



ADVICE LETTER SUMMARY

ENERGY UTILITY

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

Company name/CPUC Utility No.: Peninsula Clean Energy Authority

Utility type:

- ELC GAS WATER
 PLC HEAT

Contact Person: Zsuzsanna Klara
 Phone #: (425)4426918
 E-mail: zklara@peninsulacleanenergy.com
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EXPLANATION OF UTILITY TYPE
 ELC = Electric GAS = Gas WATER = Water
 PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

March 10, 2023

Advice Letter (AL) #: 29-E

Tier Designation: 2

Subject of AL: PENINSULA CLEAN ENERGY AUTHORITY'S DISADVANTAGED COMMUNITIES GREEN TARIFF AND COMMUNITY SOLAR GREEN TARIFF PROGRAMS' TARIFF, SOLICITATION MATERIALS AND ME&O PLAN UPDATES PURSUANT TO RESOLUTION E-5212

Keywords (choose from CPUC listing): Solar, Compliance

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: Resolution E-5212

Does AL replace a withdrawn or rejected AL?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

Summarize differences between the AL and the prior withdrawn or rejected AL: n/a

Confidential treatment requested? Yes No

If yes, specification of confidential information: n/a

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? Yes No

Requested effective date: 4/9/23

No. of tariff sheets: 2

Estimated system annual revenue effect (%): n/a

Estimated system average rate effect (%): n/a

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

Tariff schedules affected: See Advice Letter

Service affected and changes proposed¹: See Advice Letter

Pending advice letters that revise the same tariff sheets: n/a

¹Discuss in AL if more space is needed.

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

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

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Utility Name:
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State: California Zip:
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ENERGY Advice Letter Keywords

Affiliate	Direct Access	Preliminary Statement
Agreements	Disconnect Service	Procurement
Agriculture	ECAC / Energy Cost Adjustment	Qualifying Facility
Avoided Cost	EOR / Enhanced Oil Recovery	Rebates
Balancing Account	Energy Charge	Refunds
Baseline	Energy Efficiency	Reliability
Bilingual	Establish Service	Re-MAT/Bio-MAT
Billings	Expand Service Area	Revenue Allocation
Bioenergy	Forms	Rule 21
Brokerage Fees	Franchise Fee / User Tax	Rules
CARE	G.O. 131-D	Section 851
CPUC Reimbursement Fee	GRC / General Rate Case	Self Generation
Capacity	Hazardous Waste	Service Area Map
Cogeneration	Increase Rates	Service Outage
Compliance	Interruptible Service	Solar
Conditions of Service	Interutility Transportation	Standby Service
Connection	LIEE / Low-Income Energy Efficiency	Storage
Conservation	LIRA / Low-Income Ratepayer Assistance	Street Lights
Consolidate Tariffs	Late Payment Charge	Surcharges
Contracts	Line Extensions	Tariffs
Core	Memorandum Account	Taxes
Credit	Metered Energy Efficiency	Text Changes
Curtable Service	Metering	Transformer
Customer Charge	Mobile Home Parks	Transition Cost
Customer Owned Generation	Name Change	Transmission Lines
Decrease Rates	Non-Core	Transportation Electrification
Demand Charge	Non-firm Service Contracts	Transportation Rates
Demand Side Fund	Nuclear	Undergrounding
Demand Side Management	Oil Pipelines	Voltage Discount
Demand Side Response	PBR / Performance Based Ratemaking	Wind Power
Deposits	Portfolio	Withdrawal of Service
Depreciation	Power Lines	



March 10, 2023

California Public Utilities Commission
Energy Division
Attention: Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102-3298

PCE Advice Letter 29-E

RE: PENINSULA CLEAN ENERGY AUTHORITY'S DISADVANTAGED COMMUNITIES GREEN TARIFF AND COMMUNITY SOLAR GREEN TARIFF PROGRAMS' TARIFF, SOLICITATION MATERIALS AND ME&O PLAN UPDATES PURSUANT TO RESOLUTION E-5212

PURPOSE

Peninsula Clean Energy Authority ("PCE") hereby submits to the California Public Utilities Commission ("Commission" or "CPUC") this advice letter ("AL") for approval of modification to its Disadvantaged Community Green Tariff ("DAC-GT") and Community Solar Green Tariff ("CSGT") programs' tariffs, solicitation protocols, and marketing plans reflecting the latest program eligibility rules outlined in Resolution E-5212.

TIER DESIGNATION

Pursuant to Resolution E-5212, OP4, this AL is submitted with a Tier 2 designation.

EFFECTIVE DATE

Pursuant to General Order 96-B and General Rule 7.3.4, PCE requests that this Tier 2 AL become effective 30 days following submittal, which is April 9, 2023.

BACKGROUND

On June 22, 2018, the Commission issued Decision ("D.") 18-06-027 adopting three new programs to promote the installation of renewable generation among residential customers in disadvantaged

communities (“DACs”),¹ as directed by the California Legislature in Assembly Bill (“AB”) 327.² The three programs include the DAC Single Family Solar Homes (“DAC-SASH”) program, which provides up-front incentives for the installation of solar at low-income homes in DACs. The other two programs, the DAC-GT and the CSGT programs, are community solar programs that offer 100% renewable energy to residential customers and provide a 20% discount on the electricity portion of the customers’ bills.

Pursuant to D.18-06-027, Community Choice Aggregators (“CCAs”) may also develop and implement their own DAC-GT and CSGT programs.³ D.18-06-027 provides that CCAs must submit a Tier 3 AL to implement the CCA DAC-GT and CSGT programs (“Implementation AL”).⁴ Accordingly, PCE submitted its Tier 3 Implementation AL on December 22, 2020 to create DAC-GT and CSGT programs (PCE AL 11-E). On April 15, 2021, the Commission issued Resolution E-5124, which approved PCE’s DAC-GT and CSGT Implementation AL with modifications.⁵

In Resolution E-5124, the Commission directed PCE to submit a Tier 2 Advice Letter with the solicitation documents for the first DAC-GT and CSGT Request for Offers (“RFO”). On June 9, 2021, PCE submitted AL 13-E requesting approval of its solicitation materials for the DAC-GT and the CSGT programs. The Energy Division approved AL 13-E on July 14, 2021.

On June 14, 2021, PCE submitted AL 14-E, *Peninsula Clean Energy Authority’s Disadvantaged Communities Green Tariff Program and Community Solar Green Tariff Program Revised Budget Estimates for Program Years 2021 and 2022*, providing budget updates requested in Resolution E-5124, including the “CCA integration” costs, defined as “administrative, IT, or other discrete activities taken by PG&E in order to facilitate implementation of the DAC-GT and CSGT CCA programs.”⁶ AL 14-E was approved on July 21, 2021.

On February 1, 2022, PCE submitted AL 24-E, *Peninsula Clean Energy Authority 2023 Budget Request and Outreach Plan for The Disadvantaged Communities Green Tariff and Community Solar Green Tariff Programs, and Confirmation of Automatic Enrollment*. The Energy Division approved of AL 24-E on March 3, 2022.

On October 6, 2022, the Commission issued Resolution E-5212 approving, with modifications, East

¹ DACs are defined under D.18-06-027 as communities that are identified in the CalEnviroScreen 3.0 as among the top 25 percent of census tracts statewide, plus the census tracts in the highest five percent of CalEnviroScreen’s Pollution Burden that do not have an overall CalEnviroScreen score because of unreliable socioeconomic or health data. Resolution E-4999 clarified that Program Administrators must submit a Tier 1 AL to update program eligibility rules within 30 days of a new release of the CalEnviroScreen tool. PCE satisfied this requirement by submitting PCE AL 18-E on November 12, 2021, reflecting the release of CalEnviroScreen 4.0.

² AB 327 (Perea), Stats. 2013, ch 611.

³ D.18-06-027 at 104 (OP 17).

⁴ *Id.*

⁵ Resolution E-5124 at 32 (OP 1).

⁶ Resolution E-5124 at 11.

Bay Community Energy and California Choice Energy Authority's Petitions of Modifications ("PFM") to Resolution E-4999 to include CalEnviroScreen ("CES") 3.0 DACs into the DAC-GT and CSGT programs. The approved modifications include amending program eligibility to be "additive" starting from the time at which a Program Administrator's DAC-GT and CSGT implementation advice letter is approved and expanding eligibility to participate in these programs to all California Indian Country. OP 4 of Resolution E-5212 requires Program Administrators to submit updated DAC-GT and CSGT tariffs, solicitation protocols, and ME&O plans that reflect the latest program eligibility rules within 150 days of the issuance of Resolution E-5212 in a Tier 2 AL.

PCE includes herein proposed modifications to its DAC-GT and CSGT Tariff, solicitation protocols, and ME&O plan.

SUMMARY OF PCE TARIFF MODIFICATIONS

PCE requests approval of modifications to its DAC-GT Tariffs to reflect expanded eligibility to qualified census tracts under CES 3.0 and subsequent CES versions as well as California Indian Country, in accordance with Resolution E-5212.7.

These modifications in the DAC-GT and CSGT Tariffs attached as Appendices and listed below:

Appendix A: DAC-GT Tariff Schedule (redline):

- *Terms and Conditions:* Edits were made to Section 1 related to customer eligibility to update the definition of qualifying disadvantaged communities to include CES 3.0 eligibility and California Indian Country lands.

Appendix B: CSGT Tariff Schedule (redline):

- *Terms and Conditions:* Edits were made to Section 1 related to customer eligibility to update the definition of qualifying disadvantaged communities to include CES 3.0 eligibility and California Indian Country lands.

SUMMARY OF PCE SOLICITATION PROTOCOL MODIFICATIONS

PCE also requests approval of modifications to the attached applicable solicitation materials to reflect expanded eligibility to qualified census tracts under CES 3.0 and subsequent CES versions as well as California Indian Country in accordance with Resolution E-5212.9. Each updated attachment in PCE's solicitation materials as well as the modifications of these attachments are included as Appendix C, D, and E are listed below:

Appendix C: DAC-GT and CSGT Request for offer ("RFO") Protocols (redline)

- Updates about PCE's investment balance and financial statements
- Disadvantaged Communities locational requirements
- Directions for bidders to further detail on CES websites: identifying DACs via CES 4.0 DAC website or search by address
- CalEnviroScreen designated DACs in PCE Territory

Appendix D: DAC-GT and CSGT Term Sheet for Resources 1 MW or Larger (redline)

- DAC-GT Qualification requirements reflecting to Resolution E-5212

Appendix E: DAC-GT and CSGT Term Sheet for Resources Less than 1 MW (redline)

- DAC-GT Qualification requirements reflecting to Resolution E-5212

SUMMARY OF PCE ME&O PLAN MODIFICATIONS

Finally, PCE requests approval of modifications to its DAC-GT ME&O Plan to reflect expanded eligibility to qualified census tracts under CES 3.0 and subsequent CES versions as well as California Indian Country, in accordance with Resolution E-5212,6. These modifications are included in the DAC-GT ME&O Plan attached as Appendix K and listed below:

Appendix F: Projected Marketing, education, and outreach (“ME&O”) plan for PY 2023 (redline)

- Target Audience: Edits were made to the target audience for PCE’s ME&O strategy to include additive methodology for DAC-GT eligibility.
- Qualifying census tracts in PCE Service Territory

APPENDICES

The following appendices are included as a part of this AL:

- **Appendix A:** DAC-GT Tariff Schedule (redline)
- **Appendix B:** CSGT Tariff Schedule (redline)
- **Appendix C:** DAC-GT and CSGT Request for offer (“RFO”) Protocols (redline)
- **Appendix D:** DAC-GT and CSGT Term Sheet for Resources 1 MW or Larger (redline)
- **Appendix E:** DAC-GT and CSGT Term Sheet for Resources Less than 1 MW (redline)
- **Appendix F:** Projected Marketing, education, and outreach (“ME&O”) plan for PY 2023 (redline)

CONCLUSION

PCE respectfully requests that the Commission approve its updated DAC-GT and CSGT tariffs, solicitation protocols, and ME&O plan with updated eligibility language.

NOTICE

A copy of this AL is being served on the consolidated, official Commission service list for Rulemaking (“R.”) 14-07-002 and Application (“A.”) 16-07-015.

For changes to this service list, please contact the Commission’s Process Office at (415) 703-2021 or by electronic mail at Process_Office@cpuc.ca.gov.

PROTESTS

Anyone wishing to protest this AL may do so electronically no later than 20 days after the date of this AL. Protests should be submitted to:

CPUC, Energy Division
Attention: Tariff Unit
Email: EDTariffUnit@cpuc.ca.gov

In addition, protests and all other correspondence regarding this AL should be sent by letter or transmitted electronically to the attention of:

[Zsuzsanna Klara](#)
Regulatory Compliance Analyst
Peninsula Clean Energy Authority
2075 Woodside Road
Redwood City, CA 94061
Email: zklara@peninsulacleanenergy.com

There are no restrictions on who may submit a protest, but the protest shall set forth specifically the grounds upon which it is based and shall be submitted expeditiously.

CORRESPONDENCE

For questions regarding this AL, please contact Jeremy Waen by electronic mail at jwaen@peninsulacleanenergy.com and zklara@peninsulacleanenergy.com.

/s/ Jeremy Waen

Jeremy Waen
Director of Regulatory Policy
Peninsula Clean Energy Authority

cc: Service List: R.14-07-002 and A.16-07-015

Appendix A

**Electric Schedule DAC-GT, *Disadvantaged Communities
Green Tariff Program***

Effective Date: [TBD upon PCE Board approval]

Proposed by Peninsula Clean Energy Authority



Peninsula Clean Energy Authority
Disadvantaged Communities Green Tariff Program¹

The purpose of the DAC-GT program is to provide eligible customers residing in disadvantaged communities (“DACs”) as defined in the Terms and Conditions below with a bill credit while also having their usage met with up to 100% renewable energy from qualified renewable generating facilities in DACs (“Qualified Facilities”).

APPLICABILITY

This program is available to residential PCE customers who are eligible for the California Alternate Rates for Energy (“CARE”) or Family Electric Rate Assistance (“FERA”) program and reside within a DAC.

Qualified Facilities are defined as new Renewable Portfolio Standard eligible generating facilities with a nameplate rated generating capacity between 500 kW to 20 MW that are located within a DAC in Pacific Gas and Electric Company’s (“PG&E”) service territory and that supply energy to PCE via a Power Purchase Agreement for the purposes of meeting customer subscriptions under this program. Prior to new qualified facilities coming online, PCE will serve DAC-GT customers on an interim basis utilizing existing resources that otherwise meet all of the requirements of the DAC-GT program. Once the new DAC-GT facilities come online, PCE’s DAC-GT customer subscriptions will be served by these projects.

This program is available to customers on a first-come, first-served basis until customer subscriptions reach PCE’s DAC-GT program cap. Enrollment in the DAC-GT program will occur as specified in the Terms and Conditions below. Once PCE reaches its DAC-GT program cap, a wait list will be maintained for new subscriptions. When program capacity becomes available, PCE will enroll new eligible customers on a first-come, first-served basis.

This program is not available to customers served under standby service, master-metered schedules, non-CARE/FERA eligible rates, Net Energy Metering rates, non-residential rates, customers enrolled in PCE’s CSGT rate, or to Direct Access customers or PG&E bundled customers.

This program will be available for customer participation as of [date TBD, to be specified by PCE Board of Directors].

¹ The Disadvantaged Communities (“DAC-GT”) and Community Solar Green Tariff (“CSGT”) schedule forms in this appendix are provided for informational purposes to further support the California Public Utilities Commission’s (“Commission”) review of this Advice Letter. These documents are pending Peninsula Clean Energy Authority (“PCE”) Board review and approval and may be updated to reflect the disposition of the PCE Board but are provided herein as examples of the documents PCE will utilize in implementing the programs upon Commission approval of the Advice Letter.

RATES AND CREDITS

Customers taking service on this rate schedule will receive a 20% discount on the electric portion of the bill compared to their otherwise applicable tariff (“OAT”), including PCE generation charges, PG&E transmission and distribution charges, and PG&E CCA CRS charges, and will be applied prior to the application of state and local taxes. This discount applies as long as customers are enrolled under the program and compliant with all the eligibility and enrollment terms.

For low-income customers enrolled in the CARE or FERA programs, the OAT is the customer’s existing CARE or FERA rate. Accordingly, the 20% discount for these customers will be applied to low-income customer bills after the CARE/FERA discount has been applied.

For customers who are not enrolled in CARE or FERA programs, the OAT is the customer’s existing rate schedule before program enrollment. Residential customer Service Agreement IDs (“SA IDs”) that are already enrolled in PCE’s 100 % renewable energy generation service option when enrolling under the program will be defaulted to PCE’s base rate for the purposes of calculating the 20% discount.

TERMS AND CONDITIONS

1. **Customer eligibility.** To enroll in this program customers must meet the following eligibility criteria:
 - a. **PCE enrollment:** Program participants must be residential PCE customers. PG&E bundled customers and customers served by Direct Access providers are not eligible to participate in this program.
 - b. **CARE/FERA eligibility:** Customers must be eligible for the CARE or FERA program. If a customer is not already enrolled in CARE or FERA they may enroll in CARE or FERA prior to signing up for the DAC-GT. If they elect not to enroll in CARE or FERA, they will be required to certify their eligibility for one of these programs as part of the process of enrolling in the DAC-GT.
 - c. **Disadvantaged community:** The customer’s service address must be located in a DAC. For the purposes of this tariff, the California Public Utilities Commission (“Commission”) has defined a DAC as a census tract, identified by the latest version of CalEnviroScreen in effect when a Program Administrator’s DAC-GT implementation plan was approved by the CPUC or any subsequent versions as either scoring among the top 25% of census tracts statewide, or census tracts scoring in the highest 5% of the CalEnviroScreen’s Pollution Burden, but and that do not have an overall CalEnviroScreen score because of unreliable socioeconomic or health data, or in California Indian Country as defined in 18 United States Code Section 1151, with the exception of privately held in-holdings, which are defined as non-Indian owned fee land located within the exterior boundaries of California Indian Country; in the event of multiple owners, such land shall be considered Indian owned if at least one owner is a tribe or tribal

member, regardless of the use of the land.

Pursuant to Resolution E-5212, census tract using CES criteria eligibility is additive. In the event the CalEnviroScreen tool is updated, customers whose service addresses are located in census tracts in which a customer resides is not that either scored as among the top 25% DAC of census tracts statewide in a subsequent-prior version of the CalEnviroScreen tool in effect on or after the date the Commission has approved a Program Administrator's DAC-GT implementation plan or as one of the census tracts in the top 5% of pollution burden as determined in a prior version of the CalEnviroScreen tool in effect on or after the date the Commission has approved a Program Administrator's implementation plan, the customer may retain eligibility for DAC-GT, so long as such customer continues to meet all other eligibility criteria.

2. **Ineligible rates.** Customers served under the following rate schedules cannot concurrently participate in the DAC-GT:
 - a. Net Energy Metering schedules;
 - b. Other 100% renewable energy rates including PCE's 100% ECO100 rate and CSGT;
 - c. Customers served under a master-meter rate schedule;
 - d. Non-CARE/FERA eligible rates; and
 - e. Non-residential rate schedules.

3. **Customer enrollment and term.** After the program start date, service under this program will become effective within two billing periods after PCE receives a request from a customer to enroll in this program and PCE has confirmed that the customer meets program eligibility requirements and that there is sufficient capacity to serve the customer.

Customers subscribe to a percentage of the total capacity of all solar resources under the program based on their previous 12-month average monthly usage.² This percentage allocation is set at the time of customer subscription but may be revisited periodically to ensure accurate allocations of project capacity.

There is no minimum length of time that a customer must take service under this program. There is also no termination fee associated with de-enrolling from the DAC-GT program. In the event a customer elects to no longer receive service under this program, the change will become effective no later than two billing periods after the date that PCE receives the customer's request to de-enroll from the DAC-GT. Customers are eligible to remain on the DAC-GT for a period of up to 20 years from the date they first began service under this program.

In the event that a customer turns off electric service at their current address and moves

² If previous 12-month historical usage is not available, the average monthly usage will be derived from as many months as available. For customers establishing new service, the class average monthly usage will be used.

to a new location, the customer will need to recertify eligibility at the new location for service under this program. If they still meet the eligibility requirements the customer will retain their status as a program participant as long as the customer's turn-on date at the new location is within 90 days of the final billing date at their original location and PCE receives the customer application within 90 days of the customer's turn-on date.

Customers who, after enrollment into the DAC-GT, become ineligible for CARE or FERA will be de-enrolled from this program.

4. **Maximum subscription per customer.** Enrollment in this program is capped at 2 megawatts for any single customer.
5. **Metering.** All customers must be metered according to the requirements of their OAT.

Appendix B

**Electric Schedule CSGT, *Community Solar Green Tariff*
*Program***

Effective Date: [TBD upon PCE Board approval]

Proposed by Peninsula Clean Energy Authority



Peninsula Clean Energy Authority
Community Solar Green Tariff Program¹

The purpose of the Community Solar Green Tariff (“CSGT”) program is to provide eligible customers in disadvantaged communities (“DACs”) with a bill credit while also having their usage met with up to 100% renewable energy from qualified renewable generating facilities in disadvantaged communities (“Qualified Facilities”).

APPLICABILITY

This program is available to Peninsula Clean Energy Authority (“PCE”) residential customers who meet the following eligibility requirements:

1. Customer must be eligible for the California Alternate Rates for Energy (“CARE”) or Family Electric Rate Assistance (“FERA”) program (“Qualifying Customers”);
2. Customer must reside in a census tract that is within a DAC as defined in the Terms and Conditions below; and
3. Customer must reside in a census tract that is within five miles of a community solar facility (“CS Facility”) as defined below.

Once 50% of a CS Facility’s output is subscribed by Qualifying Customers, this program is also available to:

1. Residential customers who are not eligible for the CARE or FERA program but reside within a DAC as well as a census tract that is within five miles of the CS Facility (“Non-qualifying Customers”); and
2. Community Sponsors, as defined in the Community Sponsor section of this tariff.

This program will be available for Qualifying Customer participation once a CS facility has achieved commercial operation and for Non-qualifying Customers once the subscription rate for Qualifying Customers reaches the 50% threshold. This program is not available to customers served under a Net Energy Metering rate schedule, Standby service, Non-metered service, customers enrolled in PCE’s Disadvantaged Communities Green Tariff (“DAC-GT”) rate, or to Direct Access or Pacific Gas and Electric Company (“PG&E”) bundled customers.

Customers served under a master-metered schedule are eligible for this program once 50% of the CS Facility output is subscribed with Qualifying Customers. Master-metered customers may participate in the CSGT program so long as they enroll all of their usage under the

¹ The Disadvantaged Communities (“DAC-GT”) and Community Solar Green Tariff (“CSGT”) schedule forms in this appendix are provided for informational purposes to further support the California Public Utilities Commission’s (“Commission”) review of this Advice Letter. These documents are pending Peninsula Clean Energy Authority (“PCE”) Board review and approval and may be updated to reflect the disposition of the PCE Board but are provided herein as examples of the documents PCE will utilize in implementing the programs upon Commission approval of the Advice Letter.

master-metered account in the program. Individual tenants of a master-meter customer are not eligible to participate on an individual basis. Master-metered customers must also meet all other eligibility requirements.

This program is available to customers until PCE's CSGT program cap is reached. However, an individual CS Facility may be smaller, and enrollment toward each CS Facility will be capped at the capacity of that facility. Once PCE's CSGT program cap is reached for one or all CS Facilities, a wait list will be maintained for new subscriptions. When program capacity becomes available, PCE will enroll new eligible customers on a first-come, first-served basis with priority given to Qualifying Customers.

COMMUNITY SOLAR FACILITIES

For the purpose of this tariff, a CS Facility is defined as a Renewable Portfolio Standard ("RPS") eligible generating facility that is located within a DAC and within five miles of ~~the census tracts~~ DACs in which subscribing customers reside. CS Facilities may have a nameplate rated generating capacity no larger than 3 MW for any one project. The developer of a CS Facility must enter into a Power Purchase Agreement ("PPA") with PCE for the sale and purchase of the power produced by the facility, and is responsible for developing and operating the CS Facility and partnering with one or more Community Sponsors for the project (see below for more information). Customers served by this program are not parties to the PPA and are not third-party beneficiaries to the PPA.

A CS Facility will retain its eligibility to serve customers under this program throughout the life of that project, even if the local qualified DAC designations change in subsequent iterations of CalEnviroScreen.

COMMUNITY SPONSORS

Each CS facility must have one or more Community Sponsors. Community Sponsors are local non-profit community-based organizations or local government entities, including schools, located in PCE's service territory. Community Sponsors must demonstrate community involvement and awareness by sponsoring a CSGT project on behalf of the residents.

A Community Sponsor located within a DAC ~~and in a census tract~~ that is within five miles of the CS facility may take service under this program and is eligible for a 20% bill credit for usage up to 25% of the project's estimated output, not to exceed the Community Sponsor's energy needs. Any usage above 25% of the project's energy output will be billed at the Community Sponsor's OAT and is not eligible for the 20% bill credit. The 20% bill credit will apply to the eligible portion of the Community Sponsors bill once 50% of the project's capacity has been subscribed by Qualified Customers. Multiple Community Sponsors can sponsor a single CSGT project and share in the 20% percent bill credit up to 25% of the project's energy output provided that all sponsors meet the eligibility requirements above.

RATES AND CREDITS

1. Residential Customer Rates

Customers taking service under this rate schedule will receive a 20% discount on the electric portion of the bill compared to their otherwise applicable tariff (“OAT”). This discount applies as long as customers are enrolled under the program and compliant with all the eligibility and enrollment terms.

For customers enrolled in the CARE or FERA programs, the OAT is the customer’s existing CARE or FERA rate. Accordingly, the 20% discount for these customers will be applied to low-income customer bills after the CARE or FERA discount has been applied.

For customers who are not enrolled in CARE or FERA programs, the OAT is the customer’s existing rate schedule before program enrollment. Residential customer Service Agreement IDs (“SA IDs”) that are already enrolled in PCE’s 100% renewable energy generation service option when enrolling under the programs will be defaulted to PCE’s base rate for the purposes of calculating the 20% discount.

2. Sponsor Rates

CSGT project sponsors who meet all of the eligibility requirements outlined above receive a 20% bill discount on enrolled SA IDs. The sponsor bill discount will be calculated based on the same methodology as described above for residential program participants with one modification. The sponsor bill discount is only applied to a sponsor’s subscription allocation, i.e., limited to a maximum of 25% of the project’s energy output (not to exceed the sponsor’s energy needs under the enrolled SA IDs). This discount applies as long as sponsors are enrolled under the programs and compliant with all the sponsor eligibility and enrollment terms described above.

If two or more sponsors are designated, both sponsors must inform PCE in writing of how the “discountable usage,” capped at 25% of the project’s energy output, are to be allocated among them. PCE will then calculate the applicable discount to each sponsor accordingly.

The sponsor’s discount is available to sponsors only after the CSGT project has reached its required minimum 50% Qualifying Customer subscription rate. If the subscription rate of Qualifying Customers drops under 50% of project capacity at any time throughout the life of the project, the sponsor bill credit will not be revoked.

TERMS AND CONDITIONS

1. **Customer eligibility.** To enroll in this program customers must meet the following eligibility criteria:
 - a. **PCE enrollment:** To receive service under this program, participants must be PCE customers. PG&E bundled customers and customers served by Direct Access providers are not eligible to participate in this program.

- b. **Disadvantaged community:** The customer's service address must be located in a DAC. For the purposes of this tariff, the California Public Utilities Commission ("Commission") has defined a DAC as a census tract, identified by the latest version of CalEnviroScreen in effect when a Program Administrator's DAC-GT implementation plan was approved by the CPUC or any subsequent versions as either scoring among the top 25% of census tracts statewide, or census tracts scoring in the highest 5% of the CalEnviroScreen's Pollution Burden, but and that do not have an overall CalEnviroScreen score because of unreliable socioeconomic or health data, or in California Indian Country as defined in 18 United States Code Section 1151, with the exception of privately held in-holdings, which are defined as non-Indian owned fee land located within the exterior boundaries of California Indian Country; in the event of multiple owners, such land shall be considered Indian owned if at least one owner is a tribe or tribal member, regardless of the use of the land.

~~A customer residing in a census tract that is considered an eligible DAC at the execution date of the Power Purchase Agreement for a CS Facility remains eligible to subscribe to that CS Facility and its schedule, even if the customer's census tract is not scored in a subsequent version of the CalEnviroScreen tool as a top 25% DAC or as one of the census tracts in the top 5% of pollution burden, so long as such customer continues to meet all other eligibility criteria. This eligibility applies to both existing subscribers and customers not previously subscribed to the CS Facility.~~

Pursuant to Resolution E-5212, census tract eligibility using CES criteria is additive. In the event the CalEnviroScreen tool is updated, customers whose service addresses are located in census tracts in which a customer resides is not that either scored as among the top 25% DAC of census tracts statewide in a subsequent prior version of the CalEnviroScreen tool in effect on or after the date the Commission has approved a Program Administrator's CSGT implementation plan or as one of the census tracts in the top 5% of pollution burden as determined in a prior version of the CalEnviroScreen tool in effect on or after the date the Commission has approved a Program Administrator's implementation plan, the customer may retain eligibility for CSGT, so long as such customer continues to meet all other eligibility criteria.

- c. **Proximity to CS Facility:** Customers must reside in a DAC ~~census tract~~ that is within five miles of a CS Facility.
- d. **CARE or FERA eligibility:** The first 50% of the output of a CS Facility will be reserved for residential customers who meet the other eligibility requirements and are eligible for the CARE or FERA program ("Qualifying Customers"). If a customer is not already enrolled in CARE or FERA they may enroll in CARE or FERA prior to signing up for the CSGT. If they elect not to enroll in CARE or FERA, they will be required to certify their eligibility for one of these programs as part of the process of enrolling in the CSGT.

- e. **Non-qualifying Customers:** After 50% of the output of a CS Facility has been subscribed by Qualifying Customers, non-qualifying residential customers as defined in the Applicability section of this tariff, including customers served under a master-meter rate schedule, may enroll in the program and receive the 20% CSGT credit.
 - f. **Community Sponsors:** After 50% of the output of a CS Facility has been subscribed by Qualifying Customers, Community Sponsors may enroll eligible service accounts and receive the 20% CSGT credit, subject to the conditions and limitations listed in the Community Sponsors section of this tariff.
2. **Participation in Demand Response programs.** Customers served by this program can concurrently participate on any Demand Response (“DR”) Programs for which they are otherwise eligible. All DR payments and credits are based on a customer’s metered usage and are not impacted by participation in this program.
3. **Ineligible rates.** Customers served under the following rate schedules cannot concurrently participate in the CSGT:
- a. Net Energy Metering schedules;
 - b. Other 100% renewable energy rates including PCE’s 100% ECO100 rate and DAC-GT;
 - ~~b.c.~~ Standby service; and
 - ~~c.d.~~ PCE’s DAC-GT Program.
4. **Customer enrollment and term.** After a CS Facility has achieved commercial operation, service under this Schedule shall become effective within two billing periods after PCE receives an enrollment request from a customer and PCE has confirmed that the customer meets program eligibility requirements.

In the event a customer elects to no longer receive service under this program, the change will become effective no later than two billing periods after the date that PCE receives the customer’s request to de-enroll from the CSGT.

In the event that a customer turns off electric service at their current address and moves to a new location, the customer will need to recertify eligibility at the new location for service under this program. The customer will retain their status as a program participant as long as the customer meets all eligibility criteria, program capacity is available, the customer’s turn-on date at the new location is within 90 days of the final billing date at his/her previous location and the application is received by PCE within 90 days of the turn-on date.

Service under this program will automatically terminate at the start of the next billing period if the PPA between PCE and the developer of the CS facility to which the customer is subscribed is terminated or the delivery term ends.

5. **Maximum subscription per customer.** The load served by PCE to an individual customer under this program (subscription) is capped at 2 megawatts of nameplate rated generating capacity from a CS Facility. Customers cannot be subscribed to more than one CS Facility at any time.
6. **Metering.** All Customers must be metered according to the requirements of their OAT.

Appendix C



DAC-GT and CSGT Request for Offers

Peninsula Clean Energy, a community choice energy aggregator, is ~~San Mateo County's~~the official electricity provider ~~of San Mateo County and the City of Los Banos~~, and currently provides electricity service to approximately 300,000 customer accounts. For more information on Peninsula Clean Energy, please go to www.peninsulacleanenergy.com.

Launch Date: [TBD]

Offers Due: [TBD]

RFO Website: <https://www.peninsulacleanenergy.com/solicitations/>

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1. Request for Offers Overview

On June 21, 2018, the California Public Utilities Commission (CPUC) approved (D.)18-06-027 *Alternate Decision Adopting Alternatives to Promote Solar Distributed Generation in Disadvantaged Communities* adopting new programs to promote the installation of renewable generation among residential customers in disadvantaged communities (DAC) as directed by the California Legislature in Assembly Bill (AB) 327.¹ Pursuant to D.18-06-027, Community Choice Aggregators (CCAs) may develop and implement their own DAC Green Tariff (DAC-GT) and Community Solar Green Tariff (CSGT) programs.

Per [Resolution E-5124](#), and the disposition of Peninsula Clean Energy Authority (PCE) [Advice Letter 27-E](#), PCE is authorized to procure between ~~1.236~~ 3.7 MW and ~~2.0~~ 4.0 MW for its DAC-GT program and between 0.4025 MW and 1.0 MW for its CSGT program.

Any Power Purchase Agreement (PPA) which results from this RFO will be subject to PCE Board of Directors (Board) and CPUC approval. For those projects that receive PCE Board of Directors approval and an executed PPA, PCE will submit the executed PPA to the CPUC for approval within 180 days of bidder's receipt of shortlist notification.

About Peninsula Clean Energy

In May 2019, Peninsula Clean Energy received an investment grade credit rating of Baa2 from Moody's ~~and in~~. In April 2020, ~~Peninsula Clean Energy~~ received an investment grade credit rating of BBB+ from Fitch. As of ~~June~~ September 30, 2020, Peninsula Clean Energy had an ~~audited combined~~ unaudited total cash and ~~marketable securities~~ investments balance of \$~~177~~188.6 million. ~~The combined balance represented 280~~ representing all restricted and unrestricted cash plus short-term and medium-term investments. Of the total, \$188.3 million, or 99.8%, was unrestricted representing 295 days of cash on hand, ~~well in excess of~~ significantly higher than Peninsula Clean Energy's Board ~~updated~~ policy requirement of 180 days. Peninsula Clean Energy's financial statements including its fiscal year ~~2019-2020~~ 2021-2022 ~~audited financial statements~~ financials are available on its website at <https://www.peninsulacleanenergy.com/key-documents/>. For more information on Peninsula Clean ~~Energy's website.~~ Energy, please go to <https://www.peninsulacleanenergy.com/>

Acknowledgment of Terms

By participating in this RFO process, a bidder acknowledges that it has read, understands, and agrees to the terms and conditions set forth in these RFO instructions, including all attachments. Peninsula Clean Energy reserves the right to reject any offer that does not comply with the requirements identified herein. Furthermore, Peninsula Clean Energy may, at its sole discretion and without notice, modify, suspend, or terminate the RFO without liability to any organization or individual. The RFO does not constitute an offer to buy or create an obligation for Peninsula

¹ AB 327 (Perea), Stats. 2013, ch 611.

Clean Energy to enter into an agreement with any party, and Peninsula Clean Energy shall not be bound by the terms of any offer until it has entered into a fully executed agreement.

2. Project Eligibility

Offers must meet the following eligibility requirements:

DAC-GT Project Eligibility

- The Project must be a new solar, wind, small hydroelectric, or biogas² Renewable Portfolio Standard (RPS)-eligible, in-front-of-the-meter generating facility.
- The Project must be physically located in and connecting electrically to a circuit, load, or substation within Pacific Gas and Electric Company's (PG&E) service territory and located within an eligible DAC as further explained below.
- Behind-the-meter projects, non-renewable technologies, and other complementary technologies, including energy storage, are not eligible.
- The Project must have an online date no later than December 31, 2023.
- The Project must have a demonstrably viable path to successful interconnection with the relevant authority (CAISO or PG&E).
- The Project must comply with the California Air Resources Board's Voluntary Renewable Electricity Program.
- The Project must be Green-e eligible.
- The Project must qualify as a DAC-GT Project pursuant to [D.18-06-027](#), [D.18-10-007](#), and [Resolution E-4999](#).

CSGT Project Eligibility

CSGT Project must meet all the DAC-GT requirements above, with the following additional requirements:

- The Project must be located within 5 miles of the DAC census tracts in which subscribing Peninsula Clean Energy customers reside, as further defined in the CSGT Eligible Locations requirements below.
- The Project must submit a letter of commitment from a non-profit community-based organization (CBO) or a local government entity or school that would serve as a sponsor for the CSGT project on behalf of DAC residents. See [Appendix A, Community Sponsor Requirements](#) for more detail.

PCE may be able to support the identification and engagement of a qualifying Community Sponsor.

² The CPUC decision also allows for biomass resources, however PCE's Board of Directors has explicitly prohibited its procurement of biomass resources.

Disadvantaged Communities (DACs) Locational Requirements

~~The CPUC has defined an eligible DAC as census tracts that either: (1) score at or above the 75th percentile (i.e., scoring in the top 25 percent statewide) in the current California Environmental Protection Agency's (CalEPA) CalEnviroScreen 3.0 on a statewide basis, or (2) are one of the census tracts that score in the highest five percent of CalEnviroScreen's pollution burden, but that do not have an overall score.~~

For the purposes of the DAC-GT and CSGT programs, the CPUC has defined a DAC as either:³

1. a census tract, identified by the version of CalEnviroScreen in effect when a Program Administrator's DAC-GT and CSGT implementation plan was approved by the CPUC or any subsequent versions as either scoring among the top 25% of census tracts statewide;
2. a census tract identified by the version of CalEnviroScreen in effect when a Program Administrator's DAC-GT and CSGT implementation plan was approved by the CPUC or any subsequent versions scoring in the highest 5% of the CalEnviroScreen's Pollution Burden, and that do not have an overall CalEnviroScreen score because of unreliable socioeconomic or health data; or
3. in California Indian Country as defined in 18 United States Code Section 1151, with the exception of privately held in-holdings, which are defined as non-Indian owned fee land located within the exterior boundaries of California Indian Country; in the event of multiple owners, such land shall be considered Indian owned if at least one owner is a tribe or tribal member, regardless of the use of the land.

The CalEPA has created ~~an online map~~online maps that displays the CalEnviroScreen results.⁴ There are multiple ways to identify DACs:

- Via Data List (Spreadsheet). Visit the CalEPA's CalEPA DAC website CES 4.0 DAC website and download the SB 535 List of Disadvantaged Communities (2022), or CES 3.0 DAC website, and download the Microsoft Excel file with raw data List of Disadvantaged Communities Excel file, and filter the data set.
- Search by Address. On either the CalEnviroScreen 3.0 or 4.0 map, in the "Find address or place" field, input the address and determine the color coding alongside the map's Legend.

DAC-GT projects can be sited in any DAC in PG&E service territory. CSGT projects must be sited per eligible locations noted below.

CSGT Eligible Locations

CSGT projects can be sited in any of the ~~6 DACs~~13 DAC census tracts in Peninsula Clean Energy territory in South San Francisco, Redwood City, San Bruno, ~~and~~ East Palo Alto, San Mateo, and Los Banos. These are shown in red on the map below, which can be accessed via the CalEPA online maponline map. The projects must be within 5 miles of participating customers who must also be residents of a designated DAC.

³ See Resolution E-5212.

⁴ CES 3.0 map, CES 4.0 Map.

CalEnviroScreen 3.0 Designated DACs in PCE Territory		
Census Tract	City or Nearby City for Approx. Location	Population
<u>6047002201</u>	<u>Los Banos</u>	10,325 <u>6249</u>
<u>6047002202</u>	<u>Los Banos</u>	<u>10170</u>
<u>6047002302</u>	<u>Los Banos</u>	<u>15950</u>
6081602100	South San Francisco	3,615 <u>3700</u>
<u>6081602200</u>	<u>South San Francisco</u>	<u>8444</u>
6081602300	South San Francisco	3,753 <u>4196</u>
<u>6081604101</u>	<u>San Bruno</u>	<u>8053</u>
6081604200	San Bruno	<u>4,170</u> <u>4135</u>
<u>6081606200</u>	<u>San Mateo</u>	<u>7788</u>
6081610201	Redwood City	<u>5568</u>
<u>6081610202</u>	<u>Redwood City</u>	<u>4013</u>
6081611900	East Palo Alto	10,325 <u>10368</u>
6081612000	East Palo Alto	7,327 <u>7091</u>
-	TOTAL	34,954 <u>95725</u>

3. RFO Timeline and Process

Timeline

The following is the expected timeline for the full RFO and awards process.

Date	Item
[DATE]	RFO Issuance and Q&A open
[DATE]	Deadline to submit questions prior to webinar
[DATE]	Bidder webinar to discuss RFO process
[DATE]	Deadline to submit RFO questions
[DATE]	Final Q&A addendum posted to RFO website
[DATE]	Deadline to submit RFO proposals
[DATE]	Bidders notified of shortlist status
[DATE]	Evaluations of and negotiations with shortlisted Bidders, awards, and PCE Board approval
[DATE]	PCE submits executed PPA(s) to CPUC for approval

Communications

All RFO documents, announcements, Q&As, and updates are available at the RFO website at <https://www.peninsulacleanenergy.com/solicitations/>.

Submission and Posting of Q&A

Bidders are encouraged to submit questions concerning the RFO. All questions must be submitted through the form posted here: [\[WEB FORM – ADDRESS TO BE UPDATED PRIOR TO ISSUANCE\]](#). Please submit RFO questions to Peninsula Clean Energy as early as possible.

Peninsula Clean Energy intends to post all questions submitted by bidders before and after the deadline to submit questions, as well as responses to those questions in the form of an Addendum posted to the RFO website. Answers will be posted by the date in the timeline above. All addenda shall become part of this RFO. All questions will be posted anonymously to shield the identity of bidders who posed the questions.

Bid Submittal

Offers must include the required documents described below. All proposals must meet the requirements of the RFO to be considered. However, PCE reserves the right to waive any deficiency of an offer.

Shortlist Selection Process

Peninsula Clean Energy will evaluate all ~~offers~~Offers per the evaluation criteria described below. Short-listed bidders will be required to provide additional documentation within two weeks of notification of short-listing. Peninsula Clean Energy will only negotiate contracts with short-listed bidders. Peninsula Clean Energy may execute contracts with selected bidders at any time during the negotiation phase or may choose to execute none at all. Note that shortlisted bidders may be required to agree to ~~the provisions of an exclusivity agreement~~Exclusivity Agreement during the short-listing and negotiation period. A template is posted on the RFO website but is only required for those bidders selected for short-listing.

Selection and Public Disclosure

Contracts with projects selected by Peninsula Clean Energy must be approved by the Peninsula Clean Energy Board of Directors at a public Board meeting prior to execution. See Section 15 of this document for a discussion of the classification and treatment ~~of~~on confidential material. Contracts approved by the Peninsula Clean Energy Board ~~of Directors~~ must then be submitted to the CPUC for approval.⁵ Contracts shall only become effective on CPUC approval.

4. Submission Specifications

All offers must meet the following specifications in order to be considered for selection:

Resource	New solar, wind, small hydroelectric, or biogas Renewable Portfolio Standard (RPS)-eligible, in-front-of-the-meter generating facility.
Capacity	DAC-GT Projects: Bids between 500kW and 24 <u>253.7</u> MW, with 1.25 <u>3.7</u> MW preferred CSGT Projects: Bids between 410kW and 1MW, with 410kW preferred

⁵ See [Resolution E-5124](#) at p. 34.

Price	Fixed \$/MWh with zero percent (0%) annual escalator. (Note: Actual payments to bidder will be consistent with the terms of the PPA Agreements for each project).
Product	Offered product shall include all applicable and associated Capacity, Energy, and Environmental Attributes/Renewable Energy Credits (RECs).
Point of Delivery (POD)	The Point of Delivery (POD) is defined as follows: <ul style="list-style-type: none"> • For CAISO-participating resources, the Pnode at which the Project will settle • For non-CAISO-participating resources, the revenue meter at the point of coupling between the resource and PG&E's distribution grid.
Number of Offers	Bidders may submit multiple offers
Term	Bidders must submit a conforming offer with a term of fifteen (15) years. Bidders may also provide additional alternate offers of ten (10) years and twenty (20) years, if desired.
Ownership	PCE expects the resource-Resource will be owned by the bidder or its designated 3 rd party. PCE may wish to explore option of purchasing the project in the future and invites bidders to advise on any preferences or pricing in this regard.
Site Control	Participants should provide evidence that they have obtained or have the option to obtain all necessary rights to deploy the resource at the specified location.
Interconnection	Bidder must substantiate what steps it has taken to validate interconnection viability with the relevant authority (CAISO or PG&E) and why it believes it will be able to interconnect this project according to the required schedule. PCE reserves the right at its discretion to disqualify any submission that it believes shows insufficient evidence of interconnection viability.

Scheduling Coordinator (CAISO-participating resources only)	Designated Scheduling Coordinator to be determined during negotiations following shortlisting.
Expected Commercial Operation Date (COD)	By [DATE]. Projects with earlier start dates will be prioritized.
Guaranteed Energy Production	One hundred sixty percent (160%) of proposed estimated annual energy production in each 2-year performance measurement period.
Deliverability	Both "Energy Only" projects and projects with Full Capacity Deliverability Status (FCDS) are eligible for this RFO. Energy Only projects will not receive any value for providing Resource Adequacy benefits.
Seller Security Requirements	Proposed pricing should incorporate the following security requirements. <ul style="list-style-type: none"> • Following PPA execution: Development Security of \$60/kW of Guaranteed Capacity. This can be provided as cash or Letter of Credit. • Upon Commercial Operation: Performance Security equivalent to one year of expected project revenues. This can be provided as cash or Letter of Credit.
Transfer of Environmental Attributes/Renewable Energy Certificates	As part of the proposed transaction associated with any renewable energy product, all Environmental Attributes/Renewable Energy Certificates must be tendered and transferred to PCE via the Western Renewable Energy Generation Information System (WREGIS), or its successor, without any additional costs or conditions to PCE.
Labor Requirements	Must comply with Peninsula Clean Energy's Inclusive and Sustainable Workforce Policy (described below).
Community Sponsor (CSGT Only)	Letter of commitment from a qualifying sponsor(s) is required. Qualifying sponsors include non-profit community-based organizations, local government, or local government entities including schools. As this is a resource participating in a PCE program, PCE cannot be a Community Sponsor. See Appendix A .

5. Evaluation Criteria

Submissions will be evaluated according to quantitative and qualitative evaluation factors described below.

Quantitative Evaluation Criteria

All projects will be assessed for the project's economic value including energy, environmental attributes, resource adequacy if applicable (net of curtailment and degradation), contract cost, and contract term.

Qualitative Evaluation Criteria

Projects will also be assessed according to the qualitative criteria outlined below:

- Project viability and development risk:
 - Project status regarding interconnection, site control, permits
 - Financial stability of project owner/developer
 - Approach/discussion on project construction
- Project team experience
- Redline to Term Sheet: Material terms that the bidder is requesting as a condition of the offer
- Workforce Development
 - Relevant information submitted by proposers will be used to evaluate potential workforce impacts of proposed projects with the goal of promoting fair compensation, fair worker treatment, multi-trade collaboration, and support of the existing wage base in local communities where contracted projects will be located.
- Compliance with Peninsula Clean Energy's Ethical Vendors Standard:
 - Bidder's business practices, environmental track record, and commitment to sustainability in its procurement decisions.

Evaluation Scoring

Responses will be scored per the following criteria and point awards:

Evaluation Criteria	Total Awardable Points
Value (price, energy attributes, capacity)	30
Project Viability	25
Project team experience	15
Project meets PCE's full respective allocation (1.25 <u>3.7</u> MW DAC-GT or 410kW CSGT)	15
Project will use union labor and project labor agreement	10
Redline to Term Sheet	5
Demonstrates compliance with PCE Sustainable Workforce Policy	Pass / Fail
Demonstrates compliance with PCE Ethical Vendors Standard	Pass / Fail
Total	100

6. Submission Package

The following documents are required for each Project:

	Submission Element	Reference [LINKS TO ATTACHMENTS TO BE UPDATED PRIOR TO ISSUANCE]
01	Offer Form(s) (Variants should be submitted in separate offer forms)	See Attachment 1
02	Project Narrative	See Attachment 2
03	Term Sheet Redline	See Attachment 3a For Resources 1 MW or greater See Attachment 3b For Resources less than 1 MW
04	Project Sponsor Letter (CSGT Submissions Only)	See Appendix A
05	Workforce Narrative (Demonstrates bidder's compliance with Peninsula Clean Energy's Sustainable Workforce Policy)	Link to Workforce Policy
06	Ethical Vendor Narrative (Demonstrates bidder's compliance with Peninsula Clean Energy's Ethical Vendor Standards)	Link to Ethical Vendor Standards
07	(Optional) Supplier Diversity Questionnaire	See Attachment 4

Only electronic submittals will be accepted via e-mail sent to programs@peninsulacleanenergy.com with the header: "[Program] [Submission Element] – [Bidder Name]" in the subject line.
For example: "DAC-GT Offer Form – Company X"
"CSGT Project Sponsor Letter – Company Y"

Offer Form

The Offer Form is a primary source of data for evaluating submissions.

Term Sheet Redline

Bidders are required to provide a full redline of the term sheet. Note that there is a separate term sheet for resources less than 1 MW and resources equal to or greater than 1 MW. Proposed pricing should assume the terms in the form term sheet. Peninsula Clean Energy will consider redlines but may or may not ultimately accept changes. If changes to specific terms would positively impact pricing to Peninsula Clean Energy, please note this in the term sheet redline including the magnitude of the impact.

Project Narrative

Bidders should submit a brief narrative regarding the Project that will be used as a reference for specific project details that are not fully captured in the Offer Form templates and for further assessment of proposals.

Workforce Narrative

Peninsula Clean Energy requires all bidders to provide documentation describing efforts towards engaging a skilled and trained workforce and targeted hires. At a minimum, projects must comply with Policy 10, "[Peninsula Clean Energy's Sustainable Workforce Policy](#)".

Workforce Narrative submitted by bidders will be used to evaluate potential workforce impacts of proposed projects with the goal of promoting fair compensation, fair worker treatment, multi-trade collaboration, and support of the existing wage base in local communities where contracted projects will be located.

Ethical Vendor Narrative

Per its Policy No. 9, "Peninsula Clean Energy is committed to the highest standards of responsible behavior and integrity in all of its business relationships. PCE will consider a company's business practices, environmental track record, and commitment to sustainability in its procurement decisions."

The Ethical Vendor Narrative should describe bidder's business practices, environmental track record, and commitment to sustainability in its procurement decisions.

Optional: Diversity Questionnaire (for Peninsula Clean Energy's Data Collection Only)

Peninsula Clean Energy asks bidders to voluntarily complete the attached Supplier Diversity Questionnaire (Attachment 6) disclosing their General Order (GO) 156 certification status as well as their efforts to work with diverse business enterprises, including those owned or operated by women (WBE), minorities (MBE), disabled veterans (DVBE), and lesbian, gay, bisexual, or transgender people (LGBTBE).

As a public agency and consistent with state law, Peninsula Clean Energy will not use any such information provided on the Diversity Questionnaire in any part of its decision-making or selection process. Rather, Peninsula Clean Energy will use the information provided on the Diversity Questionnaire solely to help evaluate how well it is conforming to its own policies and goals. For additional information, please see Section 10 below. ***Pursuant to California Proposition 209, Peninsula Clean Energy does not give preferential treatment based on race, sex, color, ethnicity, or national origin.***

Please do not include extra documentation not listed here.

7. Short-listed Bidder Required Documents

Within 2 weeks of short-list notification, the following items or documents must be submitted to Peninsula Clean Energy:

- Financial Information
- Demonstration of site control

Bidder Financial Information

Based on availability, counterparties must submit a financial statement for the most recent financial quarter, as well as audited financial statements for the most recent two fiscal years, or the period of existence of the counterparty, if shorter.

Financial statements should be sent to programs@peninsulacleanenergy.com. If the bidder requires a Non-Disclosure Agreement (NDA) in order to share that information, bidder will execute an NDA with PCE. More instructions will be shared upon shortlisting.

Demonstration of Site Control

Bidder must provide evidence that it has secured or has the clear option to secure any required rights for developing the proposed Project at the proposed location.

8. Buyer Security

Peninsula Clean Energy does not intend to provide collateral or performance security in connection with any PPAs that they may execute in connection with this RFO. By submitting an offer through this RFO, bidder acknowledges and accepts that Peninsula Clean Energy does not intend to provide collateral or performance security in connection with any PPA, and no such offer submitted will be subject to a requirement that Peninsula Clean Energy post collateral or security.

9. Protest

If an unsuccessful proposer wants to dispute an award or award recommendation, a protest must be submitted in writing to the Chief Executive Officer, Janis Pepper no later than ten (10) calendar days after notice that the proposer was unsuccessful, detailing the grounds, factual basis and providing all supporting information. Protests will not be considered for disputes on the grounds that material provision in this RFO is ambiguous. Failure to submit a timely written protest to the contact listed below will bar consideration of the protest.

The address for submitting protests is:

Attention: Janis Pepper, CEO
Peninsula Clean Energy Authority
2075 Woodside Road
Redwood City, CA 94061

Please submit electronic versions of any protest to Janis Pepper at procurement@peninsulacleanenergy.com.

10. Bidder Representations

By submitting a bid, bidder agrees to be bound by the conditions of these RFO protocols, and makes the following representations, warranties, and covenants to Peninsula Clean Energy, which representations, warranties, and covenants will be deemed to be incorporated in their entirety into each of bidder's submittals and are deemed to be material to Peninsula Clean Energy's consideration of the proposals:

1. Bidder agrees that Peninsula Clean Energy is not liable to any bidder or party in law or equity for any reason whatsoever for any acts or omissions arising out of or in conjunction with this RFO and that bidder has no legal recourse against Peninsula Clean Energy, its directors, officers, employees, and agents for rejection of their submittal(s).
2. Bidder acknowledges that it has had the opportunity to seek independent legal and financial advice of its own choosing with respect to this RFO and agrees to be bound by the terms and specifications of this RFO and any addenda subsequently issued prior to the due date of the submittal.
3. Bidder has obtained all necessary authorizations, approvals, and waivers, if any, required by bidder to submit its bid pursuant to the terms of this RFO and to enter into a final agreement with Peninsula Clean Energy.
4. Bidder acknowledges that Peninsula Clean Energy reserves the right to enter into relationships with more than one bidder, can choose not to proceed with any bidder with respect to one or more identified projects, and can choose to suspend this RFO or issue a new RFO that would supersede and replace this RFO.
5. Bidder warrants that it has no employees in its employ who in any capacity have a position at Peninsula Clean Energy that enable him/her to influence the selection of a bidder or any competing RFO, nor does bidder have in its employ any of Peninsula Clean Energy Board members or employees who are the spouse or economic dependent of a Peninsula Clean Energy employee.
6. Bidder's submission complies with all applicable laws.
7. Bidder warrants that all information submitted by bidder to Peninsula Clean Energy in connection with this RFO is true and accurate as of the date of bidder's submission. Bidder also covenants that it will properly update any submitted information immediately upon any material change thereto.
8. Bidder acknowledges and accepts that Peninsula Clean Energy does not intend to provide collateral or performance security in connection with any PPA.
9. The submission of a proposal shall be deemed a representation and certification by the Bidder that it has investigated all aspects of the RFO, that it is aware of the applicable facts pertaining to the RFO process, its procedures, and requirements, and that it has read and understood the RFO.

11. Interpretation

Peninsula Clean Energy shall not be responsible for nor be bound by any oral instructions, interpretations or explanations issued by Peninsula Clean Energy or its representatives.

Should there be a need to clarify this RFO or any of its attachments, including but not limited to the Term Sheet, requests for clarification may be sent via e-mail at

programs@peninsulacleanenergy.com. Requests for clarification received or questions on the RFO after the deadline provided in Section 3, above, will not be considered. If there are any discrepancies between the RFO and the Term Sheet, the Term Sheet will apply.

12. Code Adherence and Policies

RFO bidder shall agree to abide by all laws, rules, and regulations of the United States, State of California, and San Mateo County.

13. Board Approval Process

An agreement shall not be binding or valid unless and until it is approved by the Peninsula Clean Energy Board of Directors and executed by an authorized representative of Peninsula Clean Energy and approved by the CPUC.

14. Insurance Requirements

The selected bidder, at bidder's sole cost and expense and for the full term of the Agreement or any extension thereof, shall obtain and maintain insurance as required by Peninsula Clean Energy.

All policies, endorsements, certificates, and/or binders shall be subject to approval by PCE as to form and content. Insurance requirements are subject to amendment or waiver if so approved in writing. The selected bidder agrees to provide PENINSULA CLEAN ENERGY with a copy of said policies, certificates, and/or endorsements.

15. Public Nature of Proposal Material

All correspondence with Peninsula Clean Energy including responses to this solicitation will become the exclusive property of Peninsula Clean Energy and will become public records under the California Public Records Act (CPRA). All documents sent to Peninsula Clean Energy will be subject to disclosure if requested by a member of the public. There are a limited number of exceptions to this disclosure requirement.

Peninsula Clean Energy acknowledges that a party may submit information that the party considers confidential, proprietary, or trade secret information or otherwise protected from disclosure pursuant to an exemption to the CPRA (Confidential Information). In order to designate information as confidential, the bidder must clearly stamp and identify the specific portion of the material designated with the word "Confidential" and provide a citation to the CPRA or other legal authority that supports keeping the information confidential. Upon request or demand of any third person or entity not a party to this Agreement (Requestor) for production, inspection and/or copying of information designated by bidder as confidential information, Peninsula Clean Energy will notify the bidder as soon as practical that such request has been made. The bidder shall be solely responsible for taking whatever legal steps are necessary to protect information deemed by it to be Confidential Information and to prevent Peninsula Clean Energy's release of information to the Requestor. If the bidder takes no such action after receiving the foregoing notice from Peninsula Clean Energy, Peninsula Clean Energy

shall be permitted to comply with the Requestor's demand and is not required to defend against it.

Bidder should not over-designate material as confidential. Over-designation would include stamping entire pages or a series of pages as confidential that contain information that is not confidential. Therefore, any proposal which contains language purporting to render all or significant portions of their proposal "Confidential", "Trade Secret" or "Proprietary", or fails to provide the exempted information required as described below will be considered a public record in its entirety subject to the procedures described below. Do not mark your entire proposal as "confidential".

Peninsula Clean Energy will not disclose any part of any proposal before it announces a recommendation for an award on the ground that there is a substantial public interest in not disclosing proposals during the evaluation and negotiation process. After announcing a recommended award, all proposals will be subject to public disclosure.

16. Disclaimer

Peninsula Clean Energy reserves the sole and discretionary right to reject any offers received in response to this RFO for any reason. Additionally, Peninsula Clean Energy reserves the right, at its sole discretion, to not enter into any transaction at the conclusion of this RFO. Peninsula Clean Energy shall not be obligated to respond to any proposal submitted, nor be legally bound in any manner by submission of the proposal. Peninsula Clean Energy reserves the right to modify the terms and conditions of this RFO at any time based on changing needs and market feedback. Peninsula Clean Energy also reserves the right to rescind this RFO at any time prior to Peninsula Clean Energy execution of a binding agreement. Notwithstanding anything to the contrary, no proposal, bid, offer, or proposed transaction (however described) shall be binding upon Peninsula Clean Energy except pursuant to a written agreement signed by the authorized representative of Peninsula Clean Energy and the counterparty. Peninsula Clean Energy will not be liable at any time for any costs the prospective supplier may incur in preparing or submitting its response to this RFO.

Appendix A

Community Sponsor Requirements

As required by the CPUC in [D.18-06-027](#), pages 78:

Community Sponsorship: Community involvement must be demonstrated by a non-profit community-based organization or local government “sponsoring” a project on behalf of residents. Developers will be required to obtain a letter of commitment from sponsors to bid for projects. We clarify that sponsor’s role is to be a catalyst for the community and the project and may involve utility and developer participation in this effort.

Specifically, a developer must provide a letter of commitment from a sponsor that includes:

- Demonstration of substantial interest of community members in subscribing to project;
- Estimated number of subscribers, with justification to ensure project is sized to likely demand;
- A preliminary plan to conduct outreach and recruit subscribers (which may be conducted in conjunction with the developer and/or the utility); and
- Siting preferences, including community-suggested host sites, and verification that the site chosen for the bid is consistent with community preference.

Appendix D

Term Sheet for Power Purchase Agreement
(For Projects 1 MW or Larger)

This term sheet includes the key commercial terms and conditions that will be included in a proposed power purchase agreement to be negotiated between Seller and Buyer (as defined below) if Bidder is selected for the shortlist of offers submitted in the 2023~~4~~ DAC-GT and CSGT RFO.

THIS TERM SHEET FOR POWER PURCHASE AGREEMENT (“**Term Sheet**”) is entered into as of _____, 20__ (the “**Effective Date**”), between Peninsula Clean Energy Authority, a California joint powers authority (“**PCE**” or “**Buyer**”) and [e.g., *Project Company LLC*] (“**Seller**”). This Term Sheet includes the key commercial terms and conditions to be included in a proposed power purchase agreement (“**PPA**”) to be negotiated between Buyer and Seller (the “**Proposed Transaction**”). As used herein, Buyer and Seller are each a “Party” and collectively the “Parties.” Notwithstanding anything herein to the contrary, until a definitive agreement is approved by Seller’s management, the PCE Board of Directors and the California Public Utilities Commission (“**CPUC**”), no Party shall have any legal obligations, expressed or implied, in connection with, or arising in any manner under this Term Sheet, and neither Party will be obligated to continue negotiations or enter into the Proposed Transaction.

1. PPA Terms and Conditions.

Seller:	[<i>Seller Name, e.g., Project Company LLC</i>]
Buyer:	Peninsula Clean Energy Authority, a California joint powers authority
Defined Terms:	Please see the Definitions section below for additional definitions.
Description of Facility:	A new [] MW RPS-eligible [solar photovoltaic][wind][hydroelectric] [biogas] project located in _____ County, in the State of California (as used herein, the “ Generating Facility ” or the “ Facility ”). The Facility shall comply with California Air Resources Board’s Voluntary Renewable Electricity Program. The Facility shall have its own CAISO Resource ID and may not serve any on-site or other loads, other than Facility station loads.
Site Location:	The Facility’s Site shall be located in the following Disadvantaged Community in PG&E’s service territory as set forth in the CalEnviroscreen 3.0 system <u>CPUC Resolution E-5212</u> (“ DAC ”): _____, Census Tract Number: _____

DAC-GT Qualification	The Facility shall qualify as a DAC-GT Project pursuant to CPUC Decisions 18-06-027, 18-10-007, and Resolution E-4999, <u>and Resolution E-5212</u> .
Interconnection Status	The Facility has been assigned CAISO Queue Position # _____ and [describe status of interconnection studies/agreement].
Product:	<p>The “<u>Product</u>” shall meet the Portfolio Content Category 1 specifications, and includes all of the following:</p> <ol style="list-style-type: none"> (1) Delivered Energy: All of the electric energy generated by the Generating Facility, delivered to the Delivery Point as measured by CAISO-approved meters, pursuant to the Scheduling Requirements; (2) Environmental Attributes: All renewable energy credits (“<u>RECs</u>”) and any other environmental attributes associated with Delivered Energy; (3) Capacity Attributes: All capacity rights, including resource adequacy benefits, if any, associated with the Facility; and (4) Ancillary Services: All ancillary services, products and other attributes, if any, that may be obtained from the Facility. <p>Specifications for Portfolio Content Category 1 are described in California Public Utilities Code §399.16, California Public Utilities Commission Decision 11-12-052, and other applicable statutes, regulations, and regulatory orders.</p>
Guaranteed Capacity:	The Generating Facility has a guaranteed capacity of [XX] MW (the “ <u>Guaranteed Capacity</u> ”). [<i>Guaranteed Capacity must be equal to or greater than 1 MW.</i>]
RA Capacity:	Net Qualifying Capacity (“ <u>NQC</u> ”) of the Facility is [XX] MW (the “ <u>Guaranteed RA Amount</u> ”).
Interconnection Capacity:	The Facility has, or will obtain by the Commercial Operation Date, [XX] MW of dedicated interconnection capacity.
Delivery Term:	“ <u>Delivery Term</u> ” means [XX] Contract Years.
Expected Energy:	“ <u>Expected Energy</u> ” means [XXX,XXX] MWh during the first Contract Year and for each Contract Year thereafter during the Delivery Term. [<i>If there is an annual adjustment for degradation, this should be noted.</i>]

PPA Price:	The PPA price shall be \$[XX]/MWh, with no escalation.
Guaranteed Energy Production:	<p>Seller shall deliver to Buyer no less than the Guaranteed Energy Production (as defined below) in each two (2) consecutive Contract Year period during the Delivery Term (“Performance Measurement Period”). “Guaranteed Energy Production” means an amount of Energy, as measured in MWh over two (2) years, equal to 160% of Expected Energy.</p> <p>For purposes of determining whether Seller has achieved the Guaranteed Energy Production, in addition to the Generating Facility Energy for the applicable Performance Measurement Period, Seller shall be deemed to have delivered to Buyer (a) any Deemed Delivered Energy and (b) Energy in the amount it could reasonably have delivered to Buyer but was prevented from delivering to Buyer by reason of Force Majeure Events, and Curtailment Periods (the “Adjusted Energy Production”).</p> <p>If Seller fails to achieve the Guaranteed Energy Production amount in any Performance Measurement Period, Seller shall pay Buyer liquidated damages equal to (i) the difference between the Guaranteed Energy Production and the Adjusted Energy Production, multiplied by (ii) difference between (A) the replacement price for Portfolio Content Category 1 renewable energy and RECs of the same vintage and resource and (B) the Renewable Rate. No payment shall be due if the calculation yields a negative number.</p>
Performance Guarantee:	<p>The occurrence of any of the following shall constitute an Event of Default:</p> <ol style="list-style-type: none"> (1) if, beginning in the second Contract Year, the Adjusted Energy Production amount is not at least fifty percent (50%) of the Expected Energy amount in any Contract Year; or (2) if, in any two (2) consecutive Contract Years during the Delivery Term, the Adjusted Energy Production amount is not at least sixty-five percent (65%) of the Expected Energy amount in each Contract Year.
Deliverability:	The Facility will have [<i>Type of Deliverability to be provided</i>] by the Commercial Operation Date.
Delivery Point:	“ Delivery Point ” means [the Facility Pnode] on the CAISO grid.
Interconnection Point:	The Facility shall interconnect to [<i>e.g., XX substation</i>] (the “ Interconnection Point ”). Seller shall be responsible for all costs of interconnecting the Facility to the Interconnection Point.

<p>Expected Construction Start Date:</p>	<p>Seller reasonably expects to achieve Construction Start by the following date [] (the “Expected Construction Start Date”).</p> <p>“Construction Start” will occur following Seller’s execution of an engineering, procurement and construction (“EPC”) contract related to the Facility and issuance of a full notice to proceed with the construction of the Facility under the EPC contract, mobilization to site by Seller and/or its designees, and includes the physical movement of soil at the site.</p>
<p>Guaranteed Construction Start Date:</p>	<p>The “Guaranteed Construction Start Date” means the Expected Construction Start Date, subject to extensions on a day-for-day basis due to Force Majeure Event for a period of up to one-hundred twenty (120) days on a cumulative basis (the “Development Cure Period”). For clarity, the permitted extensions under the Development Cure Period extend both the Guaranteed Construction Start Date and the Guaranteed COD simultaneously.</p> <p>Notwithstanding anything to the contrary, no extension shall be given under the Development Cure Period if, and to the extent that (i) the delay was due to Seller’s failure to take commercially reasonable actions to meet its requirements and deadlines or does not otherwise satisfy the requirements of a Force Majeure Event, (ii) Seller failed to provide requested documentation as provided below, or (iii) Seller failed to provide written notice to Buyer as required in the next sentence. Seller shall provide prompt written notice to Buyer of a delay due to a Force Majeure Event, but in no case more than thirty (30) days after Seller becomes aware of an actual delay affecting the Facility, except that in the case of a delay occurring within sixty (60) days of the Expected Commercial Operation Date, or after such date, Seller must provide written notice within seven (7) Business Days of Seller becoming aware of such delay. As used in the preceding sentence, “actual delay” does not include Seller’s receipt of generic notices of potential delays due to a Force Majeure Event. Upon written request from Buyer, Seller shall provide documentation demonstrating to Buyer’s reasonable satisfaction that the delay was the result of a Force Majeure Event and did not result from Seller’s actions or failure to take commercially reasonable actions.</p> <p>In the event that Seller fails to achieve the Guaranteed Construction Start Date, Seller shall pay delay damages to Buyer, (the “Daily Delay Damages”) for each day of delay, in the amount of the Development Security divided by 120. The Daily Delay Damages shall be refundable to Seller if, and only if, Seller achieves COD on or before the Guaranteed COD.</p> <p>Failure to achieve Construction Start for any reason within 120 days of the Guaranteed Construction Start Date, shall constitute an Event of</p>

	<p>Default, and Buyer shall have the right, in its sole discretion, to terminate the PPA and receive a damage payment in the amount of the Development Security.</p>
<p>Expected Commercial Operation Date:</p>	<p>Seller reasonably expects to achieve Commercial Operation by the following date [] (the “<u>Expected Commercial Operation Date</u>”).</p>
<p>Guaranteed Commercial Operation Date:</p>	<p>The “<u>Guaranteed Commercial Operation Date</u>” or “<u>Guaranteed COD</u>” means the Expected Commercial Operation Date, subject to extensions on a day-for-day basis for the Development Cure Period; provided that the Commercial Operation Date shall occur no later than December 31, 2023.</p> <p>If the Seller does not achieve COD of the Facility by the Guaranteed COD, Seller shall pay Delay Damages to the Buyer for each day of delay until Seller achieves COD.</p> <p>“<u>Delay Damages</u>” are equal to the Development Security divided by 60. Delay Damages shall be paid for each day of delay and shall be paid to Buyer in advance on a monthly basis. A prorated amount will be returned to Seller if COD is achieved during the month for which Delay Damages were paid in advance.</p> <p>Failure to achieve COD for any reason within 60 days of the Guaranteed COD, shall constitute an Event of Default, and Buyer shall have the right, in its sole discretion, to terminate the PPA and receive a damage payment in the amount of the Development Security (“Damage Payment”). For the avoidance of doubt, Seller’s liability for an Event of Default comprising the failure to timely achieve COD shall equal the sum of any Daily Damages and Delay Damages that are due and owing, plus the Damage Payment.</p>
<p>Commercial Operation Date (“<u>COD</u>”):</p>	<p>The COD shall be the later of (a) the Expected Commercial Operation Date or (b) the date when all of the following requirements have been met to Buyer’s reasonable satisfaction including Seller providing a certificate from an independent engineer to Buyer certifying to the following:</p> <ul style="list-style-type: none"> (i) The Generating Facility is fully operational, reliable and interconnected, fully integrated and synchronized with the Transmission System. (ii) Seller has installed equipment for the Generating Facility with a nameplate capacity of no less than ninety-five percent (95%) of the Guaranteed Capacity.

	<p>(iii) Seller has commissioned all equipment in accordance with its respective manufacturer’s specifications.</p> <p>(iv) The Generating Facility’s testing included a performance test demonstrating peak electrical output of no less than ninety-five percent (95%) of the Guaranteed Capacity for the Generating Facility at the Delivery Point, as adjusted for ambient conditions on the date of the Facility testing.</p> <p>(v) Authorization to parallel the Facility was obtained by the Participating Transmission Owner, [Name of Participating Transmission Owner as appropriate].</p> <p>(vi) The Transmission Provider has provided documentation supporting full unrestricted release for Commercial Operation by [Name of Participating Transmission Owner as appropriate].</p> <p>(vii) The CAISO has provided notification supporting Commercial Operation, in accordance with the CAISO Tariff on [Date].</p> <p>(viii) Seller shall have caused the Generating Facility to be included in the Full Network Model and has the ability to offer Bids into CAISO Day-Ahead and Real-Time markets for the Generating Facility.</p> <p>Seller shall provide notice of expected COD to Buyer in writing no less than sixty (60) days in advance of such date.</p> <p>If Seller has not installed one hundred percent (100%) of the Guaranteed Capacity within one hundred twenty (120) days after the Commercial Operation Date, Seller shall pay Capacity Damages to Buyer for each MW that the Guaranteed Capacity exceeds the Delivered Capacity, and the Guaranteed Capacity and other applicable portions of the Agreement shall be adjusted accordingly</p> <p>“Capacity Damages” means an amount equal to Two Hundred Fifty Thousand Dollars (\$250,000) per MW.</p>
<p>Facility Development Milestones:</p>	<ul style="list-style-type: none"> • [mm/dd/yyyy]– Execute Interconnection Agreement • [mm/dd/yyyy] – Procure major equipment • [mm/dd/yyyy] – Obtain federal and state discretionary permits • [mm/dd/yyyy] – Expected Construction Start Date • [mm/dd/yyyy] – Obtain Specified Deliverability • [mm/dd/yyyy]– Expected Commercial Operation Date

<p>Progress Reporting:</p>	<p>After execution of the PPA, Seller shall provide a monthly report to Buyer that (a) describes the progress towards meeting the Facility Development Milestones; (b) identifies any missed Facility Development Milestones, including the cause of the delay; and (c) provides a detailed description of Seller’s corrective actions to achieve the missed Facility Development Milestones and all subsequent Facility Development Milestones by the Guaranteed Commercial Operation Date.</p> <p>In the event Seller misses any Facility Development Milestones and cannot reasonably demonstrate a plan for completing the Facility by the Guaranteed COD, Buyer shall have the right to terminate the PPA and retain the Development Security as damages, in addition to any other remedies it may have at law or equity.</p>
<p>Force Majeure:</p>	<p>(a) “<u>Force Majeure Event</u>” means any act or event that delays or prevents a Party from timely performing all or a portion of its obligations under the PPA or from complying with all or a portion of the conditions under the PPA if such act or event, despite the exercise of reasonable efforts, cannot be avoided by and is beyond the reasonable control (whether direct or indirect) of and without the fault or negligence of the Party relying thereon as justification for such delay, nonperformance, or noncompliance.</p> <p>(b) Without limiting the generality of the foregoing, so long as the following events, despite the exercise of reasonable efforts, cannot be avoided by, and are beyond the reasonable control (whether direct or indirect) of and without the fault or negligence of the Party relying thereon as justification for such delay, nonperformance or noncompliance, a Force Majeure Event may include an act of God or the elements, such as flooding, lightning, hurricanes, tornadoes, or ice storms; explosion; fire; volcanic eruption; flood; epidemic, or pandemic; landslide; mudslide; sabotage; terrorism; earthquake; or other cataclysmic events; an act of public enemy; war; blockade; civil insurrection; riot; civil disturbance; or strikes or other labor difficulties caused or suffered by a Party or any third party except as set forth below.</p> <p>Notwithstanding the foregoing, the term “<u>Force Majeure Event</u>” does not include (i) economic conditions that render a Party’s performance of the PPA at the Contract Price unprofitable or otherwise uneconomic (including Buyer’s ability to buy Energy at a lower price, or Seller’s ability to sell Energy at a higher price, than the Contract Price); (ii) Seller’s inability to obtain permits or approvals of any type for the construction, operation, or maintenance of the Facility; (iii) the inability of a Party to make payments when due under the PPA, unless the cause of such inability is an event that would otherwise constitute a Force Majeure Event as described above that disables physical or electronic</p>

	<p>facilities necessary to transfer funds to the payee Party; (iv) a Curtailment Period; (v) Seller’s inability to obtain sufficient labor, equipment, materials, or other resources to build or operate the Facility except to the extent such inability is caused by a Force Majeure Event; (vi) a strike, work stoppage or labor dispute limited only to any one or more of Seller, Seller’s Affiliates, Seller’s contractors, their subcontractors thereof or any other third party employed by Seller to work on the Facility; (vii) any equipment failure except if such equipment failure is caused by a Force Majeure Event; (viii) variations in weather, including wind, rain and insolation, within one in fifty (1 in 50) year occurrence; (ix) interconnection facilities or network upgrades are not complete and ready for the Facility to connect and sell Product at the Delivery Point by the Guaranteed Commercial Operation Date, or (ix) Seller’s inability to achieve Construction Start of the Facility following the Guaranteed Construction Start Date or achieve Commercial Operation following the Guaranteed Commercial Operation Date due to a Force Majeure Event; it being understood and agreed, for the avoidance of doubt, that the occurrence of a Force Majeure Event may give rise to a Development Cure Period.</p>
<p>Site Control:</p>	<p>Seller shall maintain site control and/or required access as necessary to meet its obligations throughout the Delivery Term.</p>
<p>Permits and Approvals:</p>	<p>Seller shall obtain any and all permits and approvals, including without limitation, environmental clearance under the California Environmental Quality Act (“CEQA”) or other environmental law, from the local jurisdiction where the Project is or will be constructed. Buyer is simply purchasing power and does not intend to be the lead agency for the Project.</p>
<p>Scheduling Coordinator:</p>	<p>[<i>Name of Scheduling Coordinator</i>] shall act as Scheduling Coordinator (as defined by the CAISO), or “SC,” for the Facility.</p>
<p>Scheduling Requirements and CAISO Settlements (If Buyer is Scheduling Coordinator):</p>	<p>The following applies if Buyer or Buyer’s Designee shall be Scheduling Coordinator:</p> <p>As Scheduling Coordinator, Buyer shall be financially responsible for such services and shall pay for all CAISO charges and retain all CAISO payments, except that Seller shall assume all liability and reimburse Buyer for any and all costs or charges (i) incurred by Buyer because of Seller’s failure to perform in accordance with the PPA, (ii) incurred by Buyer because of any outages for which notice has not been provided as required, or (iii) associated with Resource Adequacy Capacity (as defined by the CAISO) from the Facility (including Non-Availability Charges (as defined by the CAISO)).</p>

	<p>Seller shall provide to Buyer non-binding annual, monthly, day-ahead, and real-time forecasts of Delivered Energy within a timeline that allows Buyer or Buyer’s agent the ability to meet CAISO market and scheduling deadlines. Outage and curtailment notifications will be required by Buyer as well as access to Facility generation data.</p>
<p>Monthly Settlement and Invoice:</p>	<p>Within ten (10) days after the end of each month of the Delivery Term, Seller shall send a detailed invoice to Buyer for the amount due for Product delivered during such month. The invoice shall include all information necessary to confirm the amount due.</p> <p>Payment for undisputed amounts shall be due to the applicable party thirty (30) days from the invoice date, with disputed payments subject to Buyer’s billing dispute process.</p> <p>A Party may, in good faith, dispute the correctness of any invoice or any adjustment to an invoice rendered under the PPA or adjust any invoice for any arithmetic or computational error within twelve (12) months of the date the invoice, or adjustment to an invoice, was rendered. In the event an invoice or portion thereof, or any other claim or adjustment arising hereunder, is disputed, payment of the undisputed portion of the invoice shall be required to be made when due. Any invoice dispute or invoice adjustment shall be in writing and shall state the basis for the dispute or adjustment. Payment of the disputed amount shall not be required until the dispute is resolved. Upon resolution of the dispute, any required payment shall be made within two (2) Business Days of such resolution along with interest accrued at the Interest Rate from and including the original due date to but excluding the date paid. Inadvertent overpayments shall be returned upon request or deducted by the Party receiving such overpayment from subsequent payments, with interest accrued at the Interest Rate from and including the date of such overpayment to but excluding the date repaid or deducted by the Party receiving such overpayment. Any dispute with respect to an invoice is waived if the other Party is not notified within twelve (12) months after the invoice is rendered or subsequently adjusted, except to the extent any misinformation was from a third party not affiliated with any Party and such third party corrects its information after the twelve-month period. If an invoice is not rendered within twelve (12) months after the close of the month during which performance occurred, the right to payment for such performance is waived.</p>
<p>Operations and Maintenance:</p>	<p>Seller shall not during the months of June through September inclusive schedule any non-emergency maintenance that reduces the Energy generation of the Facility by more than ten percent (10%), unless (i) such outage is required to avoid damage to the Facility, (ii) such maintenance is necessary to maintain equipment warranties and cannot be scheduled</p>

	<p>outside the months of June through September, (iii) such outage is required in accordance with prudent electrical practices, or (iv) the Parties agree otherwise in writing.</p>
<p>REC Tracking System:</p>	<p>The Seller shall transfer RECs associated with the generation from the Facility for each month via WREGIS pursuant to the timelines in WREGIS Operating Rules.</p> <p>Each party shall be responsible for setting up an account with WREGIS.</p>
<p>Resource Adequacy Failure:</p>	<p>The Parties acknowledge and agree that if Seller fails to provide Resource Adequacy Benefits as required hereunder (or Replacement RA in lieu thereof), then Seller shall pay to Buyer the RA Deficiency Amount for each RA Shortfall Month as liquidated damages due to Buyer, and as Buyer’s sole remedy, for the Capacity Attributes that Seller failed to convey to Buyer.</p> <p><u>RA Deficiency Amount Calculation.</u> For each RA Shortfall Month, Seller shall pay to Buyer an amount (the “RA Deficiency Amount”) equal to the product of the difference (such difference, the “RA Shortfall”), expressed in kW, of (i) Guaranteed RA Amount, minus (ii) the lowest amount (in MW) eligible to be qualified as System RA and Local RA by both the CPUC and CAISO for such month, multiplied by the larger of (a) \$10.00/kW-mo., or (b) the CPM Soft Offer Cap; <i>provided</i> that Seller may, as an alternative to paying RA Deficiency Amounts, provide Replacement RA up to the RA Shortfall, provided that any Replacement RA capacity is (i) communicated by Seller to Buyer with Replacement RA product information in a written notice substantially in the form attached to the PPA at least seventy-five (75) days before the applicable CPUC operating month and (ii) delivered to Buyer at least ten (10) Business Days before the CPUC and CAISO Showing Deadline for the operating month for the purpose of annual and monthly RA Plan reporting.</p>
<p>Credit Requirements:</p>	<p>Seller shall post security as follows:</p> <p><u>Development Security</u> – \$60/kW of Guaranteed Capacity</p> <p><u>Performance Security</u> – [<i>An amount equal to the first Contract Year’s revenues, assuming deliveries of 100% of Expected Energy.</i>]</p> <p>To secure its obligations under this PPA, Seller shall deliver the Development Security to Buyer within thirty (30) days of the Effective Date. Development Security shall be in the form of cash or a Letter of Credit.</p> <p>To secure its obligations under this PPA, Seller shall deliver Performance Security to Buyer on or before the Commercial Operation Date.</p>

	<p>Within five (5) Business Days following any draw by Buyer on the Development Security or the Performance Security, Seller shall replenish the amount drawn such that the security is restored to the applicable amount.</p>
<p>Shared Facilities:</p>	<p>The Facility shall be separately metered from any other generation or storage facilities and 100% of the output and services available from the Facility shall be conveyed to Buyer under the PPA. Seller may share interconnection facilities with affiliates owning other generation or storage facilities, subject to commercially reasonable and customary shared facilities arrangements to be further described in the PPA; <i>provided</i> that such agreements (i) shall permit Seller to perform or satisfy, and shall not purport to limit, its obligations hereunder, including providing interconnection capacity for the Facility in an amount not less than the Guaranteed Capacity, and (ii) provide for separate metering and separate CAISO resource IDs for the Facility.</p>
<p>Compliance with Laws:</p>	<p>Seller shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, including, without limitation those related to employment discrimination and prevailing wage, non-discrimination and non-preference; conflict of interest; environmentally preferable procurement; single serving bottled water; gifts; and disqualification of former employees.</p>
<p>Workforce Requirements:</p>	<p>Seller shall comply with Buyer’s Inclusive and Sustainable Workforce Policy.</p>
<p>RPS and Green-e Compliance:</p>	<p>Seller must ensure the Facility obtains CEC pre-certification prior to the COD, obtains CEC certification within 180 days of COD and maintains such CEC certification during the Delivery Term. Seller shall ensure that the Facility is certified by Green-e as of the Commercial Operation Date and shall maintain such Green-e certification throughout the Delivery Term. Seller shall ensure that the Product qualifies as Portfolio Content Category 1 throughout the Delivery Term. If a change of law occurs after execution of the PPA that impacts Facility’s CEC certification, the Product’s qualification as Portfolio Content Category 1, or the Facility’s Green-e certification, then Seller shall comply with such change of law as necessary to maintain the Facility CEC certification and Product eligibility described above.</p>
<p>Assignment:</p>	<p>Neither party may assign the PPA without prior written consent of the other party, which will not be unreasonably withheld; provided, that</p>

	<p>Seller has the right to assign the PPA as collateral for any financing or refinancing of the Facility without the consent of Buyer.</p> <p>Any 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 Buyer, which will not be unreasonably withheld.</p> <p>Seller shall pay Buyer’s reasonable expenses, including attorneys’ fees, incurred to provide consents, estoppels, or other required documentation in connection with Seller’s financing for the Facility. Buyer will have no obligation to provide any consent, or enter into any agreement, that materially and adversely affects any of Buyer’s rights, benefits, risks or obligations under the PPA, or to modify such PPA.</p>
<p>No Recourse to Members of PCE:</p>	<p>PCE is organized as a Joint Powers Authorities in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) pursuant to its Joint Powers Agreement and is a public entity separate from its constituent members. PCE shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Seller shall have no rights and shall not make any claims, take any actions or assert any remedies against any of PCE’s constituent members in connection with this Agreement.</p>
<p>Other Standard Contract Terms to be included in the PPA:</p>	<p><u>Event of Default:</u> Events of Default shall include, but not be limited to, failure to pay any amounts when due, breach of representations and warranties, failure to perform covenants and material obligations in the PPA, bankruptcy, assignment not permitted by the PPA, Seller failure to achieve Construction Start within one hundred twenty (120) days of Guaranteed Construction Start Date, Seller failure to achieve Commercial Operation within sixty (60) days after the Guaranteed Commercial Operation Date, and other Events of Default expressly provided for in this Term Sheet.</p> <p><u>Indemnification:</u> Seller agrees to defend, indemnify and hold harmless Buyer, its directors, officers, agents, attorneys, consultants, employees and representatives from and against all claims, demands, losses, liabilities, penalties, and expenses, including reasonable attorneys’ and expert witness fees collectively (“Indemnifiable Event”), to the extent such Indemnifiable Event arises out of, pertains to, or relates to any of the following: (a) the negligent act or omission, recklessness or willful misconduct of the Seller, its Affiliates, its directors, officers, employees, agents, subcontractors, and anyone directly or indirectly employed by either the Seller or any of its subcontractors or anyone that they control; (b) any infringement of the patent rights, copyright, trade secret, trade name, trademark, service mark or any other proprietary right of any person(s) caused by the Buyer’s use of the Product, deliverables or other</p>

	<p>items provided by the of the Seller pursuant to the requirements of this Proposed Transaction, or (c) any breach of the Proposed Transaction.</p> <p>The Seller’s indemnity obligations apply to the maximum extent allowed by law and includes defending Peninsula Clean Energy, its officers, employees and agents as set forth in Section 2778 and 2782.8 of the California Civil Code, if applicable. Upon the Buyer’s written request, the Seller, at its own expense, must defend any suit or action that is subject to the Seller’s indemnity obligations.</p> <p>The Seller’s indemnity obligations survive the expiration or earlier termination of the Proposed Transaction.</p> <p><u>Governing Law</u>: State of California</p> <p><u>Venue</u>: San Mateo County (PCE)</p>
<p>Definitions:</p>	<p>The following terms, when used herein with initial capitalization, shall have the meanings set forth below:</p> <p>“<u>CAISO</u>” means the California Independent System Operator.</p> <p>“<u>CAISO Tariff</u>” means the California Independent System Operator Corporation Agreement and 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.</p> <p>“<u>California Renewables Portfolio Standard</u>” or “<u>RPS</u>” means the renewable energy program and policies established by California State Senate Bills 1038 (2002), 1078 (2002), 107 (2008), X-1 2 (2011), 350 (2015), and 100 (2018) as codified in, <i>inter alia</i>, California Public Utilities Code Sections 399.11 through 399.31 and California Public Resources Code Sections 25740 through 25751, as such provisions are amended or supplemented from time to time.</p> <p>“<u>CEQA</u>” means the California Environmental Quality Act.</p> <p>“<u>CEC</u>” means the California Energy Commission, or any successor agency performing similar statutory functions.</p> <p>“<u>Contract Year</u>” means a period of twelve (12) consecutive months beginning on the Commercial Operation Date and each subsequent Contract Year shall commence on the anniversary of the Commercial Operation Date.</p> <p>“<u>Full Capacity Deliverability Status</u>” has the meaning set forth in the CAISO Tariff.</p> <p>“<u>Generating Facility Energy</u>” means that portion of energy that is delivered from the Generating Facility directly to the Delivery Point, net of electrical losses and station use, as measured by the Facility meter,</p>

	<p>which will be adjusted in accordance with CAISO meter requirements to account for electrical losses and station use.</p> <p>“Guaranteed Capacity” means the amount of generating capacity of the Generating Facility, as measured in MW at the Delivery Point, as the same may be adjusted pursuant to the PPA.</p> <p>“Letter(s) of Credit” means one or more irrevocable, standby letters of credit issued by a U.S. commercial bank or a foreign bank with a U.S. branch with such bank (a) having a credit rating of at least A- with an outlook designation of “stable” from S&P or A3 with an outlook designation of “stable” from Moody’s or (b) being reasonably acceptable to Buyer.</p> <p>“MW” means megawatts in alternating current, unless expressly stated in terms of direct current.</p> <p>“MWh” means megawatt-hour measured in alternating current, unless expressly stated in terms of direct current.</p> <p>“PPA” means Power Purchase Agreement</p> <p>“Production Tax Credits” or “PTCs” means production tax credit under Section 45 of the Internal Revenue Code as in effect from time-to-time throughout the Delivery Term or any successor or other provision providing for a federal tax credit determined by reference to renewable electric energy produced from wind or other renewable energy resources for which Seller, as the owner of the Generating Facility, is eligible.</p> <p>“PTC Amount” means the amount, on a dollar per MWh basis, equal to the Production Tax Credits that Seller would have earned in respect of energy from the Facility at the time, grossed up on an after tax basis at the then-highest marginal combined federal and state corporate tax rate, but failed to earn as a result of Buyer Bid Curtailment or Buyer Curtailment Order, which amount will be calculated by reference to the amount of Deemed Delivered Energy and the number of the Facility’s wind turbines that are eligible to receive Production Tax Credits at the time of determination.</p>
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2. Additional Term Sheet Provisions.

- 2.1. **No Obligation to Enter Into Proposed Transaction.** This Term Sheet is intended to provide an overview of the Proposed Transaction and is not intended to constitute a binding contract or an offer to enter into a PPA with respect to the Proposed Transaction and does not obligate either Party to enter into the Proposed Transaction or execute any agreement, including the PPA, in connection with the Proposed Transaction. Neither Party will be deemed to have agreed to the PPA or will be bound by any term thereof, unless and until authorized representatives of Buyer and Seller have executed final definitive documents, enforceable in accordance with their terms.

- 2.2. **Other Agreements.** In connection with this Term Sheet, Seller shall execute that certain Exclusivity Agreement (“**Exclusivity Agreement**”) with Buyer and provide a Shortlist Deposit (as defined in such agreement) of \$3,000/MW of Guaranteed Capacity to Buyer within three (3) Business Days after execution of the Exclusivity Agreement. The Shortlist Deposit will be returned in accordance with, and subject to, the terms of the Exclusivity Agreement.
- 2.3. **Expenses.** Each Party will pay its own costs and expenses (whether internal or out-of-pocket, and whether for legal, financial, technical or other consultants, or other purposes) in connection with the Term Sheet and any definitive agreements.
- 2.4. **Termination.** This Term Sheet will terminate upon the earlier of (a) execution of the PPA or (b) expiration of the Exclusivity Period (as defined in the Exclusivity Agreement), as such Exclusivity Period may be extended by the Parties in accordance with the Exclusivity Agreement.
- 2.5. **Governing Law.** This Term Sheet is governed by, and construed in accordance with, the laws of the State of California.
- 2.6. **Prior Agreements.** This Term Sheet supersedes all prior communications and agreements, oral or written, between and among the Parties regarding the subject matter herein contemplated.
- 2.7. **Assignment.** This Term Sheet will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. No Party will assign, pledge or otherwise transfer this Term Sheet or any right or obligation under this Term Sheet without first obtaining the other Parties’ prior written consent (which consent will not be unreasonably withheld, delayed, or encumbered).
- 2.8. **No Consequential Damages.** IN NO EVENT SHALL ANY PARTY, ITS AFFILIATES AND/OR REPRESENTATIVES BE LIABLE FOR ANY LOST OR PROSPECTIVE PROFITS OR ANY OTHER CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE, INDIRECT OR EXEMPLARY DAMAGES UNDER OR IN RESPECT TO THIS TERM SHEET.

Appendix E

Term Sheet for Power Purchase Agreement
(For Projects less than 1 MW)

This term sheet includes the key commercial terms and conditions that will be included in a proposed power purchase agreement to be negotiated between Seller and Buyer (as defined below) if Bidder is selected for the shortlist of offers submitted in the 2021 DAC-GT and CSGT RFO.

THIS TERM SHEET FOR POWER PURCHASE AGREEMENT (“**Term Sheet**”) is entered into as of _____, 20__ (the “**Effective Date**”), between Peninsula Clean Energy Authority, a California joint powers authority (“**PCE**” or “**Buyer**”) and [e.g., *Project Company LLC*] (“**Seller**”). This Term Sheet includes the key commercial terms and conditions to be included in a proposed power purchase agreement (“**PPA**”) to be negotiated between Buyer and Seller (the “**Proposed Transaction**”). As used herein, Buyer and Seller are each a “Party” and collectively the “Parties.” Notwithstanding anything herein to the contrary, until a definitive agreement is approved by Seller’s management, the PCE Board of Directors, and the California Public Utilities Commission (“**CPUC**”) no Party shall have any legal obligations, expressed or implied, in connection with, or arising in any manner under, this Term Sheet, and neither Party will be obligated to continue negotiations or enter into the Proposed Transaction.

1. PPA Terms and Conditions.

Seller:	[<i>Seller Name, e.g., Project Company LLC</i>]
Buyer:	Peninsula Clean Energy Authority, a California joint powers authority
Defined Terms:	Please see the Definitions section below for additional definitions.
Description of Facility:	A new [X] MW RPS-eligible [solar photovoltaic][wind][hydroelectric][biogas] project located in _____ County, in the State of California (as used herein, the “ Generating Facility ” or the “ Facility ”). The Facility shall comply with California Air Resources Board’s Voluntary Renewable Electricity Program. The Facility shall not be a CAISO Participating Generator and may not serve any on-site or other loads, other than Facility station loads.
Site Location:	The Facility’s Site shall be located in the following Disadvantaged Community in PG&E’s service territory as set forth in the CalEnviroscreen 3.0 system <u>CPUC Resolution E-5212</u> (“ DAC ”): _____, Census Tract Number _____

DAC-GT Qualification:	The Facility shall qualify as a DAC-GT Project pursuant to CPUC Decisions 18-06-027, 18-10-007, and Resolution E-4999, <u>and Resolution E-5212</u> .
Product:	<p>The “Product” shall meet the Portfolio Content Category 1 specifications, and includes all of the following:</p> <ol style="list-style-type: none"> (1) Delivered Energy: All of the electric energy generated by the Generating Facility, delivered to the Delivery Point as measured by CAISO-approved meters, pursuant to the Scheduling Requirements; (2) Environmental Attributes: All renewable energy credits (“RECs”) and any other environmental attributes associated with Delivered Energy; (3) Capacity Attributes: All capacity rights, including resource adequacy benefits, if any, associated with the Facility; and (4) Ancillary Services: All ancillary services, products and other attributes, if any, that may be obtained from the Facility. <p>Specifications for Portfolio Content Category 1 are described in California Public Utilities Code §399.16, California Public Utilities Commission Decision 11-12-052, and other applicable statutes, regulations, and regulatory orders.</p>
Guaranteed Capacity:	The Generating Facility has a guaranteed capacity of [XX] MW (the “ Guaranteed Capacity ”). [<i>Guaranteed Capacity must be less than 1 MW.</i>]
Interconnection Status:	[Describe status of interconnection studies/agreement]. The Facility will be interconnected as a wholesale generator; Rule 21 interconnection is expressly prohibited.
Interconnection Capacity:	The Facility has, or will obtain by the Commercial Operation Date, [XX] MW of dedicated interconnection capacity.
Delivery Term:	“ Delivery Term ” means [XX] Contract Years.
Expected Energy:	“ Expected Energy ” means [XXX,XXX] MWh during the first Contract Year and for each Contract Year thereafter during the Delivery Term. [<i>If there is an annual adjustment for degradation, this should be noted.</i>]
PPA Rate:	The PPA Rate shall be \$[XX]/MWh, with no escalation.

<p>Performance Guarantee:</p>	<p>The occurrence of any of the following shall constitute an Event of Default:</p> <ol style="list-style-type: none"> (1) if, beginning in the second Contract Year, the Adjusted Energy Production amount is not at least fifty percent (50%) of the Expected Energy amount in any Contract Year; or (2) if, in any two (2) consecutive Contract Years during the Delivery Term, the Adjusted Energy Production amount is not at least sixty-five percent (65%) of the Expected Energy amount in each Contract Year.
<p>Curtailment:</p>	<p>In the event the Facility is curtailed due to a Force Majeure Event, by the CAISO or the transmission owner, Seller shall not be liable for failure to deliver such curtailed energy and Buyer shall not be obligated to pay for such curtailed energy.</p>
<p>Delivery Point:</p>	<p>“<u>Delivery Point</u>” means the Interconnection Point.</p>
<p>Interconnection Point:</p>	<p>The Facility shall interconnect to [e.g., <i>XX substation</i>] (the “<u>Interconnection Point</u>”). Seller shall be responsible for all costs of interconnecting the Facility to the Interconnection Point.</p>
<p>Settlement Point:</p>	<p>The “<u>Settlement Point</u>” shall be the revenue meter at the point of common coupling between the Facility and the relevant Distribution or Transmission System operator.</p>
<p>Expected Construction Start Date:</p>	<p>Seller reasonably expects to achieve Construction Start by the following date [] (the “<u>Expected Construction Start Date</u>”).</p> <p>“<u>Construction Start</u>” will occur following Seller’s execution of an engineering, procurement and construction (EPC) contract related to the Facility and issuance of a full notice to proceed with the construction of the Facility under the EPC contract, mobilization to site by Seller and/or its designees, and includes the physical movement of soil at the site.</p>
<p>Guaranteed Construction Start Date:</p>	<p>The “<u>Guaranteed Construction Start Date</u>” means the Expected Construction Start Date, subject to extensions on a day-for-day basis due to Force Majeure Event for a period of up to one-hundred twenty (120) days on a cumulative basis (the “<u>Development Cure Period</u>”). For clarity, the permitted extensions under the Development Cure Period</p>

	<p>extend both the Guaranteed Construction Start Date and the Guaranteed COD simultaneously.</p> <p>Notwithstanding anything to the contrary, no extension shall be given under the Development Cure Period if, and to the extent that (i) the delay was due to Seller’s failure to take commercially reasonable actions to meet its requirements and deadlines or does not otherwise satisfy the requirements of a Force Majeure Event, (ii) Seller failed to provide requested documentation as provided below, or (iii) Seller failed to provide written notice to Buyer as required in the next sentence. Seller shall provide prompt written notice to Buyer of a delay due to a Force Majeure Event, but in no case more than thirty (30) days after Seller becomes aware of an actual delay affecting the Facility, except that in the case of a delay occurring within sixty (60) days of the Expected Commercial Operation Date, or after such date, Seller must provide written notice within seven (7) Business Days of Seller becoming aware of such delay. As used in the preceding sentence, “actual delay” does not include Seller’s receipt of generic notices of potential delays due to a Force Majeure Event. Upon written request from Buyer, Seller shall provide documentation demonstrating to Buyer’s reasonable satisfaction that the delay was the result of a Force Majeure Event and did not result from Seller’s actions or failure to take commercially reasonable actions.</p> <p>In the event that Seller fails to achieve the Guaranteed Construction Start Date, Seller shall pay delay damages to Buyer, (the “<u>Daily Delay Damages</u>”) for each day of delay, in the amount of the Development Security divided by 120. The Daily Delay Damages shall be refundable to Seller if, and only if, Seller achieves COD on or before the Guaranteed COD.</p> <p>Failure to achieve Construction Start for any reason within 120 days of the Guaranteed Construction Start Date, shall constitute an Event of Default, and Buyer shall have the right, in its sole discretion, to terminate the PPA and receive a damage payment in the amount of the Development Security.</p>
<p>Expected Commercial Operation Date:</p>	<p>Seller reasonably expects to achieve Commercial Operation by the following date [] (the “<u>Expected Commercial Operation Date</u>”).</p>
<p>Guaranteed Commercial Operation Date:</p>	<p>The “<u>Guaranteed Commercial Operation Date</u>” or “<u>Guaranteed COD</u>” means the Expected Commercial Operation Date, subject to extensions on a day-for-day basis for the Development Cure Period; provided that the Commercial Operation Date shall occur no later than December 31, 2023.</p>

	<p>If the Seller does not achieve COD of the Facility by the Guaranteed COD, Seller shall pay Delay Damages to the Buyer for each day of delay until Seller achieves COD.</p> <p>“Delay Damages” are equal to the Development Security divided by 60. Delay Damages shall be paid for each day of delay and shall be paid to Buyer in advance on a monthly basis. A prorated amount will be returned to Seller if COD is achieved during the month for which Delay Damages were paid in advance.</p> <p>Failure to achieve COD for any reason within 60 days of the Guaranteed COD, shall constitute an Event of Default, and Buyer shall have the right, in its sole discretion, to terminate the PPA and receive a damage payment in the amount of the Development Security (“Damage Payment”). For the avoidance of doubt, Seller’s liability for an Event of Default comprising the failure to timely achieve COD shall equal the sum of any Daily Delay Damages and Delay Damages that are due and owing, plus the Damage Payment.</p>
<p>Commercial Operation Date (“<u>COD</u>”):</p>	<p>The COD shall be the later of (a) the Expected Commercial Operation Date or (b) the date when all of the following requirements have been met to Buyer’s reasonable satisfaction including Seller providing a certificate from an independent engineer to Buyer certifying to the following:</p> <ul style="list-style-type: none"> (i) The Generating Facility is fully operational, reliable and interconnected, fully integrated and synchronized with the Transmission System. (ii) Seller has installed equipment for the Generating Facility with a nameplate capacity of no less than ninety-five percent (95%) of the Guaranteed Capacity. (iii) Seller has commissioned all equipment in accordance with its respective manufacturer’s specifications. (iv) The Generating Facility’s testing included a performance test demonstrating peak electrical output of no less than ninety-five percent (95%) of the Guaranteed Capacity for the Generating Facility at the Delivery Point, as adjusted for ambient conditions on the date of the Facility testing. (v) Authorization to parallel the Facility was obtained by the Participating Transmission Owner, [Name of Participating Transmission Owner as appropriate]. (vi) The Transmission Provider has provided documentation supporting full unrestricted release for Commercial Operation by [Name of Participating Transmission Owner as appropriate].

	<p>(vii)</p> <p>Seller shall provide notice of expected COD to Buyer in writing no less than sixty (60) days in advance of such date.</p>
<p>Facility Development Milestones:</p>	<ul style="list-style-type: none"> • [mm/dd/yyyy]– Execute Interconnection Agreement • [mm/dd/yyyy] – Procure major equipment • [mm/dd/yyyy] – Obtain federal and state discretionary permits • [mm/dd/yyyy] – Expected Construction Start Date • [mm/dd/yyyy]– Expected Commercial Operation Date
<p>Progress Reporting:</p>	<p>After execution of the PPA, Seller shall provide a monthly report to Buyer that (a) describes the progress towards meeting the Facility Development Milestones; (b) identifies any missed Facility Development Milestones, including the cause of the delay; and (c) provides a detailed description of Seller’s corrective actions to achieve the missed Facility Development Milestones and all subsequent Facility Development Milestones by the Guaranteed Commercial Operation Date.</p> <p>In the event Seller misses any Facility Development Milestones and cannot reasonably demonstrate a plan for completing the Facility by the Guaranteed COD, Buyer shall have the right to terminate the PPA and retain the Development Security as damages, in addition to any other remedies it may have at law or equity.</p>
<p>Force Majeure:</p>	<p>(a) “Force Majeure Event” means any act or event that delays or prevents a Party from timely performing all or a portion of its obligations under the PPA or from complying with all or a portion of the conditions under the PPA if such act or event, despite the exercise of reasonable efforts, cannot be avoided by and is beyond the reasonable control (whether direct or indirect) of and without the fault or negligence of the Party relying thereon as justification for such delay, nonperformance, or noncompliance.</p> <p>(b) Without limiting the generality of the foregoing, so long as the following events, despite the exercise of reasonable efforts, cannot be avoided by, and are beyond the reasonable control (whether direct or indirect) of and without the fault or negligence of the Party relying thereon as justification for such delay, nonperformance or noncompliance, a Force Majeure Event may include an act of God or the elements, such as flooding, lightning, hurricanes, tornadoes, or ice storms; explosion; fire; volcanic eruption; flood; epidemic, or pandemic; landslide; mudslide; sabotage; terrorism; earthquake; or other cataclysmic events; an act of public enemy; war; blockade; civil insurrection; riot; civil disturbance; or strikes or other labor</p>

	<p>difficulties caused or suffered by a Party or any third party except as set forth below.</p> <p>Notwithstanding the foregoing, the term “Force Majeure Event” does not include (i) economic conditions that render a Party’s performance of the PPA at the Contract Price unprofitable or otherwise uneconomic (including Buyer’s ability to buy Energy at a lower price, or Seller’s ability to sell Energy at a higher price, than the Contract Price); (ii) Seller’s inability to obtain permits or approvals of any type for the construction, operation, or maintenance of the Facility; (iii) the inability of a Party to make payments when due under the PPA, unless the cause of such inability is an event that would otherwise constitute a Force Majeure Event as described above that disables physical or electronic facilities necessary to transfer funds to the payee Party; (iv) a Curtailment Period; (v) Seller’s inability to obtain sufficient labor, equipment, materials, or other resources to build or operate the Facility except to the extent such inability is caused by a Force Majeure Event; (vi) a strike, work stoppage or labor dispute limited only to any one or more of Seller, Seller’s Affiliates, Seller’s contractors, their subcontractors thereof or any other third party employed by Seller to work on the Facility; (vii) any equipment failure except if such equipment failure is caused by a Force Majeure Event; (viii) variations in weather, including wind, rain and insolation, within one in fifty (1 in 50) year occurrence; (ix) interconnection facilities or network upgrades are not complete and ready for the Facility to connect and sell Product at the Delivery Point by the Guaranteed Commercial Operation Date, or (ix) Seller’s inability to achieve Construction Start of the Facility following the Guaranteed Construction Start Date or achieve Commercial Operation following the Guaranteed Commercial Operation Date due to a Force Majeure Event; it being understood and agreed, for the avoidance of doubt, that the occurrence of a Force Majeure Event may give rise to a Development Cure Period.</p>
Site Control:	Seller shall maintain site control throughout the Delivery Term.
Permits and Approvals:	Seller shall obtain any and all permits and approvals, including without limitation, environmental clearance under the California Environmental Quality Act (“ CEQA ”) or other environmental law, from the local jurisdiction where the Project is or will be constructed. Buyer is simply purchasing power and does not intend to be the lead agency for the Project.
Scheduling Requirements and CAISO Settlements:	If the Facility’s electric output is required to be scheduled with CAISO, PCE shall designate a Scheduling Coordinator (as defined by CAISO Tariff) for the Facility.

	<p>If the Facility’s electric output is scheduled with the CAISO, PCE and Seller shall cooperate to minimize CAISO delivery imbalances and any resulting fees, liabilities, assessments or similar charges assessed by the CAISO (“CAISO Charges”) to the extent possible, and shall each promptly notify the other as soon as possible of any material loss of system capability, deviation or imbalance that is occurring or has occurred. Subject to Seller’s compliance with the foregoing requirements, PCE shall be responsible for imbalance charges; provided, however that if the Facility’s electric output is scheduled with the CAISO, Seller shall reimburse PCE for any CAISO Charges PCE incurs as a result of Seller's violation of the terms and conditions of the PPA or the CAISO Tariff.</p> <p>To the extent that the Facility’s electric output is scheduled with the CAISO, Seller shall be responsible for any “non-Performance Penalties” assessed to PCE by the CAISO (“CAISO Penalties”), under the CAISO Tariff Enforcement Protocol, and not due to any fault of PCE, which shall include, without limitation, any deviation, imbalance or uninstructed energy charges or penalties payable to the CAISO that are due to the fault of Seller. To the extent that Seller materially deviates from its energy schedules (other than an adjustment imposed by the CAISO, a deviation due to any fault of PCE, or an excused Seller failure to deliver, whether for reasons of Force Majeure or otherwise), and such departure results in CAISO Penalties being assessed to PCE, such CAISO Penalties shall be passed on to Seller.</p> <p>Seller shall provide to Buyer non-binding annual, monthly, day-ahead, and real-time forecasts of Delivered Energy within a timeline that allows Buyer or Buyer’s agent the ability to meet CAISO market and scheduling deadlines. Outage and curtailment notifications will be required by Buyer as well as access to Facility generation data.</p>
<p>Monthly Settlement and Invoice:</p>	<p>Within ten (10) days after the end of each month of the Delivery Term, Seller shall send a detailed invoice to Buyer for the amount due for Product delivered during such month. The invoice shall include all information necessary to confirm the amount due.</p> <p>Payment for undisputed amounts shall be due to the applicable party thirty (30) days from the invoice date, with disputed payments subject to Buyer’s billing dispute process.</p> <p>A Party may, in good faith, dispute the correctness of any invoice or any adjustment to an invoice rendered under the PPA or adjust any invoice for any arithmetic or computational error within twelve (12) months of the date the invoice, or adjustment to an invoice, was rendered. In the event an invoice or portion thereof, or any other claim or adjustment arising hereunder, is disputed, payment of the undisputed portion of the invoice shall be required to be made when due. Any invoice dispute or</p>

	<p>invoice adjustment shall be in writing and shall state the basis for the dispute or adjustment. Payment of the disputed amount shall not be required until the dispute is resolved. Upon resolution of the dispute, any required payment shall be made within two (2) Business Days of such resolution along with interest accrued at the Interest Rate from and including the original due date to but excluding the date paid. Inadvertent overpayments shall be returned upon request or deducted by the Party receiving such overpayment from subsequent payments, with interest accrued at the Interest Rate from and including the date of such overpayment to but excluding the date repaid or deducted by the Party receiving such overpayment. Any dispute with respect to an invoice is waived if the other Party is not notified within twelve (12) months after the invoice is rendered or subsequently adjusted, except to the extent any misinformation was from a third party not affiliated with any Party and such third party corrects its information after the twelve-month period. If an invoice is not rendered within twelve (12) months after the close of the month during which performance occurred, the right to payment for such performance is waived.</p>
<p>Operations and Maintenance:</p>	<p>Seller shall not during the months of June through September inclusive schedule any non-emergency maintenance that reduces the Energy generation of the Facility by more than ten percent (10%), unless (i) such outage is required to avoid damage to the Facility, (ii) such maintenance is necessary to maintain equipment warranties and cannot be scheduled outside the months of June through September, (iii) such outage is required in accordance with prudent electrical practices, or (iv) the Parties agree otherwise in writing.</p>
<p>REC Tracking System:</p>	<p>The Seller shall transfer RECs associated with the generation from the Facility for each month via WREGIS pursuant to the timelines in WREGIS Operating Rules.</p> <p>Each party shall be responsible for setting up an account with WREGIS.</p>
<p>Metering:</p>	<p>The Facility shall be installed with a revenue-quality meter that is compliant with WREGIS Operating Rules. Seller shall provide real-time read-only access to the Facility’s metering data. Seller shall provide Qualified Reporting Entity services as required to meet WREGIS requirements.</p>
<p>Credit Requirements:</p>	<p>Seller shall post security as follows:</p> <p><u>Development Security</u> – \$60/kW of Guaranteed Capacity</p> <p><u>Performance Security</u> – [<i>An amount equal to the first Contract Year’s revenues, assuming deliveries of 100% of Expected Energy.</i>]</p>

	<p>To secure its obligations under this PPA, Seller shall deliver the Development Security to Buyer within thirty (30) days of the Effective Date. Development Security shall be in the form of cash or a Letter of Credit.</p> <p>To secure its obligations under this PPA, Seller shall deliver Performance Security to Buyer on or before the Commercial Operation Date.</p> <p>Within five (5) Business Days following any draw by Buyer on the Development Security or the Performance Security, Seller shall replenish the amount drawn such that the security is restored to the applicable amount.</p>
Compliance with Laws:	<p>Seller shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, including, without limitation those related to employment discrimination and prevailing wage, non-discrimination and non-preference; conflict of interest; environmentally preferable procurement; single serving bottled water; gifts; and disqualification of former employees.</p>
Workforce Requirements:	<p>Seller shall comply with Buyer’s Inclusive and Sustainable Workforce Policy.</p>
RPS and Green-e Compliance:	<p>Seller must ensure the Facility obtains CEC pre-certification prior to the COD, obtains CEC certification within 180 days of COD and maintains such CEC certification during the Delivery Term. Seller shall ensure that the Facility is certified by Green-e as of the Commercial Operation Date and shall maintain such Green-e certification throughout the Delivery Term. Seller shall ensure that the Product qualifies as Portfolio Content Category 1 throughout the Delivery Term. If a change of law occurs after execution of the PPA that impacts Facility’s CEC certification, the Product’s qualification as Portfolio Content Category 1, or the Facility’s Green-e certification, then Seller shall comply with such change of law as necessary to maintain the Facility CEC certification and Product eligibility described above.</p>
Assignment:	<p>Neither party may assign the PPA without prior written consent of the other party, which will not be unreasonably withheld; provided, that Seller has the right to assign the PPA as collateral for any financing or refinancing of the Facility without the consent of Buyer.</p> <p>Any 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 Buyer, which will not be unreasonably withheld.</p>

	<p>Seller shall pay Buyer’s reasonable expenses, including attorneys’ fees, incurred to provide consents, estoppels, or other required documentation in connection with Seller’s financing for the Facility. Buyer will have no obligation to provide any consent, or enter into any agreement, that materially and adversely affects any of Buyer’s rights, benefits, risks or obligations under the PPA, or to modify such PPA.</p>
<p>No Recourse to Members of PCE:</p>	<p>PCE is organized as a Joint Powers Authorities in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) pursuant to its Joint Powers Agreement and is a public entity separate from its constituent members. PCE shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Seller shall have no rights and shall not make any claims, take any actions or assert any remedies against any of PCE’s constituent members in connection with this Agreement.</p>
<p>Other Standard Contract Terms to be included in the PPA:</p>	<p><u>Event of Default:</u> Events of Default shall include, but not be limited to, failure to pay any amounts when due, breach of representations and warranties, failure to perform covenants and material obligations in the PPA, bankruptcy, assignment not permitted by the PPA, Seller failure to achieve Construction Start within one hundred twenty (120) days of Guaranteed Construction Start Date, Seller failure to achieve Commercial Operation within sixty (60) days after the Guaranteed Commercial Operation Date, and other Events of Default expressly provided for in this Term Sheet.</p> <p><u>Indemnification:</u> Seller agrees to defend, indemnify and hold harmless Buyer, its directors, officers, agents, attorneys, consultants, employees and representatives from and against all claims, demands, losses, liabilities, penalties, and expenses, including reasonable attorneys’ and expert witness fees collectively (“Indemnifiable Event”), to the extent such Indemnifiable Event arises out of, pertains to, or relates to any of the following:(a) the negligent act or omission, recklessness or willful misconduct of the Seller, its Affiliates, its directors, officers, employees, agents, subcontractors, and anyone directly or indirectly employed by either the Seller or any of its subcontractors or anyone that they control; (b) any infringement of the patent rights, copyright, trade secret, trade name, trademark, service mark or any other proprietary right of any person(s) caused by the Buyer’s use of the Product, deliverables or other items provided by the of the Seller pursuant to the requirements of this Proposed Transaction, or (c) any breach of the Proposed Transaction.</p> <p>The Seller’s indemnity obligations apply to the maximum extent allowed by law and includes defending Peninsula Clean Energy, its officers, employees and agents as set forth in Section 2778 and 2782.8 of the California Civil Code, if applicable. Upon the Buyer’s written request,</p>

	<p>the Seller, at its own expense, must defend any suit or action that is subject to the Seller’s indemnity obligations.</p> <p>The Seller’s indemnity obligations survive the expiration or earlier termination of the Proposed Transaction.</p> <p><u>Governing Law</u>: State of California</p> <p><u>Venue</u>: San Mateo County (PCE)</p>
<p>Definitions:</p>	<p>The following terms, when used herein with initial capitalization, shall have the meanings set forth below:</p> <p>“<u>CAISO</u>” means the California Independent System Operator.</p> <p>“<u>CAISO Tariff</u>” means the California Independent System Operator Corporation Agreement and 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.</p> <p>“<u>California Renewables Portfolio Standard</u>” or “<u>RPS</u>” means the renewable energy program and policies established by California State Senate Bills 1038 (2002), 1078 (2002), 107 (2008), X-1 2 (2011), 350 (2015), and 100 (2018) as codified in, <i>inter alia</i>, California Public Utilities Code Sections 399.11 through 399.31 and California Public Resources Code Sections 25740 through 25751, as such provisions are amended or supplemented from time to time.</p> <p>“<u>CEQA</u>” means the California Environmental Quality Act.</p> <p>“<u>CEC</u>” means the California Energy Commission, or any successor agency performing similar statutory functions.</p> <p>“<u>Contract Year</u>” means a period of twelve (12) consecutive months beginning on the Commercial Operation Date and each subsequent Contract Year shall commence on the anniversary of the Commercial Operation Date.</p> <p>“<u>Generating Facility Energy</u>” means that portion of energy that is delivered from the Generating Facility directly to the Delivery Point, net of electrical losses and station use, as measured by the Facility meter, which will be adjusted in accordance with CAISO meter requirements to account for electrical losses and station use.</p> <p>“<u>Guaranteed Capacity</u>” means the amount of generating capacity of the Generating Facility, as measured in MW at the Delivery Point, as the same may be adjusted pursuant to the PPA.</p> <p>“<u>Letter(s) of Credit</u>” means one or more irrevocable, standby letters of credit issued by a U.S. commercial bank or a foreign bank with a U.S. branch with such bank (a) having a credit rating of at least A- with an</p>

	<p>outlook designation of “stable” from S&P or A3 with an outlook designation of “stable” from Moody’s or (b) being reasonably acceptable to Buyer.</p> <p>“MW” means megawatts in alternating current, unless expressly stated in terms of direct current.</p> <p>“MWh” means megawatt-hour measured in alternating current, unless expressly stated in terms of direct current.</p> <p>“Production Tax Credits” or “PTCs” means production tax credit under Section 45 of the Internal Revenue Code as in effect from time-to-time throughout the Delivery Term or any successor or other provision providing for a federal tax credit determined by reference to renewable electric energy produced from wind or other renewable energy resources for which Seller, as the owner of the Generating Facility, is eligible.</p> <p>“PTC Amount” means the amount, on a dollar per MWh basis, equal to the Production Tax Credits that Seller would have earned in respect of energy from the Facility at the time, grossed up on an after tax basis at the then-highest marginal combined federal and state corporate tax rate, but failed to earn as a result of Buyer Bid Curtailment or Buyer Curtailment Order, which amount will be calculated by reference to the amount of Deemed Delivered Energy and the number of the Facility’s wind turbines that are eligible to receive Production Tax Credits at the time of determination.</p>
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2. Additional Term Sheet Provisions.

- 2.1. **No Obligation to Enter Into Proposed Transaction.** This Term Sheet is intended to provide an overview of the Proposed Transaction and is not intended to constitute a binding contract or an offer to enter into a PPA with respect to the Proposed Transaction and does not obligate either Party to enter into the Proposed Transaction or execute any agreement, including the PPA, in connection with the Proposed Transaction. Neither Party will be deemed to have agreed to the PPA or will be bound by any term thereof, unless and until authorized representatives of Buyer and Seller have executed final definitive documents, enforceable in accordance with their terms.
- 2.2. **Other Agreements.** In connection with this Term Sheet, Seller shall execute that certain Exclusivity Agreement (“**Exclusivity Agreement**”) with Buyer and provide a Shortlist Deposit (as defined in such agreement) of \$3,000/MW of Guaranteed Capacity to Buyer within three (3) Business Days after execution of the Exclusivity Agreement. The Shortlist Deposit will be returned in accordance with, and subject to, the terms of the Exclusivity Agreement.
- 2.3. **Expenses.** Each Party will pay its own costs and expenses (whether internal or out-of-pocket, and whether for legal, financial, technical or other consultants, or other purposes) in connection with the Term Sheet and any definitive agreements.

- 2.4. **Termination.** This Term Sheet will terminate upon the earlier of (a) execution of the PPA or (b) expiration of the Exclusivity Period (as defined in the Exclusivity Agreement), as such Exclusivity Period may be extended by the Parties in accordance with the Exclusivity Agreement.
- 2.5. **Governing Law.** This Term Sheet is governed by, and construed in accordance with, the laws of the State of California.
- 2.6. **Prior Agreements.** This Term Sheet supersedes all prior communications and agreements, oral or written, between and among the Parties regarding the subject matter herein contemplated.
- 2.7. **Assignment.** This Term Sheet will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. No Party will assign, pledge or otherwise transfer this Term Sheet or any right or obligation under this Term Sheet without first obtaining the other Parties' prior written consent (which consent will not be unreasonably withheld, delayed, or encumbered).
- 2.8. **No Consequential Damages.** IN NO EVENT SHALL ANY PARTY, ITS AFFILIATES AND/OR REPRESENTATIVES BE LIABLE FOR ANY LOST OR PROSPECTIVE PROFITS OR ANY OTHER CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE, INDIRECT OR EXEMPLARY DAMAGES UNDER OR IN RESPECT TO THIS TERM SHEET.

Appendix F

**Projected Marketing Education and Outreach Plan for the
Disadvantaged Communities Green Tariff and Community
Solar Green Tariff Programs for Program Year 2023**

Proposed by Peninsula Clean Energy Authority



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A. Purpose and Goals

Peninsula Clean Energy Authority (PCE) will develop and implement a targeted customer marketing, education, and outreach (ME&O) campaign to ensure potential customers in disadvantaged communities (DACs) are aware of the opportunity to benefit from the Disadvantaged Communities Green Tariff (DAC-GT) and Community Solar Green Tariff (CSGT) programs. PCE's ME&O strategy has two main goals:

1. Enroll eligible customers in the DAC-GT and CSGT programs; and
2. Increase awareness of and enrollment in California Alternate Rates for Energy (CARE) and Family Electric Rate Assistance (FERA) discount programs.

Throughout this process, PCE aims to achieve meaningful and diverse customer engagement through a culturally-competent, multilingual approach. To achieve these goals, PCE will develop a targeted customer engagement campaign that leverages direct customer outreach and partnerships with community-based organizations (CBOs) based in eligible DAC communities. PCE has well-developed relationships with such CBOs through our community outreach grant program that has funded collaboration with local organizations since 2018. In 2022, this program funded 11 CBOs to conduct multilingual outreach about energy discounts and programs in English, Spanish, and Chinese (Mandarin and Cantonese).

Our outreach will also reflect PCE's service territory expansion to the City of Los Banos in Merced County. We are building relationships with the City's local CBOs who conduct outreach to eligible populations in both English and Spanish.

Ultimately, PCE will measure program success by the number of customers enrolled in the DAC-GT and CSGT programs, as well as in other discount programs such as CARE.

The following subsections provide additional details about PCE's ME&O approach for the DAC-GT and CSGT programs.

B. Guiding Principles

PCE is committed to developing diverse and culturally appropriate communication strategies to ensure that stakeholders can participate in decisions and actions that impact their communities. As such, PCE commits to the following guiding principles throughout the ME&O engagement process for the DAC-GT and CSGT programs. PCE aims to:

- Achieve diverse and meaningful engagement that reflects the demographics of DACs to ensure equitable outreach across race, income and age barriers;
- Maintain transparency and accessibility of information by bringing the information directly to customers in their neighborhood, in their community, or interest space to better engage them in the process; and

- Build a collaborative process with community partners to ensure that the barriers to and benefits of participation are considered in ME&O activities to the maximum extent possible.

C. Target Audience

Given enrollment specifications around the programs, the primary target audience for the ME&O strategy are customers living in ~~either: eligible DACs under CalEnviroScreen 4.0.~~

1. a census tract, identified by the version of CalEnviroScreen in effect when PCE’s DAC-GT and CSGT implementation plan was approved by the CPUC or any subsequent versions as either scoring among the top 25% of census tracts statewide;
2. a census tract identified by the version of CalEnviroScreen in effect when PCE’s DAC-GT and CSGT implementation plan was approved by the CPUC or any subsequent versions scoring in the highest 5% of the CalEnviroScreen’s Pollution Burden, and that do not have an overall CalEnviroScreen score because of unreliable socioeconomic or health data; or
3. in California Indian Country as defined in 18 United States Code Section 1151, with the exception of privately held in-holdings, which are defined as non-Indian owned fee land located within the exterior boundaries of California Indian Country; in the event of multiple owners, such land shall be considered Indian owned if at least one owner is a tribe or tribal member, regardless of the use of the land.

In PCE’s service area this includes customers in the following neighborhoods:¹

Figure 1: Qualifying Neighborhoods in PCE Service Territory

Census Tract	City for Approx. Location	County
6081602100	South San Francisco	San Mateo
<u>6081602200</u>	<u>South San Francisco</u>	<u>San Mateo</u>
6081602300	South San Francisco	San Mateo
6081604101	San Bruno	San Mateo
<u>6081604200</u>	<u>San Bruno</u>	<u>San Mateo</u>
6081610201	Redwood City	San Mateo
6081610202	Redwood City	San Mateo
6081606200	San Mateo	San Mateo
6081611900	East Palo Alto	San Mateo
6081612000	East Palo Alto	San Mateo

¹ Sources: [SB535 Disadvantaged Communities using CalEnviroScreen 4.0, October 20, 2021, https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40](https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40); [CalEnviroScreen 3.0, https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-30](https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-30)

6047002302	Los Banos	Merced
6047002202	Los Banos	Merced
6047002201	Los Banos	Merced

D. ME&O Tactics and Strategies

In 2023, PCE plans to take a two-pronged approach to ME&O for the DAC-GT program, and an intensive outreach approach for the CSGT program.

- DAC-GT program:** PCE will be employing automatic enrollment in PY 2023 based on California Public Utilities Commission (“CPUC”) guidance.² PCE will use a three-tier customer identification process to automatically enroll customers until the program is fully subscribed. First, PCE will identify customers that are currently participating in the Arrearage Management Program (“AMP”) with service addresses in a PCE DAC and meet all other DAC-GT eligibility criteria. Second, PCE will identify customers that are currently eligible for the AMP but are not participating and with service addresses in a PCE DAC and meet all other DAC-GT eligibility criteria. Third, PCE will identify all remaining DAC-GT eligible PCE customers and use a random selection protocol to enroll customers into the DAC-GT program. When program capacity becomes available in the future due to unenrollment or other reasons, PCE will perform the same three-tiered process to ensure that new AMP enrollees, newly AMP-eligible customers, and new residential PCE customers that meet the other DAC-GT eligibility criteria will be considered in the auto-enrollment selection process.
- CSGT program:** PCE will again partner with our extensive and growing network of local CBOs and other community partners to conduct outreach to residents in eligible census tracts through an active enrollment process as further detailed in this plan.

1. Communications and Media Content

A variety of communications and media content will be necessary to promote the programs. Direct mailing, social media outreach and email blasts will be utilized to target customers. Bilingual (English/Spanish) fact sheets and an enrollment letter have been developed for DAC-GT customers, and additional materials will be developed for the CSGT program as it launches.

2. Community Outreach

To meet our ME&O goals, PCE will develop an outreach and engagement strategy leveraging the key tactics summarized below. The ME&O strategy will include a multilingual and culturally competent approach to engagement and consider the specific needs of DACs in PCE’s service

² See Resolution E-5124 at 31 (OP 25), “It is reasonable for participating CCAs to automatically enroll eligible DAC-GT customers as long as their enrollment criteria are in alignment with the spirit of D.20-07-008 and target customers at high risk of disconnection.”

area.

Partnerships with CBOs: Partnering with CBOs is a critical facet of PCE's ME&O plan. In San Mateo County outreach for DAC programs needs to be highly targeted to eligible census tracts, while avoiding messaging to non-eligible census tracts to prevent customer confusion. CBOs have intimate knowledge of the local communities they serve and will be valuable resources for how best to conduct outreach that makes sense for these specific neighborhoods. As PCE engages with CBO partners, we seek to establish open dialogue, build awareness and understanding among community members, identify community-specific issues, and develop methods for disseminating relevant information. PCE has a strong track record of partnering with local CBOs. In 2022 we launched our fourth annual round of community outreach grants to partner with 11 CBOs, several of which are located directly in our DAC communities and which serve these residents in multiple languages.

Specifically, PCE will provide funding and collateral material for CBOs to conduct outreach around the DAC-GT and CSGT programs, CARE and FERA enrollment, and other energy efficiency programs. CBOs will engage in one-on-one support for customers seeking help with their utility bills and avoiding the disconnection process. CBOs will also provide outreach at events, workshops, community gathering places, and through social services such as food distribution programs.

As DAC census tracts cover much of the area of the City of Los Banos, we will partner with City staff in addition to local CBOs to leverage their communications channels to reach all local residents about this program. Many low-income Los Banos residents already come to City Hall in person to pay their water bills, creating an excellent opportunity for City staff to provide one-on-one education about energy bill discounts as well.

Grassroots Outreach: PCE will conduct grassroots outreach to engage directly with community members at community events. PCE already regularly attends and sponsors many community events throughout its service area, including neighborhood festivals, holiday celebrations, and special events. Despite the lack of such opportunities currently due to local health directives, it is expected that these events will again become available during the implementation timeframe. PCE will utilize the expertise of CBO partners to identify impactful events. Outreach will be informed by data (i.e., census tracts, 4013, etc.) in order to identify customers who are most likely to enroll in the programs.

Additionally, many other social service programs already conduct outreach in the same communities that we will conduct program outreach. There may be an opportunity to partner and include DAC-GT and CSGT program information in ongoing social service efforts. PCE will investigate and pursue opportunities to collaborate.

3. Program Leveraging

California offers a plethora of clean energy, energy efficiency, and storage incentives, with several of the incentives targeting income-qualified customers or customers in DACs. Complementing the State's programs, PCE also has developed a wide range of in-house program offerings with many of them focusing on low-income customers or DACs. PCE's community outreach grants fund local nonprofits that are deeply engaged in our communities

to communicate our program offerings directly to their clients and constituents. These organizations support residents in understanding which PCE programs residents are eligible for and helping residents enroll. Through our outreach grant relationships we provide program information in Spanish, Mandarin, Cantonese, and English.

Under the DAC-GT/CSGT ME&O plan, PCE will leverage its relationships and interactions with customers through existing programs to inform, educate and encourage program participation. For example, PCE will leverage the following programs for joint outreach efforts:

- PCE’s Community Outreach Grant program that supports customer education about utility discount programs as well as PCE programs for hard-to-reach communities in multiple languages;
- PCE’s Low-Income Home Upgrade program that leverages and supplements existing home upgrade programs by funding gaps such as roof repairs; and
- PCE’s Low-Income EV discount program that assists low-income families in buying used electric vehicles.

Figure 2: PCE ME&O Tactics and Strategies

<p>Grassroots Outreach</p> <ul style="list-style-type: none"> • Community Events and Workshops • Relationships with Community Leaders 	<p>Partnerships with Community Organizations</p> <ul style="list-style-type: none"> • Outreach Grant Program • Presentations • Enrollment Assistance
<p>Communications and Media Content</p> <ul style="list-style-type: none"> • Social Media Content • Flyers/Fact Sheets • Website • Emails • Direct Mail 	<p>Customer Identification and Messaging</p> <ul style="list-style-type: none"> • Census Tract Information • Outreach Tracking • Culturally Competent Messaging and Translations

4. Metrics Tracking

Because PCE is using multiple tactics for ME&O, a variety of metrics will be used to evaluate the effectiveness of each effort. Our primary measure of effectiveness is the number of customers reached, which can be measured by:

- Total number of enrollees in both the DAC-GT and CSGT programs;
- Direct mail and email - Email click-through and open rates, website visits tracked by QR code or shortlink;
- Indirect - Website visits and page views, social media engagement and impressions; and
- Total number of events, distribution of events by neighborhood and number of

personal contacts made.

PCE will track these engagement metrics along with overall program enrollment metrics. By regularly monitoring these measures, PCE will be able to make changes in its approach or shift the mix of ME&O channels to improve the effectiveness of outreach if necessary. Additionally, feedback from CBO partners, and interactions with members of the community along with message testing could alter the strategy pursued.