**COOPERATION AGREEMENT BETWEEN RCEA AND [\_\_\_\_\_\_]**

**TO ENGAGE IN SITE ASSESSMENT AND SELECTION TO DEVELOP POWER PROJECTS IN THE HUMBOLDT LOCAL CAPACITY AREA IN ANTICIPATION OF POWER AGREEMENT**

This Cooperation Agreement is entered into and made effective as of [Date] (the “Effective Date”) by and between the Redwood Coast Energy Authority (“RCEA”), a California local government joint powers authority, and [\_\_\_\_\_\_] (“Developer”), a [\_\_\_\_\_\_\_\_\_\_], each a “Party,” collectively, the “Parties”.

**RECITALS**

1. RCEA acts as the regional electricity generation service provider through a community choice aggregation (“CCA”) program that currently serves over 60,000 customers with approximately 650 GWh of annual electric load.
2. Developer is engaged in the business of developing, installing, owning, and operating wholesale energy [generation and/or storage] assets.
3. In September 2021, RCEA issued a Request for Qualifications (“RFQ”) for Long-Term Reliability Resources that can deliver resource adequacy (“RA”) to RCEA’s portfolio and further its contribution to the reliability of the California power grid. The intent of the RFQ is to develop local power resources within RCEA’s territory to fulfill its Strategic Plan procurement goals, as well as its procurement obligations pursuant to the California Public Utilities Commission’s (“CPUC") July 2021 Decision Requiring Procurement to Address Mid-Term Reliability for 2023-2026 (D. 21-06-035).
4. In October 2021, Developer submitted a statement of qualifications in response to RCEA’s RFQ (the “Developer SOQ”). The Developer SOQ proposed to work with RCEA to assess, characterize and select one or more suitable sites within the Humboldt Local Capacity Area, as defined by CAISO’s 2021 Local Capacity Technical Study, (“LCA”) for prospective wholesale energy [generation and/or storage] system(s).
5. The Parties intend that after securing one or more suitable sites for wholesale energy [generation and/or storage] system(s) development, Developer will design, finance, develop, manage, own, operate such system(s) to provide [energy, environmental attributes, RA, and/or energy storage services] to RCEA.
6. The Parties wish to enter this Cooperation Agreement to set forth the terms and conditions for collaboration in the assessment, characterization and selection of one or more prospective project sites for Developer’s development of wholesale energy [generation and/or storage] system(s) to provide [energy, environmental attributes, RA, and/or energy storage services] to RCEA.

**NOW THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby mutually agree as follows:

1. **Energy Project Development**. The Parties agree to collaborate in the identification, assessment, characterization, and selection of suitable sites for Developer’s development of one or more wholesale front-of-meter energy [generation and/or storage] systems (collectively, “Energy Systems”) within the Humboldt LCA, subject to Developer’s compliance with all terms and conditions of this Agreement.

1. **Project Site Selection**.
2. Landowner Outreach. Each Party will communicate information it may have about prospective Energy System project sites to the other Party for initial suitability evaluation. If a particular site is deemed potentially suitable, the Parties will determine the best manner for outreach to the owner of the potential site. RCEA may choose to coordinate or lead discussions and negotiations with landowners with whom RCEA has a previously established relationship, for example local government agencies. Developer will otherwise be expected to conduct landowner contact and negotiations.
3. Site Assessment. Developer will conduct site assessment, characterization, and due diligence of potential site(s) to install Energy Systems at Developer’s sole cost. Site assessment is intended to include Developer’s investigation and assessment of site-specific interconnection capacity, identifying network upgrade needs, costs and timelines.
4. Project Site Control. Developer shall be solely responsible for obtaining a legal interest in any prospective site that adequately conveys to Developer the right to develop acceptable Energy Systems on the prospective site (“Site Control”). Prior to Developer obtaining Site Control, Developer shall provide formal notice to RCEA that a site has been selected. RCEA shall provide a written response within forty-five days, stating either its acceptance of the site (“Site Acceptance”), or providing comments indicating any concerns with the prospective site.
5. Progress updates. Developer shall provide regular written or oral progress updates, no less frequently than every two weeks following execution of this agreement, about its landowner negotiations, site assessment, and ability to obtain Site Control.
6. **Energy System Offer.** Unless extended by RCEA, no later than thirty days after receiving notice of Site Acceptance from RCEA, Developer shall submit an offer (“Offer”) to RCEA to develop one or more Energy Systems in the Humboldt LCA and to sell energy, environmental attributes, RA, and/or energy storage services (collectively “Energy Services”) to RCEA. Developer’s Offer shall be consistent with the Developer SOQ and provided in a form substantially similar to the RFO Offer Form in Appendix A to the RFQ.

* 1. Right of First Offer. Developer shall not sell or agree to sell any Energy Services from the Energy Systems without first offering to sell Energy Services to RCEA. The word “sell” shall include any transfer, conveyance, assignment or pledge of all or any portion of the Energy Products or Developer’s interest in the Energy Products.
  2. Response to Offer. RCEA will respond to the Offer within 30 days after receipt indicating its formal acceptance, rejection, or request for more information. An Offer is formally accepted only upon written notice of acceptance issued to Developer by RCEA.

1. **Project Development and Operation**. Developer shall design, finance, procure, install, own, and operate the Energy System, at Developer’s sole cost. Developer will be solely responsible for the following:

* + 1. Obtaining requisite permitting, land use, and other required compliance approvals to allow for the construction and operation of the Energy Systems, including, without limitation, California Independent System Operator (CAISO) approvals.
    2. Detailed design of Energy Systems including system sizing, interconnection and protection devices.
    3. Installation of Energy Systems designed as front-of-meter grid-connected resource(s).
    4. Ownership and performance of ongoing operation, maintenance and monitoring of installed Energy Systems to insure their reliable performance.
    5. Decommissioning or repowering of the Energy Systems after the useful life is over.

1. **Energy Services Agreement.** RCEA will purchase Energy Services from Developer based on a formally accepted Offer under the terms of this Section 4.
   1. Purchase Agreement. After formal acceptance of an Offer, RCEA will deliver a pro forma Energy Services purchase agreement (“Energy Services Purchase Agreement”) to Developer, which shall be subject to reasonable negotiation between the Parties consistent with the formally accepted Offer, with the intent to finalize the agreement by August 2022. RCEA procurement of the resource(s) and execution of a final agreement with Developer are contingent on RCEA’s acceptance of final offer terms. Material terms of the Energy Services Purchase Agreement shall include but not be limited to the following:
      1. The system(s) will provide up to [\_\_] MW of nameplate capacity [and up to \_\_\_ MWh of nameplate energy storage with a discharge capacity of \_\_ MW for a minimum of \_\_\_ hours] from one or more Energy Systems.
      2. Incremental RA amount for compliance with D. 21-06-035 shall be a minimum of [\_\_] September NQC MW and a maximum of [\_\_] September NQC MW.
      3. Project COD and commencement of the delivery period is anticipated on or before [August 1, 2023/June 1, 2024/June 1, 2025] and to end [ten/fifteen/twenty] years after the delivery start date.
   2. No Obligation, No Recourse. RCEA is under no obligation to purchase any Energy Services from Developer until after execution of an Energy Services Purchase Agreement. Developer bears the risk of all project development costs, including site assessment and characterization, without recourse to RCEA.
2. **Term and Termination**. Unless extended by mutual agreement of the Parties, this Agreement shall terminate on the earlier of 1) the execution of an Energy Services Purchase Agreement, or 2) August 30, 2022.
3. **General Provisions**.
   1. Data Security Agreement. Access to confidential customer data, if needed for purposes of engaging in the activities contemplated in this agreement, shall be approved by RCEA on a case-by-case basis and shall be compliant with CPUC Decision 12-08-045. Prior to receiving confidential customer data, Developer shall execute a Data Security Agreement, in a form to be provided by RCEA. Execution of the Data Security Agreement will be an express condition precedent to RCEA’s provision of customer data. The executed Data Security Agreements including all terms, conditions, responsibilities, and liabilities, are incorporated herein by reference. Developer may not use customer data for any other purpose than to perform the activities described herein. Improper use or disclosure of confidential customer data shall be a material breach of this Agreement and shall give RCEA the immediate right to terminate this Agreement. Developer hereby indemnifies, defends and holds harmless RCEA and its officers, employees, and agents from and against any and all losses that may occur as a result of improper use or disclosure of confidential customer data caused by Developer.
   2. Agreement Not Exclusive. The Parties acknowledge that this Agreement does not confer an exclusive right on Developer to engage with RCEA in the development of wholesale power resources in the Humboldt LCA, and RCEA retains the right to interact with other entities in developing wholesale power resources.
   3. Modifications. No change, amendment to, or modification of this Agreement shall be valid unless set forth in a written instrument signed by all of the Parties hereto. No waiver of any of the rights or obligations of the Parties under this Agreement shall be implied by any action or course of conduct of a Party unless such waiver is in writing and agreed to by the Parties.
   4. Independent Contractors. Each Party is an independent contractor and not a partner or agent of the other. Except as set forth in this Agreement, this Agreement will not be interpreted or construed as creating or evidencing any partnership or agency between the Parties or as imposing any partnership or agency obligations or liability upon another Party. No Party is authorized to, and will not, enter into or incur any agreement, contract, commitment, obligation, or liability in the name of or otherwise on behalf of any other Party.
   5. Assignment, subcontract. This Agreement may not be assigned, in whole or in part, without the express written advance approval of RCEA. As used herein, “assignment’ includes without limitation any change of interest owning 49% or more of Developer.
   6. Counterparts, Electronic Signatures. This Agreement may be executed in one or more counterparts each of which shall be deemed an original and all of which shall be deemed one and the same Agreement. Delivery of an executed counterpart of this Agreement by e-mail will be deemed as effective as delivery of an originally executed counterpart. Any Party delivering an executed counterpart of this Agreement by e-mail will also deliver an originally executed counterpart, but the failure of any Party to deliver an originally executed counterpart of this Agreement will not affect the validity or effectiveness of this Agreement. This Agreement may be executed electronically through a verified signature third party application such as DocuSign.

**IN WITNESS WHEREOF**, each Party has caused this Agreement to be duly signed and delivered, effective as of the Effective Date.

**REDWOOD COAST ENERGY AUTHORITY**

Matthew Marshall, Executive Director

**DEVELOPER: [\_\_\_\_\_\_]**

[Name], [Title]