate, has been  
15 eliminated in favor of a more straightforward structure. Under the new terms, the Buyer is required to  
16 pay a COO charge at a fixed rate of \$1,000 per month per powerhouse for the entire duration of the GIA.

17 The GIA-tariffed calculation will be amended upon assignment and assumption of the GIA by  
18 the Buyer post-closing to align with the APA, as amended. SCE will invoice and record a fixed rate of  
19 \$1,000 per month per powerhouse for the entire duration of the GIA which will record as Other  
20 Operating Revenue ("OOR") over the life of the GIA. Recording GIA revenue as OOR is a customary  
21 accounting practice.

22 The original APA required SCE to pay the Buyer the COO charge, initially estimated to be  
23 \$2.918 million, at closing.<sup>2</sup> As a result of the simplified payment structure for the COO charges in the  
24 Amended APA, there is no payment related to a COO charge estimate at closing.

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<sup>2</sup> SCE Application at p.3 and p.14; SCE-0001 at p.4 and p.9.

1           2) Increased the base transfer payment by \$298,000. In order to account for increased operating  
2 costs for the Buyer related to leased Ethernet cable service enabling a SCE-required remote terminal unit  
3 (RTU) that was not originally accounted for in the transfer payment and additional interest incurred by  
4 the Buyer due to delays in the regulatory approvals as a result of this request to reopen the record, the  
5 transfer payment has been re-calculated and now equals \$6.268 million.

6 **B.     SCE’s Updated Loss-on-Sale Calculation**

7           As described in Section I above, SCE has updated its loss-on-sale calculation to include assets  
8 that were not in its original application. SCE is currently completing its final accounting in preparation  
9 to submit the Tier 1 “true up” Advice Letters for the CPUC-approved Small Hydro transactions with San  
10 Bernardino Valley Municipal Water District and Fontana Union Water Company. While completing the  
11 final accounting, SCE discovered that several hardware assets were recently reclassified as Information  
12 Technology (“IT”) assets to specific plant assets. As of January 1, 2025, SCE transferred the hardware  
13 assets to specific classes of plant, in this instance the Lower Tule facility, in compliance with FERC  
14 Order 898 implementation.<sup>3</sup> SCE also discovered that the capitalized relicensing costs associated with  
15 the Small Hydro facilities were not included in its original filing. As discussed above, these types of  
16 account changes would typically be incorporated into SCE’s post-closing Tier 1 true-up Advice Letter,  
17 however, SCE is incorporating these changes into the updated loss-on-sale calculation now to provide  
18 the Commission with the most up-to-date financial impact of the transaction in real time. The inclusion  
19 of these accounts results in an increase of approximately \$0.374 million to the overall transaction costs  
20 in the loss-on-sale calculation in Attachment B.<sup>4</sup>

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<sup>3</sup> FERC Order No. 898 implementation refers to utilities adopting the revised Uniform System of Accounts (USofA) effective January 1, 2025, including new and modified accounts for renewable generation, energy storage, environmental (REC) credits, and related hardware/software assets.

<sup>4</sup> SCE’s updated loss-on-sale calculation assumes a target closing date of June 30, 2026, and updates the depreciation forecast.

**Attachment A**  
**Amendment to Lower Tule Asset Purchase Agreement**

**FIRST AMENDMENT TO ASSET PURCHASE AGREEMENT**

THIS **FIRST AMENDMENT TO ASSET PURCHASE AGREEMENT** (this "Amendment"), is made and entered into as of April 29, 2026 (the "Effective Date") by and between **SOUTHERN CALIFORNIA EDISON COMPANY**, a California corporation ("Seller"), and **LOWER TULE HYDRO LLC**, a Utah limited liability company ("Purchaser").

**RECITALS**

A. Seller and Purchaser are parties to that certain Asset Purchase Agreement, effective as of December 4, 2024 (the "Purchase Agreement"); and

B. Seller and Purchaser desire to modify the Purchase Agreement to amend certain terms of the Purchase Agreement as set forth herein.

**NOW, THEREFORE**, in consideration of the premises and the mutual representations, warranties, covenants and agreements set forth in this Amendment, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser agree as follows.

**AGREEMENT**

1. Defined Terms. Capitalized terms used but not defined in this Amendment shall have the meanings given to such terms in the Purchase Agreement.

2. Amendments to Asset Purchase Agreement. Effective as of the Effective Date:

- (a) Exhibit F (Cost-of-Ownership Charge Sample Calculation, Assumptions and Methodology) is hereby deleted in its entirety.
- (b) The defined term "COO True-Up Statement" is hereby deleted in its entirety.
- (c) The defined term "Definitive COO True-Up Statement" is hereby deleted in its entirety.
- (d) The defined term "Estimated Cost-of-Ownership Charge" is hereby deleted in its entirety.
- (e) The defined term "Final Cost-of-Ownership Charge" is hereby deleted in its entirety.
- (f) A new defined term "Fixed Monthly GIA Payment" is hereby added and reads in its entirety as follows:  
  
"Fixed Monthly GIA Payment" has the meaning set forth in Section 5.6.5."
- (g) The defined term "Independent Auditor" is hereby deleted in its entirety.

- (h) The defined term “Resolution Period” is hereby deleted in its entirety.
- (i) The defined term “Revised Exhibit F” is hereby deleted in its entirety.
- (j) The defined term “True-Up Payment” is hereby deleted in its entirety.
- (k) Section 2.2.1 (Transfer Payment; Amount) is hereby amended and restated in its entirety to read as follows:

“2.2.1 Amount. The total consideration for the Project Assets shall be as follows: (a) Seller shall pay to Purchaser an amount equal to \$6,268,000 (subject to adjustment as provided in Section 2.2.3, the “Transfer Payment”); and (b) Purchaser shall assume the Assumed Liabilities, and pay the Fixed Monthly GIA Payment.”

- (l) Section 2.2.4 (Adjustments to Transfer Payment) is hereby deleted in its entirety.
- (m) Section 2.6.2 (Seller’s Closing Deliveries) is hereby amended and restated in its entirety to read as follows:

“2.6.2 Seller’s Closing Deliveries. At the Closing, Seller will pay to Purchaser the Transfer Payment in accordance with Section 2.2.2 and execute and deliver to Purchaser the following items:”

- (n) Section 2.7.1 (Further Assurances; Post-Closing Cooperation; Further Assurances) is hereby amended and restated in its entirety to read as follows:

“2.7.1 Further Assurances. Subject to the terms and conditions of this Agreement, at any time or from time to time after the Closing, at either Party’s request and without further consideration but at the requesting Party’s expense, the other Party shall execute and deliver to such Party such other instruments of sale, transfer, conveyance, assignment and confirmation, provide such materials and information and take such other actions as such Party may reasonably deem necessary or desirable in order to more effectively (a) transfer, convey and assign to Purchaser, and confirm Purchaser’s title to, the Project Assets, (b) effectuate the assumption by Purchaser of, among other things, the Project Contracts, Project Real Property Agreements and Assumed Liabilities, (c) comply with such Party’s post-Closing obligations with respect to Interconnection Facilities and related items, and the Fixed Monthly GIA Payment, as set forth in Section 5.6, and (d) otherwise complete the transactions contemplated by this Agreement.”

- (o) Section 5.6.4(b) (Procurement and Installation of Interconnection Facilities; Post-Closing Interconnection Facilities) is hereby amended and restated in its entirety to read as follows:

“(b) Post-Closing Interconnection Facilities. Promptly following the Closing, Seller shall undertake at its sole cost the procurement and installation of the Interconnection Facilities described in Part B of Schedule 5.6.4 (the “Post-Closing Interconnection Facilities”) and shall use commercially reasonable efforts to (i) complete the procurement and installation of the Interconnection Facilities described as “Phase I Post-Closing Interconnection Facilities” in Part B of Schedule 5.6.4 (the “Phase I Post-Closing Interconnection Facilities”) by December 31, 2026, and (ii) complete the procurement and installation of the Interconnection Facilities described as “Phase II Post-Closing Interconnection Facilities” in Part B of Schedule 5.6.4 (the “Phase II Post-Closing Interconnection Facilities”) within a reasonable period of time after the Project achieves a “Commercial Operation for Markets” or such other similar designation with the CAISO and begins generating and transmitting power (the “Conditional PTO”). Notwithstanding anything to the contrary in the Generator Interconnection Agreement, as the Distribution Provider and counterparty to the Generator Interconnection Agreement, Seller agrees that completion of the Phase I Post-Closing Interconnection Facilities will satisfy the requirements of Distribution Provider under the Generator Interconnection Agreement to consent to and authorize the Conditional PTO and that the completion of the Phase II Post-Closing Facilities is not required for Distribution Provider to consent to and authorize the Conditional PTO. Purchaser agrees to undertake and effectuate any outages at the Project that Seller reasonably determines are necessary in order to install the Post-Closing Interconnection Facilities. Seller shall provide written notice to Purchaser confirming the completion of the installation of (x) the Phase I Post-Closing Interconnection Facilities and (y) the Phase II Post-Closing Interconnection Facilities, and delivery of such notices shall be deemed to constitute Seller’s compliance with its obligations to procure and install the Post-Closing Interconnection Facilities pursuant to this Section 5.6.4(b) and Part B of Schedule 5.6.4. If a Party reasonably determines that any amendments to a Generator Interconnection Agreement for the Project are required as a result of the installation of the Post-Closing Interconnection Facilities, the Parties agree to promptly negotiate, in good faith, such amendments and execute an amended Generator Interconnection Agreement for the Project in conformance therewith.”

(p) A new Section 5.6.5 is hereby added and reads in its entirety as follows:

“5.6.5 Fixed Monthly Payment in Lieu of Interconnection Facilities Charge and Distribution Upgrades Charge under Generator Interconnection Agreement. Notwithstanding anything to the contrary in the Generator Interconnection Agreement, in lieu of the Interconnection Facilities Charge and Distribution Upgrades Charge (as such terms are defined in the Generator Interconnection Agreement) that would otherwise be billed by Distribution Provider and paid by Purchaser (as Interconnection Customer under the Generator Interconnection Agreement) pursuant to and in accordance with the Generator Interconnection Agreement, Distribution Provider shall instead bill to Purchaser, and Purchaser shall pay to Distribution Provider in accordance

with Section 12.3 of the Generator Interconnection Agreement, an amount equal to One Thousand Dollars (\$1,000.00) per month (the “Fixed Monthly GIA Payment”), commencing on the first day after the Distribution Provider has declared that the In-Service Date (with respect to Interconnection Facilities and Distribution Upgrades (as such term is defined in the Generator Interconnection Agreement)) has occurred and continuing through the end of the “term of the Interconnection Agreement” (as such term is described in Section 2.2 of the Generator Interconnection Agreement, including any automatic renewal of such term pursuant to and in accordance with such Section 2.2).”

- (q) Section 6.1.5 (Purchaser’s Conditions Precedent; Deliveries) is hereby amended and restated in its entirety to read as follows:

“6.1.5 Deliveries. Seller shall have paid to Purchaser the Transfer Payment and shall have executed and delivered to Purchaser the items set forth in Section 2.6.2.”

- (r) Schedule 1.1(g) (Project Owned Real Property) is hereby amended to delete in its entirety the following items listed under the heading “Lower Tule”:

“PARCEL 1: All that certain real property situated in the County of Tulare, State of California, described as follows:

A STRIP OF LAND 25 FEET WIDE IN THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 35, TOWNSHIP 20 SOUTH, RANGE 29 EAST, MOUNT DIABLO BASE AND MERIDIAN, THE CENTER LINE OF WHICH EXTENDS FROM A POINT ABOUT 40 FEET NORTH OF THE SOUTHEAST CORNER OF SAID SECTION 35; THENCE IN A GENERAL NORTH AND WESTERLY DIRECTION TO A POINT ABOUT 580 FEET NORTH OF THE SOUTHWEST CORNER OF SAID EAST 1/2 OF THE SOUTHEAST 1/4 OF SAID SECTION 35.

APN: A PORTION OF 219-130-075-000”

“PARCEL 2: All that certain real property situated in the County of Tulare, State of California, described as follows:

A STRIP OF LAND 20 FEET WIDE, THE CENTER LINE OF WHICH COMMENCES AT A POINT ABOUT 500 FEET NORTH OF THE SOUTHEAST CORNER OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 35, TOWNSHIP 20 SOUTH, RANGE 29 EAST, MOUNT DIABLO BASE AND MERIDIAN, THENCE IN A GENERAL WEST AND SOUTHERLY DIRECTION ON A GRADE LINE TO A POINT ABOUT 1,000 FEET EAST OF THE SOUTHWEST CORNER OF THE SAID WEST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 35, THENCE INTO THE NORTHWEST 1/4 OF SECTION 1, TOWNSHIP 21 SOUTH, RANGE 29 EAST, MOUNT DIABLO BASE AND MERIDIAN, AND EXTENDING TO

A POINT 450 FEET SOUTH AND ABOUT 180 FEET EAST OF THE NORTHWEST CORNER OF SECTION 1; THENCE IN A NORTHWESTERLY DIRECTION TO THE MIDDLE TULE RIVER THROUGH A PORTION OF THE NE 1/4 OF SECTION 2 IN THE SAID TOWNSHIP AND RANGE.

APN: A PORTION OF 219-130-075-000”

- (s) Schedule 5.6.4 (Pre-Closing Interconnection Facilities and Post-Closing Interconnection Facilities) is hereby deleted in its entirety and replaced with Schedule 5.6.4 (Pre-Closing Interconnection Facilities and Post-Closing Interconnection Facilities) attached hereto as **Exhibit A**.

3. Continued Validity. The parties hereto acknowledge and agree that, except as expressly amended or modified by this Amendment, the Purchase Agreement shall remain unchanged and remain in full force and effect in accordance with the terms and provisions thereof. To the extent of any inconsistency between this Amendment and the Purchase Agreement, the terms and conditions of this Amendment shall control.

4. No Third Party Beneficiary. The terms and provisions of this Amendment are intended solely for the benefit of each of the parties hereto and their respective successors or permitted assigns, and it is not the intention of the parties hereto to confer third-party beneficiary rights upon any other Person.

5. Counterparts. This Amendment may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. A validly executed copy of this Amendment delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original validly executed copy of this Amendment.

6. Governing Law; Waiver of Trial by Jury. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY, ENFORCED AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW THAT WOULD APPLY THE LAWS OF ANOTHER JURISDICTION. TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HERETO WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AMENDMENT. EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED.

7. Authority. Each of the parties hereto represents that (a) such party has all requisite corporate power and authority to execute and deliver this Amendment, to perform its obligations hereunder and to complete the transactions contemplated hereby, and (b) the execution and

TCS  
4/29/2026

delivery by such party of this Amendment, and the performance by such party of its obligations hereunder, have been duly and validly authorized by all necessary corporate action.

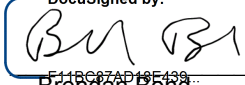
[Signature page follows.]

TSS  
4/29/2026

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the Effective Date.

**SELLER:**

**SOUTHERN CALIFORNIA EDISON COMPANY,**  
a California corporation

DocuSigned by:  
  
By: \_\_\_\_\_  
Name: Brendan Bond  
Title: Vice President and Treasurer

**PURCHASER:**

**LOWER TULE HYDRO LLC,**  
a Utah limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the Effective Date.


**SELLER:**

**SOUTHERN CALIFORNIA EDISON COMPANY,**  
a California corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**PURCHASER:**

**LOWER TULE HYDRO LLC,**  
a Utah limited liability company

By:  \_\_\_\_\_ 4/29/2026  
Name: Ted S. Sorawon  
Title: Manager

**EXHIBIT A TO  
FIRST AMENDMENT TO ASSET PURCHASE AGREEMENT**

**Schedule 5.6.4  
Interconnection Facilities**

[see attached]

**Schedule 5.6.4**

**Pre-Closing Interconnection Facilities and Post-Closing Interconnection Facilities**

<b>Scope of Work</b>	<b>Estimated Cost – Pre-Closing Interconnection Facilities Work (Part A)</b>	<b>Estimated Cost – Post-Closing Interconnection Facilities Work (Part B)</b>	<b>Phase I Post-Closing Interconnection Facilities  (X indicates Scope of Work estimated to be completed by December 31, 2026)</b>	<b>Phase II Post-Closing Interconnection Facilities  (X indicates Scope of Work to be completed within a reasonable period of time after issuance of Conditional PTO)</b>	<b>Estimated Total Cost</b>
<u>Power System Controls</u> -Install RTU at Tule Power House Generation Facility	\$15,000	\$127,025	X	N/A	\$142,025
<u>Metering Services Organization</u> -Install SCE Meter at Generation Facility	\$15,000	\$59,750	X	N/A	\$74,750
<u>IT Telecommunications</u> -Install cross connects and associated equipment	\$30,000	\$418,500	X	N/A	\$448,500
<u>Environmental Activities, Permits and Licensing</u> -Environmental related activities required for the project		\$89,700	X	N/A	\$89,700
<u>Real Properties</u> -Easement related activities required for the project		\$50,830	X	N/A	\$50,830
<b>Sub-Total T&amp;D Side Interconnection Facilities Cost</b>	<b>\$60,000</b>	<b>\$745,805</b>			<b>\$805,805</b>
<u>Generation Plant Facility Upgrade Costs</u> - Satellite/Wireless Data Connection - De-termination of 12KV Conductors - New meter enclosure - 19" RTU rack - Control Cables Junction Box - Grounding	\$60,000	\$245,000	X	N/A	\$305,000
- Substation Fencing		\$70,000	X	N/A	\$70,000
<b>Sub-Total Generation Side Interconnection Facilities Cost</b>	<b>\$60,000</b>	<b>\$315,000</b>			<b>\$375,000</b>

<b>Total Interconnection Facilities Cost (Lower Tule)</b>	<b>\$120,000</b>	<b>\$1,060,805</b>			<b>\$1,180,805</b>
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Certain assumptions:

- Generation Side Interconnection Facilities Cost is based on the divestment assessment report prepared by Mesa Project based on site visit in May 2023 (Generation scope to be updated upon completion of design activities)
- T&D side cost is based on revised trend analysis in October 2025

**Attachment B**  
**Lower Tule Updated Loss-on-Sale Calculation**

**Southern California Edison**  
**Sale of Lower Tule River Hydroelectric Project**  
**Updated Gain on Sale and Decrease in Rate Base Calculations**  
(Dollars)

**1 SALES PROCEEDS**

Transfer Payment	(6,268,000)
Interconnection Costs	(1,180,805)
Plus: Transaction Costs	(800,000)
Net Sale Proceeds	<u><u>(8,248,805)</u></u>

**2 NET BOOK VALUE**

	Historical Plant	Depreciation	Net Book Value
Electrical Generation Property	40,762,163	23,887,588	16,874,574

	Depreciable	Non-Depreciable	
Electrical Generation Property	16,871,061	3,514	16,874,574

**3 GROSS GAIN / (LOSS) ON SALE**

	Sales Proceeds	Net Book Value	Pre-Tax Gain/ (Loss)
Electrical Generation Property	(8,248,805)	16,874,574	(25,123,379)

**4 INCOME TAX EXPENSE**

	Federal	State	Total Tax Expense or (Benefit)
Current Tax Expense/(Benefit)	(1,901,468)	(632,338)	(2,533,806)
Deferred Taxes	(2,163,194)	(763,073)	(2,926,267)
Total Tax Liability/(Benefit)			<u><u>(5,460,073)</u></u>

**5 RATE BASE CHANGES**

Historical Plant (reduce plant)	40,762,163
Less: Depreciation Reserve	(23,887,588)
Less: Deferred Taxes	(2,926,267)
Decrease in Rate Base	<u><u>13,948,307</u></u>

6 AFTER-TAX GAIN/(LOSS) ON SALE

Pre-Tax Loss		(25,123,379)
Tax Benefit		5,460,073
After-Tax Loss		<u><u>(19,663,306)</u></u>

	<u>Depreciable</u>	<u>Non-Depreciable</u>	
Customer Allocation	100%	67%	
Shareholder Allocation		33%	
Customer After-Tax Gain / Loss	(19,659,793)	(2,354)	(19,662,147)
Shareholder After-Tax Gain / Loss		(1,159)	

7 Tax Gross-Up / Revenue Requirement

After Tax Loss		19,662,147
Gross Up Factor		1.38857
Revenue Requirement		<u><u>27,302,318</u></u>

**Attachment C**  
**Updated Application and Testimony Values**

A.25-03-001: SCE's Lower Tule Small Hydro 851 Application  
Updated Application and Testimony Values

<b>Description</b>	<b>Original Values</b>	<b>SCE Application and SCE-0001 Citation</b>	<b>Updated Values</b>
Transfer payment	\$8.9 million <sup>1</sup>	Application at p.3 SCE-0001, p.9, line 25; SCE-0001, p.14, lines 10-11	\$6.268 million
Rate base reduction	\$12.4 million	SCE-0001, p.5, line 1	\$13.9 million
Historical cost of the project	\$38.2 million	Application at p.14; SCE-0001, p.14, line 7	\$40.8 million
Historical cost less accrued and forecasted allocated reserve (accumulated depreciation)	\$21.7 million	Application at p.14; SCE-0001, p.14, line 8	\$23.9 million
Aggregate net book value	\$16.5 million	Application at p.14; SCE-0001, p.14, line 9	\$16.9 million
Aggregate pre-tax loss-on-sale	\$31.1 million	Application at p.5; SCE-0001, p.14, line 11	\$25.1 million <sup>2</sup>
Sales Price and Gain/(Loss) Impact (\$ in Millions)	Various (entire table)	SCE-0001, p.15, Table V-2	Various (entire table in SCE-0003, Attachment B)
Interconnection Costs	\$5.2 million	Application at p.5; SCE-0001, p.16, line 2	\$1.2 million
Transaction costs	\$0.5 million	Application at p.5; SCE-0001, p.16, line 2	\$0.8 million

<sup>1</sup> The transfer payment was the sum of the \$5.970 million transfer payment and the \$2.918 million estimated Cost-of-Ownership Charge.

<sup>2</sup> The aggregate pre-tax loss-on-sale is the sum of net sales proceeds and the net book value (NBV).

A.25-03-001: SCE's Lower Tule Small Hydro 851 Application  
Updated Application and Testimony Values

Revenue Requirement	\$33.77 million	SCE-0001, p.15, Table V-2	\$27.30
Non-depreciable assets allocated to shareholders	\$1,139	SCE-0001, p.16, footnote 9	\$1,159

**Attachment B**

Updated Joint Final Exhibit List for A.25-03-001: Application of Southern California Edison Company (U 338-E) for Approval Under Public Utilities Code Section 851 to Sell its Lower Tule Hydroelectric Power Plant to Lower Tule Hydro LLC

		<b>Proceeding #</b>		<b>ALJ</b>		
		A.25-03-001		Andrea McGary		
Party	Exhibit #	Witness	Description	Bates Range	Originally Served	Service of Bates Stamped Exhibits
SCE	SCE-0001	Allison Bahen Gary Chen Sue Cheng Mark Childs Christine Fanous April Li Martin Ostendorf	SCE-0001 Testimony of Southern California Edison Company (U 338-E) in Support of Its Application for Approval Under Public Utilities Code Section 851 To Sell Its Lower Tule Hydroelectric Power Plant to Lower Tule Hydro LLC	SCE-0001- SCE-0020	March 05, 2025	August 29, 2025
<a href="#">b3843b9f-2115-49c7-85eb-3118375425e5.pdf<sup>1</sup></a>						
SCE	SCE-0002	Allison Bahen Gary Chen Sue Cheng Mark Childs Christine Fanous April Li Martin Ostendorf	SCE-0002 Appendices A-B of Southern California Edison Company (U 338-E) in Support of Its Application for Approval Under Public Utilities Code Section 851 To Sell Its Lower Tule Hydroelectric Power Plant to Lower Tule Hydro LLC	SCE-0021- SCE-0045	March 05, 2025	August 29, 2025
<a href="#">577938153.pdf</a>						

Updated Joint Final Exhibit List for A.25-03-001: Application of Southern California Edison Company (U 338-E) for Approval Under Public Utilities Code Section 851 to Sell its Lower Tule Hydroelectric Power Plant to Lower Tule Hydro LLC

SCE	SCE-0003	Allison Bahen	SCE-0003 SCE Exhibit in Support of its Lower Tule Hydroelectric 851 Sale to Lower Tule Hydro LLC - Amendment to the Lower Tule Asset Purchase Agreement Between SCE and Lower Tule Hydro LLC, Updated Loss-on-Sale Calculation Worksheet, and Updated Values References In SCE’s Application and SCE-0001	SCE-0046- SCE-0070	June 19, 2026	June 19, 2026

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<sup>1</sup> This link updates the link in SCE’s service of the proposed exhibit list on June 22, 2025. The errata that SCE served on May 19, 2025 [<https://docs.cpuc.ca.gov/PublishedDocs/SupDoc/A2503001/8441/577938124.pdf>] have been incorporated into the final exhibit.