



BOARD OF DIRECTORS MEETING AGENDA

October 28, 2021 -Thursday, 3:30 p.m.

COVID-19 NOTICE

RCEA AND HUMBOLDT BAY MUNICIPAL WATER DISTRICT OFFICES WILL NOT BE OPEN TO THE PUBLIC FOR THIS MEETING

Pursuant to the AB 361 Brown Act public meeting revisions signed into law on September 17, 2021, and Governor Newsom's State of Emergency Proclamation of March 4, 2020, this meeting will not be convened in a physical location. Board members will participate in the meeting via an online Zoom video conference.

To listen to the meeting by phone, call (669) 900-6833 or (253) 215-8782. Enter webinar ID: 819 7236 8051. **To watch the meeting online**, join the Zoom webinar at <https://us02web.zoom.us/j/81972368051>.

You may submit written public comment by email to PublicComment@redwoodenergy.org. Please identify the agenda item number in the subject line. Comments will be included in the meeting record but not read aloud during the meeting.

To make a comment during the public comment periods, raise your hand in the online Zoom webinar, or press star (*) 9 on your phone to raise your hand. You will continue to hear the meeting while you wait. When it is your turn to speak, a staff member will unmute your phone or computer. You will have 3 minutes to speak.

While downloading the Zoom application may provide a better meeting experience, Zoom does not need to be installed on your computer to participate. After clicking the webinar link above, click "start from your browser."

In compliance with the Americans with Disabilities Act, any member of the public needing special accommodation to participate in this meeting should call (707) 269-1700 or email Ltaketa@redwoodenergy.org at least 3 business days before the meeting. Advance notice enables RCEA staff to make their best effort to reasonably accommodate access to this meeting while maintaining public safety.

Pursuant to Government Code section 54957.5, all writings or documents relating to any item on this agenda which have been provided to a majority of the Board of Directors, including those received less than 72 hours prior to the RCEA Board meeting, will be made available to the public at www.redwoodenergy.org.

OPEN SESSION Call to Order

1. TELECONFERENCE MEETING AUTHORIZATION

- 1.1. Adopt Resolution No. 2021-7 Ratifying Governor Newsom's March 4, 2020, State of Emergency Proclamation and Authorizing Remote Teleconference Meetings of RCEA's Legislative Bodies for the Period October 28, 2021, through November 27, 2021, Pursuant to Brown Act Revisions.

2. REPORTS FROM MEMBER ENTITIES

3. ORAL COMMUNICATIONS

This time is provided for people to address the Board on matters not on the agenda. At the conclusion of all oral communications, the Board may respond to statements. Any request that requires Board action will be set by the Board for a future agenda or referred to staff.

4. CONSENT CALENDAR

All matters on the Consent Calendar are considered to be routine by the Board and are enacted in one motion. There is no separate discussion of any of these items. If discussion is required, that item is removed from the Consent Calendar and considered separately. At the end of the reading of the Consent Calendar, Board members or members of the public can request that an item be removed for separate discussion.

- 4.1 Approve Minutes of September 23, 2021, Board Meeting.
4.2 Approve Disbursements Report.
4.3 Accept Financial Reports.
4.4 Approve CA Energy Commission Grant Agreement ARV-21-035 for \$200,000 for Medium- and Heavy-Duty Zero-Emission Vehicle Infrastructure Blueprint Development and Authorize the Executive Director to Execute All Applicable Documents.

5. REMOVED FROM CONSENT CALENDAR ITEMS

Items removed from the Consent Calendar will be heard under this section.

COMMUNITY CHOICE ENERGY (CCE) BUSINESS (Confirm CCE Quorum)

Items under this section of the agenda relate to CCE-specific business matters that fall under RCEA's CCE voting provisions, with only CCE-participating jurisdictions voting on these matters with weighted voting as established in the RCEA joint powers agreement.

6. OLD CCE BUSINESS

- 6.1. Proposal for Non-Standard Rate Agreement with Nordic Aquafarms

Establish an ad hoc committee to monitor and provide input on staff negotiations with Nordic Aquafarms on a non-standard electric generation rate for the company's proposed aquaculture facility.

7. NEW CCE BUSINESS

- 7.1. California Community Power Procurement Update

Authorize staff to continue to participate in negotiations for procurement of long-duration energy storage from LS Power's Tumbleweed project, with a goal of

bringing the Board a Project Participation Share Agreement for approval subsequent to approval of an Energy Storage Services Agreement by the California Community Power Board.

Approve RCEA Participation in California Community Power's Solicitation for Firm Clean Resources.

END OF COMMUNITY CHOICE ENERGY (CCE) BUSINESS

8. OLD BUSINESS

8.1. Hatchery Road Project Delay and Re-Application

Approve the Revised Power Purchase Agreements for Hatchery Road C & D with RPCA Solar 5 LLC and authorize the Executive Director to execute the agreements.

9. NEW BUSINESS

9.1. Consideration of Potential New RCEA JPA Members

Discuss and give direction to staff regarding the addition of new RCEA members.

10. STAFF REPORTS

10.1. Report from Executive Director (Information only)

11. FUTURE AGENDA ITEMS

Any request that requires Board action will be set by the Board for a future agenda or referred to staff.

12. CLOSED SESSION

12.1. Public Employee Performance Evaluation, pursuant to Government Code Section 54957(b)(1): Executive Director.

13. RECONVENE TO OPEN SESSION

14. CLOSED SESSION REPORT

15. ADJOURNMENT

NEXT REGULAR MEETING

Thursday, November 18, 2021, 3:30 p.m.

This meeting will be an online teleconference following AB 361 Brown Act open public meeting law revisions of September 17, 2021, and RCEA Board Resolution 2021-7.



REDWOOD COAST Energy Authority

STAFF REPORT Agenda Item # 1.1

AGENDA DATE:	October 28, 2021
TO:	Board of Directors
FROM:	Matthew Marshall, Executive Director
PREPARED BY:	Lori Taketa, Clerk of the Board
SUBJECT:	Virtual Board Meeting Authorization

SUMMARY

On September 16 Governor Newsom signed AB 361 into law. The bill revises the Ralph M. Brown Act by continuing Executive Order N-29-20's teleconference rule waivers under certain conditions through January 1, 2024.

AB 361 allows the RCEA Board of Directors, its subcommittees, the Community Advisory Committee and its subcommittees to meet virtually if:

1. A state-proclaimed state of emergency exists, and
2. State or local public health officials impose or recommend social distancing measures.

The Board may also meet virtually to find that, as a result of the emergency, meeting in person presents an imminent threat to the health or safety of attendees.

Governor Newsom's March 4, 2020, State of Emergency Proclamation has not been rescinded. Humboldt County COVID hospitalization rates continue to exceed previous surge levels and Public Health Officer Dr. Ian Hoffman's September 29, 2020, Recommendation Regarding Physical Distancing Including Meetings of Legislative Bodies stated that "Virtual meetings of legislative bodies allow for physical distancing recommendations and the virtual participation of agency staff, presenters, and community members in safer environments, with less risk of exposure to COVID-19."

The revised Brown Act requires the Board to make findings regarding the continued risk to health and safety every 30 days. Because the Board typically meets on the third Thursday of each month, a period of more than 30 days may sometimes elapse between meetings. When this occurs, staff recommends that the resolution be renewed as the first order of business if the Board desires to continue meeting virtually in the interest of safety.

The Brown Act as amended by AB 361 does not prohibit hybrid meetings, or a combination in-person and virtual meeting formats, however public accessibility to all Board participant

locations may need to be observed. Staff will seek guidance from General Counsel should the Board wish to pursue hybrid meetings as public health conditions allow.

STAFF RECOMMENDATION

Adopt Resolution No. 2021-7 Ratifying Governor Newsom's March 4, 2020, State of Emergency Proclamation and Authorizing Remote Teleconference Meetings of RCEA's Legislative Bodies for the Period October 28, 2021, through November 27, 2021, Pursuant to Brown Act Revisions.

ATTACHMENTS

Resolution No. 2021-7 - A Resolution of the Board of Directors of the Redwood Coast Energy Authority Ratifying the Proclamation of a State of Emergency by Governor Gavin Newsom on March 4, 2020, and Authorizing Remote Teleconference Meetings of the Legislative Bodies of Redwood Coast Energy Authority for the Period October 28, 2021, through November 27, 2021, Pursuant to Brown Act Provisions.

Humboldt County Health Officer's Recommendation Regarding Physical Distancing Including Meetings of Legislative Bodies, Issued: September 29, 2021

RESOLUTION NO. 2021-7

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE REDWOOD COAST ENERGY AUTHORITY
RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY
BY GOVERNOR GAVIN NEWSOM ON MARCH 4, 2020,
AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS
OF THE LEGISLATIVE BODIES OF REDWOOD COAST ENERGY AUTHORITY
FOR THE PERIOD OCTOBER 28, 2021, THROUGH NOVEMBER 27, 2021,
PURSUANT TO BROWN ACT PROVISIONS**

WHEREAS, the Redwood Coast Energy Authority (RCEA) is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of RCEA's legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch RCEA's legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within RCEA's boundaries, caused by natural, technological, or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body has determined that meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist in Humboldt County, specifically, Governor Newsom's Proclamation of a State of Emergency of March 4, 2020, remains in effect; and

WHEREAS, the Centers for Disease Control and Prevention continue to list Humboldt County as an area of high transmission of COVID-19 and Humboldt County Health Officer Dr. Ian Hoffman issued a recommendation on September 29, 2021, to continue to practice physical distancing at meetings of legislative bodies and stated that virtual meetings do the most to reduce COVID-19 risk; and

WHEREAS, the Board of Directors does hereby find that the COVID-19 public health emergency and increased risk of infection has caused, and will continue to cause, conditions of peril to the safety of persons within Humboldt County that are likely to be beyond the control of services, personnel, equipment, and facilities of RCEA, and desires to ratify the proclamation of state of emergency by the Governor of the State of California; and

WHEREAS, as a consequence of the emergency, the Board of Directors does hereby find that the legislative bodies of RCEA shall conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, public access and participation in meetings of RCEA's legislative bodies shall be provided via online video conferencing software which shall also allow for public participation and real-time public comment opportunity by telephone.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF REDWOOD COAST ENERGY AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Proclamation of Imminent Risk of In-Person Meetings. The Board hereby proclaims that as Humboldt County remains an area of high transmission of COVID-19 as determined by the Centers for Disease Control and Prevention, that meeting in-person presents imminent risks to the health or safety of attendees.

Section 3. Ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance date of March 4, 2020.

Section 4. Remote Teleconference Meetings. The staff and legislative bodies of Redwood Coast Energy Authority, including but not limited to the Board of Directors and its subcommittees, and the Community Advisory Committee and its subcommittees, are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective for 30 days or until this Resolution is extended by a majority vote of the Board of Directors in accordance with Section 6 of this Resolution.

Section 6. Extension by Motion. The Board of Directors may extend the application of this Resolution by motion and majority vote by up to 30 days at a time, provided that it makes all necessary findings consistent with and pursuant to the requirements of Section 54953(e)(3).

Adopted this 28th day of October, 2021

ATTEST:

Sheri Woo, RCEA Board Chair

Lori Taketa, Clerk of the Board

Date: _____

Date: _____

CLERK'S CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of Resolution 2021-7 passed and adopted at a regular meeting of the Redwood Coast Energy Authority, County of Humboldt, State of California, held on the 28th day of October, 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

Clerk of the Board, Redwood Coast Energy Authority



Ian P. Hoffman, MD, MPH
Humboldt County Health Officer
529 I Street, Eureka, CA 95501
phone: (707) 445-6200 | fax: (707) 445-6097

**Recommendation Regarding Physical Distancing
Including Meetings of Legislative Bodies
Issued: September 29, 2021**

Humboldt County Public Health continues to recommend that physical distancing strategies be practiced in our county to the extent possible at [gatherings and events](#), which includes meetings of legislative bodies of local agencies. This is in line with [current CDC guidance](#). Humboldt County continues to experience [high transmission of COVID-19](#) locally. Physical distancing is an effective measure to reduce the spread of COVID-19, especially when combined with use of face coverings, frequent hand washing, staying home when ill, testing, and vaccination. Virtual gatherings and events, including meetings, are an alternative to in person and do the most to reduce COVID-19 risk.

Virtual meetings of legislative bodies allow for physical distancing recommendations and the virtual participation of agency staff, presenters, and community members in safer environments, with less risk of exposure to COVID-19.

Humboldt County Public Health will continue to monitor local metrics of COVID-19 (cases, hospitalizations, deaths) and the necessity of this recommendation.

Reference:

<https://humboldt.gov/DocumentCenter/View/98811/Gathering---events-PDF>
<https://www.cdc.gov/coronavirus/2019-ncov/daily-life-coping/outdoor-activities.html>
<https://covid.cdc.gov/covid-data-tracker/#datatracker-home>



DHHS Administration
phone: (707) 441-5400
fax: (707) 441-5412

Behavioral Health
phone: (707) 268-2990
fax: (707) 476-4049

Social Services
phone: (707) 476-4700
fax: (707) 441-2096



BOARD OF DIRECTORS MEETING DRAFT MINUTES

September 23, 2021 - Thursday, 3:30 p.m.

Notice of this meeting was posted on September 18, 2021. Chair Sheri Woo called a regular meeting of the Board of Directors of the Redwood Coast Energy Authority to order on the above date at 3:32 p.m., stating that the teleconference meeting was being conducted pursuant to the AB 361 Brown Act open public meeting law revisions signed into law on September 16, 2021, and Governor Newsom's State of Emergency Proclamation of March 4, 2020. Chair Woo stated that the posted agenda contained public teleconference meeting participation instructions.

PRESENT: Vice Chair Stephen Avis, Chris Curran, David Grover, Sarah Schaefer, Frank Wilson, Mike Wilson (joined 3:36 p.m.), Chair Sheri Woo. ABSENT: Scott Bauer, Mike Losey. STAFF AND OTHERS PRESENT: Power Resources Director Richard Engel; Power Resources Manager Jocelyn Gwynn; Executive Director Matthew Marshall; Customer Service Coordinator Summer Sanderson; Clerk of the Board Lori Taketa.

1.1. Teleconference Meeting Authorization

Clerk of the Board Taketa reported on revised Brown Act requirements for conducting virtual public meetings. A proclaimed statewide state of emergency must be in effect and either local health officials must require social distancing or the local government agency's legislative body must find that meeting in person poses a threat to public health and safety. Since Humboldt County's public health officials have mandated indoor masking but have not specifically required social distancing, staff recommended the directors consider finding in-person meeting to be a threat to public safety and health at this time.

Legal Counsel Diamond explained that public agencies are waiting to see whether the Governor will sign a companion Brown Act bill, AB 339. This bill would make AB 361's Brown Act teleconference waivers and conditions permanent. There were no public comments for this item.

M/S: Avis, Grover: Adopt Resolution No. 2021-5 Ratifying Governor Newsom's March 4, 2020, State of Emergency Proclamation and Authorizing Remote Teleconference Meetings of RCEA's Legislative Bodies for the Period September 23, 2021, through October 23, 2021, Pursuant to Brown Act Revisions.

The motion passed with a unanimous roll call vote. Ayes: Avis, Curran, Grover, Schaefer, F. Wilson, M. Wilson, Woo. Noes: None. Absent: Bauer, Losey.

There were no reports from member entities.

There were no comments from the public on non-agenda items. Chair Woo closed the public comment period.

CONSENT CALENDAR

- 4.1 Approve Minutes of August 26, 2021, Board Meeting.
- 4.2 Approve Disbursements Report.
- 4.3 Accept Financial Reports.
- 4.4 Approve Amendment No. 1 to 2021 Task Order 1 for Operational Services with The Energy Authority Related to Congestion Revenue Rights and Authorize the Executive Director to Execute the Amendment and All Associated Documents.
- 4.5 Approve Selection of SacTown Contractors to Provide Lighting Contractor Services to RCEA and Authorize the Executive Director to Prepare and Execute a Professional Services Agreement with SacTown Contractors for These Services, and All Applicable Documents.

Chair Woo asked that item 4.4 be removed from the consent calendar. No member of the public removed items from the consent calendar.

M/S: Avis, M. Wilson: Approve all consent calendar items except 4.4.

The motion passed with a unanimous roll call vote. Ayes: Avis, Curran, Grover, Schaefer, F. Wilson, M. Wilson, Woo. Noes: None. Absent: Bauer, Losey.

Chair Woo requested an explanation of congestion revenue rights (CRRs). Power Resources Director Engel explained that load-serving entities incur expenses when there is congestion on electricity transmission lines between generation sources and where power is being used. CRRs are a financial instrument that mitigates that expense and encourages investing in transmission where it is needed. CAISO now requires load-serving entities like RCEA to post temporary deposits for CRR auctions instead of relying on third parties like TEA to provide this service. The associated scheduling coordinator ID fees that will now become RCEA's responsibility are minor relative to revenues received from participating in the CRR market. There were no public comments on this item.

M/S: Avis, Grover: Approve Amendment No. 1 to 2021 Task Order 1 for Operational Services with The Energy Authority Related to Congestion Revenue Rights and Authorize the Executive Director to Execute the Amendment and All Associated Documents.

The motion passed with a unanimous roll call vote. Ayes: Avis, Curran, Grover, Schaefer, F. Wilson, M. Wilson, Woo. Noes: None. Absent: Bauer, Losey.

Chair Woo confirmed there was a quorum to conduct CCE business. There was no Old CCE Business to discuss at this meeting.

NEW CCE BUSINESS

7.1. Mid-Term Reliability Solicitation

Power Resources Manager Gwynn reviewed the CPUC's new requirement to procure new capacity to be brought online between 2023 and 2026. This procurement addresses retirement of the Diablo Canyon nuclear power plant and several natural gas plants. RCEA's share of the statewide capacity to be procured is 39 MW. This capacity must come from non-fossil fuel sources and meet a variety of other requirements which match RCEA's Board-approved goals for 100 percent clean and renewable energy by 2025 and 100 percent local renewable energy by 2030. Staff proposed conducting a request for offers (RFO) and a request for qualifications (RFQ) solicitation for this capacity so local projects not currently under development can be considered. Current project partners will be given preference since working with vetted partners with whom legal issues have already been resolved should help meet the procurement's early deadlines. Project scoring criteria were adjusted to better protect RCEA from risk. Environmental impacts will be assessed during the evaluation process as part of the project's permitting risk. Staff hopes to bring final agreements from the RFO process to the Board in March 2022. The RFQ process will be conducted through 2022. Northeast Humboldt County projects addressing power outage resilience would be well-suited to this solicitation.

Director Curran and Chair Woo volunteered to form an ad hoc Mid-Term Reliability Solicitation Subcommittee to review the solicitation process with staff and to share non-proprietary information about the process with the full Board as needed.

No member of the public responded to Chair Woo's invitation for comment. Chair Woo closed the public comment period.

M/S: Grover, Avis: Authorize staff to issue a Request for Offers/Request for Qualifications for Incremental Resource Adequacy Capacity, in accordance with the terms provided.

Establish ad hoc Board committee of Chair Woo and Director Curran to meet with staff periodically to review and discuss the procurement process, reporting back to the Board with non-confidential information as appropriate.

The motion passed with a unanimous roll call vote. Ayes: Avis, Curran, Grover, Schaefer, F. Wilson, M. Wilson. Noes: None. Absent: Bauer, Losey. Abstain: None. Non-Voting: Woo.

7.2. Policy on Non-Standard Rates for Large Customers

Power Resources Director Engel reported on a proposed policy that would allow RCEA to negotiate rates with very large community choice energy (CCE) program customers. Through the direct access program these large customers have the option of purchasing power from third-party, for-profit suppliers instead of from an investor-owned utility or the CCE program. Direct access companies usually provide power from lowest-cost power sources with minimal environmental compliance practices. Staff stated that the proposed policy may help attract industry to the county. Large customers usually request contract price details to remain confidential. Contracts would be negotiated by the Executive Director. The directors expressed a need for oversight and requested the Board have the option to create ad hoc subcommittees to review proprietary contract terms prior to any non-standard rate adoption. An addition (item 6) to the Non-Standard Pricing Agreement Policy was requested to reflect this option.

M/S: Grover, Avis: Approve the Non-Standard Pricing Agreement Policy as amended to allow for creation of ad hoc committees to review contract terms at the Board's discretion and adopt Resolution No. 2021-6, delegating authority to the Executive Director to negotiate and execute non-standard pricing agreements with eligible commercial and industrial customers and RCEA's member agencies, provided that the pricing agreements meet the minimum requirements set forth in the Non-Standard Pricing Agreement Policy.

The motion passed with a unanimous roll call vote. Ayes: Avis, Curran, Grover, Schaefer, F. Wilson, M. Wilson. Noes: None. Absent: Bauer, Losey. Abstain: None. Non-Voting: Woo.

7.3. Memorandum of Understanding with Humboldt Sawmill Company on Alternative Biomass Uses

Chair Woo recused herself at 4:37 p.m. due to a remote conflict of interest.

Power Resources Director Engel described the memorandum of understanding (MOU) between RCEA and the Humboldt Sawmill Company (HSC) following a conditional approval of extension of RCEA's biomass power purchase agreement (PPA) with HSC to meet state-mandated long-term contract requirements. The MOU stipulates that RCEA and HSC will meet annually to review alternative biomass uses, that HSC will provide information needed to perform these evaluations, that HSC will make their alternative biomass use consultant's findings available to RCEA, and that the PPA confidentiality provisions will apply to the MOU. The MOU does not provide a means to exit the PPA and is a way for both parties to seek the best path forward for the biomass material. Director Grover, who had opposed the long-term contract extension, stated that he is more comfortable with the extension with the MOU in place. No member of the public commented on this agenda item. Director Frank Wilson recused himself at 4:42 p.m. because he is employed by Humboldt Sawmill Company.

M/S: Grover, Curran: Authorize the executive director to execute Memorandum of Understanding Between Redwood Coast Energy Authority and Humboldt Sawmill Company Regarding Alternative Uses of Materials Used for Biomass Power Generation.

The motion passed with a roll call vote. Ayes: Avis, Curran, Grover, Schaefer, M. Wilson. Noes: None. Abstain: None. Absent: Bauer, Losey. Recused: F. Wilson, Woo.

Chair Woo and Director Wilson rejoined the meeting at 4:42 p.m. There was no Old or New Business to discuss at this meeting.

10.1. Update from Executive Director on Offshore Wind (Information only)

Executive Director Marshall stated there was nothing new to report since the last Board meeting. No member of the public responded to Chair Woo's invitation for comment.

There were no future agenda item requests from directors or members of the public. Chair Woo adjourned the meeting at 4:45 p.m.

Lori Taketa, Clerk of the Board

Redwood Coast Energy Authority
Disbursements Report
As of August 31, 2021

Type	Date	Num	Name	Memo	Amount
Bill Pmt -Check	08/10/2021	ACH	Leapfrog Energy	July 2021 RA	-36,740.00
Bill Pmt -Check	08/10/2021	ACH	Keenan	Anthem Medical Insurance August 2021	-22,800.37
Liability Check	08/10/2021	E-pay	EDD	Taxes	-6,329.18
Liability Check	08/10/2021	E-pay	Internal Revenue Service	Taxes	-28,517.04
Liability Check	08/10/2021	E-pay	EDD	Taxes	-116.12
Liability Check	08/10/2021	E-pay	EDD	Taxes	-570.39
Liability Check	08/10/2021	E-pay	Internal Revenue Service	Taxes	-2,304.04
Check	08/10/2021	12525	NEM Customer	NEM Account Closeouts	-774.30
Check	08/10/2021	12535	CCE Customer	RCEA Heat Pump Rebate - Audit #: 5573	-1,450.00
Check	08/10/2021	12536	CCE Customer	RCEA Heat Pump Rebate - Audit #: 5575	-1,250.00
Check	08/10/2021	12537	CCE Customer	VOID: RCEA Heat Pump Rebate - Audit #: 5574	0.00
Bill Pmt -Check	08/10/2021	12538	Advanced Security	Security monitoring: Aug-Oct 2021	-127.50
Bill Pmt -Check	08/10/2021	12539	Ameritas - Dental	August 2021	-1,659.36
Bill Pmt -Check	08/10/2021	12540	Ameritas - Vision	August 2021	-365.56
Bill Pmt -Check	08/10/2021	12541	Boudreau, D.	July mileage reimbursement	-44.85
Bill Pmt -Check	08/10/2021	12542	Braun Blaising Smith Wynne	Legal Services - Regulatory - June	-4,543.09
Bill Pmt -Check	08/10/2021	12543	City of Eureka-Water	Water service, 6/24-7/26/21	-211.69
Bill Pmt -Check	08/10/2021	12544	Colonial Life	Colonial Life Premiums July 2021	-649.72
Bill Pmt -Check	08/10/2021	12545	Developed Employment Services, LLC.	Facilities maintenance work	-23.07
Bill Pmt -Check	08/10/2021	12546	Diamond, Nancy	July legal services	-14,775.00
Bill Pmt -Check	08/10/2021	12547	Donald Dame	Professional Services July 2021	-306.25
Bill Pmt -Check	08/10/2021	12548	Eureka Rubber Stamp	Name plates for directors	-138.27
Bill Pmt -Check	08/10/2021	12549	Hand Therapy Center	Ergonomic evaluations and Zoom workshops	-300.00
Bill Pmt -Check	08/10/2021	12550	Humboldt Fence Co.	Fence Installation at ACV project.	-124,429.00
Bill Pmt -Check	08/10/2021	12551	MapleService, Inc.	Repair for water line in front of building	-228.66
Bill Pmt -Check	08/10/2021	12552	Mission Uniform & Linen	August mat service, janitorial supplies	-7.57
Bill Pmt -Check	08/10/2021	12553	North Coast Journal	2 columns @4" - employment posting	-138.00
Bill Pmt -Check	08/10/2021	12554	PG&E CCA	June CCE Charges	-22,268.47
Bill Pmt -Check	08/10/2021	12555	PG&E EV Account	EV stations July	-683.49
Bill Pmt -Check	08/10/2021	12556	PG&E Utility Account	6/23-7/22/21 utilities	-533.66
Bill Pmt -Check	08/10/2021	12557	Pierson's Home Ctr	Safety - face masks	-26.20
Bill Pmt -Check	08/10/2021	12558	Recology	July garbage service	-93.21
Bill Pmt -Check	08/10/2021	12559	Redwood Community Radio	Radio underwriting	-780.00
Bill Pmt -Check	08/10/2021	12560	Rise Energy	VOID: Installation of Chargepoint Charging stations	0.00
Bill Pmt -Check	08/10/2021	12561	Stephenson, Nancy	VOID: Purchase reimbursements	0.00
Bill Pmt -Check	08/10/2021	12562	Suddenlink Communications	Phone & Internet access - July	-1,099.26
Bill Pmt -Check	08/10/2021	12563	Rise Energy	Installation of Chargepoint Charging stations	-24,500.00
Bill Pmt -Check	08/10/2021	12564	City of Arcata	July Utility User Tax	-7,283.03
Bill Pmt -Check	08/10/2021	12565	City of Arcata	July Excessive Energy Use Tax	-3,257.96
Check	08/10/2021	12566	VISA	Visa statement 06/22-07/21/21	-9,782.48
Liability Check	08/10/2021	81021	Newport Group	Deferred compensation contributions	-14,586.53
Paycheck	08/10/2021	ACH	Employees	Payroll	-66,281.31
Liability Check	08/11/2021	ACH	Newport Group	Deferred compensation contribution	-1,028.06
Paycheck	08/11/2021	ACH	Slackerelli, Mahayla C	Final Paycheck	-3,992.03
Bill Pmt -Check	08/19/2021	ACH	Tesla Motors	Delivery of solar modules to site.	-1,466,374.20
Bill Pmt -Check	08/19/2021	ACH	Tesla Motors	Equipment Sales Tax	-160,111.03
Bill Pmt -Check	08/24/2021	ACH	Humboldt Sawmill Company	July 2021 Energy	-671,333.33
Bill Pmt -Check	08/24/2021	ACH	CalPine Corporation	July 2021 Services	-61,586.88
Liability Check	08/25/2021	E-pay	EDD	Taxes	-5,760.46
Liability Check	08/25/2021	E-pay	Internal Revenue Service	Taxes	-25,956.76
Check	08/25/2021	12567	CCE Customer	RCEA Heat Pump Rebate - Audit #: 5566	-1,100.00
Check	08/25/2021	12568	CCE Customer	EV Rebate: EV7	-2,250.00
Check	08/25/2021	12569	NEM Customer	NEM Account Closeout - check reissue	-377.11
Check	08/25/2021	12570	NEM Customer	NEM Annual Payout Acct #: 6674724359	-380.15

Redwood Coast Energy Authority
Disbursements Report
As of August 31, 2021

Type	Date	Num	Name	Memo	Amount
Liability Check	08/25/2021	12571	Umpqua Bank	Health Savings Acct contributions	-217.22
Bill Pmt -Check	08/25/2021	12572	Aiqueous, LLC	PowerPath Project Hours - July	-12,562.50
Bill Pmt -Check	08/25/2021	12573	Alfredo Lopez	Translation Services	-80.15
Bill Pmt -Check	08/25/2021	12574	AT&T	Toll-free/ long-distance charges	-107.21
Bill Pmt -Check	08/25/2021	12575	Biondini, L.	Purchase reimbursement: Mailing loan documents	-88.60
Bill Pmt -Check	08/25/2021	12576	Central Office	Printing services- DSM demographic survey cards	-49.70
Bill Pmt -Check	08/25/2021	12577	Chargepoint	Boeing Ave. bollards, cloud plan, etc.	-23,336.16
Bill Pmt -Check	08/25/2021	12578	Developed Employment Services, LLC.	Facilities maintenance work	-20.67
Bill Pmt -Check	08/25/2021	12579	Docusign	eSignature Enterprise Pro Edition, seats & support	-3,647.70
Bill Pmt -Check	08/25/2021	12580	HireRight	Background Check: new hires	-98.71
Bill Pmt -Check	08/25/2021	12581	HSU - Sponsored Programs Foundation	Reimbursement for Asana Premium Subscription	-1,798.50
Bill Pmt -Check	08/25/2021	12582	Jackson & Eklund	Accounting consulting re. payroll system issue	-220.00
Bill Pmt -Check	08/25/2021	12583	Keyes & Fox, LLP	July legal services	-485.55
Bill Pmt -Check	08/25/2021	12584	Mission Uniform & Linen	Janitorial supplies	-15.14
Bill Pmt -Check	08/25/2021	12585	Newport Group	Participant Fees for Retirement Plan	-843.50
Bill Pmt -Check	08/25/2021	12586	North Coast Cleaning	July monthly cleaning service	-456.00
Bill Pmt -Check	08/25/2021	12587	North Coast Journal	Employment ads	-276.00
Bill Pmt -Check	08/25/2021	12588	NYLEX.net, Inc.	Onsite network support services - September	-3,200.00
Bill Pmt -Check	08/25/2021	12589	PG&E CCA	Aggregate Data Charge	-1,840.00
Bill Pmt -Check	08/25/2021	12590	Platt/Rexel	LED Stock	-486.91
Bill Pmt -Check	08/25/2021	12591	Ray Morgan Company	Printer Charges: 7/6-8/5/21	-95.02
Bill Pmt -Check	08/25/2021	12592	Stephenson, Nancy	Purchase reimbursement	-284.21
Bill Pmt -Check	08/25/2021	12593	Times Printing Company	Misc. printing	-1,379.28
Bill Pmt -Check	08/25/2021	12594	Verizon Wireless	July Tablet/cell service for staff & equipment	-1,690.73
Bill Pmt -Check	08/25/2021	12595	Winzler, John	Office Lease - September	-7,132.00
Liability Check	08/25/2021	ACH	Newport Group	Deferred compensation contributions	-13,499.50
Paycheck	08/25/2021	ACH	Employees	Payroll	-61,696.93
TOTAL					-2,935,832.53

Redwood Coast Energy Authority
Profit & Loss Budget vs. Actual
July through August 2021

	<u>Jul - Aug 21</u>	<u>Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense			
Income			
5 REVENUE EARNED			
Total 5000 · Revenue - government agencies	48,000.00	911,000.00	5.27%
Total 5100 · Revenue - program related sales	1,646.32	31,000.00	5.31%
Total 5400 · Revenue-nongovernment agencies	781,040.23	1,377,873.00	56.68%
Total 5500 · Revenue - Electricity Sales	7,528,913.37	44,645,168.00	16.86%
Total 5 REVENUE EARNED	8,359,599.92	46,965,041.00	17.8%
Total Income	8,359,599.92	46,965,041.00	17.8%
Gross Profit	8,359,599.92	46,965,041.00	17.8%
Expense			
Total 6 WHOLESALE POWER SUPPLY	6,708,116.90	41,084,582.00	16.33%
Total 7 PERSONNEL EXPENSES	424,046.36	3,517,800.00	12.05%
Total 8.1 FACILITIES AND OPERATIONS	1,755,195.52	3,313,389.00	52.97%
Total 8.2 COMMUNICATIONS AND OUTREACH	11,943.92	118,570.00	10.07%
Total 8.3 TRAVEL AND MEETINGS	44.85	44,300.00	0.1%
8.4 PROFESSIONAL & PROGRAM SRVS			
8400 · Regulatory	4,063.82	180,000.00	2.26%
8410 · Contracts - Program Related Ser	5,011.65	393,000.00	1.28%
8420 · Accounting	220.00	55,000.00	0.4%
8430 · Legal	28,327.25	153,000.00	18.52%
8450 · Wholesale Services - TEA	109,164.00	639,088.00	17.08%
8460 · Procurement Credit - TEA	113,095.43	340,032.00	33.26%
8470 · Data Management - Calpine	123,232.32	738,144.00	16.7%
Total 8.4 PROFESSIONAL & PROGRAM SRVS	383,114.47	2,498,264.00	15.34%
Total 8.5 PROGRAM EXPENSES	67,388.65	631,393.00	10.67%
Total 8.6 INCENTIVES & REBATES	11,022.02	601,000.00	1.83%
Total 9 NON OPERATING COSTS	85.86	414,320.00	0.02%
Total Expense	9,360,958.55	52,223,618.00	17.93%
Net Ordinary Income	-1,001,358.63	-5,258,577.00	19.04%
Net Other Income	0.00	6,600,000.00	0.0%
Net Income	<u>-1,001,358.63</u>	<u>1,341,423.00</u>	<u>-74.65%</u>

Redwood Coast Energy Authority
Balance Sheet
As of August 31, 2021

	<u>Aug 31, 21</u>
ASSETS	
Current Assets	
Checking/Savings	
1010 · Petty Cash	300.00
1050 · GRANTS & DONATIONS 3840	15,204.58
1060 · Umpqua Checking Acct 0560	34,082.91
1071 · Umpqua Deposit Cntrol Acct 8215	1,594,365.73
1075 · Umpqua Reserve Account 2300	100,000.00
1076 · First Republic Bank - 4999	15,000.00
8413 · COUNTY TREASURY 3839	5,329.01
Total Checking/Savings	1,764,282.23
Total Accounts Receivable	887,343.92
Other Current Assets	
1101 · Allowance for Doubtful Accounts	-1,536,699.09
1103 · Accounts Receivable-Other	7,629,193.31
1120 · Inventory Asset	21,715.00
1202 · Prepaid Expenses	-2,530.86
1205 · Prepaid Insurance	11,998.61
1210 · Retentions Receivable	1,001.00
1499 · Undeposited Funds	10,297.00
Total Other Current Assets	6,134,974.97
Total Current Assets	8,786,601.12
Total Fixed Assets	151,725.39
Other Assets	
1700 · Retained Deposits	4,193,600.00
Total Other Assets	4,193,600.00
TOTAL ASSETS	<u>13,131,926.51</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Total Accounts Payable	3,138,005.92
Total Credit Cards	6,950.22
Other Current Liabilities	
2002 · Deposits Refundable	244,845.00
2013 · Unearned Revenue - PA 2020-2023	1,540,958.95
Total 2100 · Payroll Liabilities	150,935.15
Total Other Current Liabilities	1,936,739.10
Total Current Liabilities	5,081,695.24
Total Liabilities	5,081,695.24
Equity	
2320 · Investment in Capital Assets	151,725.38
3900 · Fund Balance	9,081,774.25
Net Income	-1,183,268.36
Total Equity	8,050,231.27
TOTAL LIABILITIES & EQUITY	<u>13,131,926.51</u>



REDWOOD COAST Energy Authority

STAFF REPORT Agenda Item # 3.4

AGENDA DATE:	October 28, 2021
TO:	Board of Directors
PREPARED BY:	Dana Boudreau, Director of Infrastructure Planning and Operations
SUBJECT:	CA Energy Commission Grant for Blueprints for Medium- and Heavy-Duty Zero-Emission Vehicle Infrastructure

SUMMARY

In September 2021 RCEA was awarded funding by the California Energy Commission (CEC) to develop a "North Coast Medium- and Heavy-Duty Zero-Emission Vehicle (MD/HD ZEV) Infrastructure Readiness Plan" to guide electric vehicle (EV) charging and hydrogen refueling infrastructure deployment and other supporting activities that will facilitate the increased adoption of medium- and heavy-duty electric vehicles. In addition to guiding local EV program activities, the CEC also uses these regional readiness plans to inform state-level decisions and investments.

The proposed grant agreement (attached) would allow RCEA to conduct various planning, analysis, and outreach tasks to develop an MD/HD ZEV Infrastructure Readiness Plan while incorporating feedback from relevant stakeholder groups and educating the community on the importance of MD/HD ZEV adoption and infrastructure installation.

FINANCIAL IMPACTS

The grant will provide \$200,000 in funding to continue and expand current activities using current staff. There are no matching funds required for this grant and the grant funds will fully cover the scope of work in the grant agreement.

STAFF RECOMMENDATION

Approve CA Energy Commission Grant Agreement ARV-21-035 for \$200,000 for Medium- and Heavy-Duty Zero-Emission Vehicle Infrastructure Blueprint development and authorize the Executive Director to execute all applicable documents.

ATTACHMENT:

- CA Energy Commission Grant Agreement ARV-21-035



RECIPIENT The Redwood Coast Energy Authority	AGREEMENT NUMBER ARV-21-035
ADDRESS 633 3rd Street Eureka, CA 95501	AGREEMENT TERM 09/08/2021 to 03/31/2024 The effective date of this Agreement is either the start date or the approval signature date by the California Energy Commission representative below, whichever is later. The California Energy Commission shall be the last party to sign. No work is authorized, nor shall any work begin, until on or after the effective date.

PROJECT DESCRIPTION

The parties agree to comply with the terms and conditions of the following Exhibits which are by this reference made a part of the agreement.

Exhibit A – Scope of Work	Page(s): 14
Exhibit A-1 – Project Schedule	Page(s): 3
Exhibit B – Budget	Page(s): 9
Exhibit C – ARV General Terms and Conditions	Page(s): 25
Exhibit C-1 – Streamlining Grant Terms and Conditions	Page(s): 5
Exhibit D - Contacts	Page(s): 1

REIMBURSABLE AMOUNT \$ 200,000
MINIMUM MATCH SHARE REQUIRED \$ 0
TOTAL OF REIMBURSABLE AMOUNT AND MINIMUM MATCH \$ 200,000

The undersigned parties have read the attachments to this agreement and will comply with the standards and requirements contained therein.

CALIFORNIA ENERGY COMMISSION		REDWOOD COAST ENERGY AUTHORITY	
AUTHORIZED SIGNATURE	DATE	AUTHORIZED SIGNATURE	DATE
NAME Adrienne Winuk		NAME	
TITLE Contracts, Grants, and Loans Office Manager		TITLE	
CALIFORNIA ENERGY COMMISSION ADDRESS 1516 9th Street, MS 18, Sacramento, CA 95814			

Exhibit A SCOPE OF WORK

TECHNICAL TASK LIST

Task #	CPR	Task Name
1		Administration
2	X	North Coast MD/HD ZEV Readiness Plan Development
3		Project Fact Sheet
4		Blueprint

KEY NAME LIST

Task #	Key Personnel	Key Subcontractor(s)	Key Partner(s)
1	RCEA team (Lee Valenzuela, Aisha Cissna, Nancy Stephenson, Magdalena Means, Lexie Fischer)	Schatz Energy Research Center team	

GLOSSARY

Specific terms and acronyms used throughout this scope of work are defined as follows:

Term/ Acronym	Definition
CAM	Commission Agreement Manager
CAO	Commission Agreement Officer
CEC	California Energy Commission
Clean Transportation Program	Formerly known as Alternative and Renewable Fuel and Vehicle Technology Program
CPR	Critical Project Review
EVCS	Electric Vehicle Charging Station
FTD	Fuels and Transportation Division
HD	Heavy-Duty
MD	Medium-Duty
OPR	Office of Planning and Research
Recipient	The Redwood Coast Energy Authority
ZEV	Zero-Emission Vehicle

BACKGROUND

Assembly Bill (AB) 118 (Núñez, Chapter 750, Statutes of 2007), created the Clean Transportation Program (formerly known as the Alternative and Renewable Fuel and Vehicle Technology Program). The statute authorizes the California Energy Commission (CEC) to develop and deploy alternative and renewable fuels and advanced transportation technologies to help attain the state's climate change policies. AB 8 (Perea, Chapter 401, Statutes of 2013) re-authorizes the Program through January 1, 2024, and specifies that the CEC allocate up to \$20 million per year (or up to 20 percent of each fiscal year's funds) in funding for hydrogen station development until at least 100 stations are operational. The Clean Transportation Program has an annual budget of approximately \$100 million and provides financial support for projects that:

- Reduce California's use and dependence on petroleum transportation fuels and increase the use of alternative and renewable fuels and advanced vehicle technologies.
- Produce sustainable alternative and renewable low-carbon fuels in California.
- Expand alternative fueling infrastructure and fueling stations.
- Improve the efficiency, performance, and market viability of alternative light-, medium-, and heavy-duty vehicle technologies.
- Retrofit medium- and heavy-duty on-road and non-road vehicle fleets to alternative technologies or fuel use.
- Expand the alternative fueling infrastructure available to existing fleets, public transit, and transportation corridors.
- Establish workforce training programs and conduct public outreach on the benefits of alternative transportation fuels and vehicle technologies.

The CEC issued GFO-20-601 entitled "Blueprints for Medium- and Heavy-Duty Zero-Emission Vehicle Infrastructure" under the CEC's Clean Transportation Program. To be eligible for funding under GFO-20-601, projects must also be consistent with the CEC's current Clean Transportation Program Investment Plan, updated annually. In response to GFO-20-601, the Recipient submitted Proposal #32, which was proposed for funding in the CEC's Notice of Proposed Awards on April 8, 2021. GFO-20-601 and Proposal #32 are hereby incorporated by reference into this Agreement in their entirety.

In the event of any conflict or inconsistency between the terms of the Solicitation and the terms of the Recipient's Application, the Solicitation shall control. Similarly, in the event of any conflict or inconsistency between the terms of this Agreement and the terms of the Recipient's Application, the terms of this Agreement shall control.

Problem Statement:

Since 2012, the Recipient has worked to promote light-duty zero-emission vehicle (ZEV) uptake in the North Coast region through outreach efforts, infrastructure development, and technical assistance for local jurisdictions. However, similar efforts are largely unaddressed for medium-duty and heavy-duty (MD/HD) vehicles in the region given the North Coast's rural location and the lack of experience with economically feasible low-carbon MD/HD vehicles.

This project seeks to address some of these barriers with a blueprint to accelerate MD/HD ZEV adoption and develop infrastructure. Specifically, the blueprint will determine the most effective methods to increase MD/HD ZEV uptake and install related advanced fueling infrastructure in a rural setting, and to engage with key regional stakeholders through partnerships and outreach. This is a timely project since there are an increasing number of MD/HD ZEV options available, and there is growing awareness of and interest in light-duty ZEVs in the North Coast region.

Beyond local needs, rural settings must also align with and support broader plans for destination traffic and external through-traffic, such as intra- and inter-regional freight movement. Since Humboldt County serves as the most populous sector in the northernmost region of California, this project includes Del Norte and Trinity counties and will provide planning support to these outlying areas. Providing an actionable plan for MD/HD ZEV adoption and infrastructure development will ensure that the North Coast and similar rural areas are positioned to benefit from clean MD/HD transportation and support California's goals toward low-carbon transportation in all sectors.

Goals of the Agreement:

The goal of this Agreement is to develop a blueprint to guide MD/HD ZEV adoption and related fueling infrastructure development in the North Coast region to support local, destination, and external through-traffic

Objectives of the Agreement:

The objectives of this Agreement are to develop a blueprint document to plan for:

- Implementing MD/HD ZEVs and charging/refueling infrastructure
- Understanding community needs and impacts

TASK 1 ADMINISTRATION

Task 1.1 Attend Kick-off Meeting

The goal of this task is to establish the lines of communication and procedures for implementing this Agreement. The Commission Agreement Manager (CAM) shall designate the date and location of this meeting and provide an agenda to the Recipient prior to the meeting.

The Recipient shall:

- Attend a "Kick-Off" meeting with the CAM, the Commission Agreement Officer (CAO), and a representative of the California Energy Commission (CEC) Accounting Office. The Recipient shall bring their Project Manager, Agreement Administrator, Accounting Officer, and any others determined necessary by the Recipient or specifically requested by the CAM to this meeting.
- Discuss the following administrative and technical aspects of this Agreement:
 - Agreement Terms and Conditions
 - Critical Project Review (Task 1.2)
 - Match fund documentation (Task 1.6) No reimbursable work may be done until this documentation is in place.
 - Permit documentation (Task 1.7)

- Subcontracts needed to carry out project (Task 1.8)
- The CAM's expectations for accomplishing tasks described in the Scope of Work
- An updated Schedule of Products and Due Dates
- Monthly Progress Reports (Task 1.4)
- Technical Products (Product Guidelines located in Section 5 of the Terms and Conditions)
- Final Report (Task 1.5)

Recipient Products:

- Updated Schedule of Products
- Updated List of Match Funds
- Updated List of Permits

Commission Agreement Manager Product:

- Kick-Off Meeting Agenda

Task 1.2 Critical Project Review (CPR) Meetings

CPRs provide the opportunity for frank discussions between the CEC and the Recipient. The goal of this task is to determine if the project should continue to receive Energy Commission funding to complete this Agreement and to identify any needed modifications to the tasks, products, schedule or budget.

The CAM may schedule CPR meetings as necessary, and meeting costs will be borne by the Recipient.

Meeting participants include the CAM and the Recipient and may include the CAO, the Fuels and Transportation Division (FTD) program lead, other CEC staff and Management as well as other individuals selected by the CAM to provide support to the CEC.

The CAM shall:

- Determine the location, date, and time of each CPR meeting with the Recipient. These meetings generally take place at the CEC, but they may take place at another location or remotely.
- Send the Recipient the agenda and a list of expected participants in advance of each CPR. If applicable, the agenda shall include a discussion on both match funding and permits.
- Conduct and make a record of each CPR meeting. Prepare a schedule for providing the written determination described below.
- Determine whether to continue the project, and if continuing, whether or not modifications are needed to the tasks, schedule, products, and/or budget for the remainder of the Agreement. Modifications to the Agreement may require a formal amendment (please see section 8 of the Terms and Conditions). If the CAM concludes that satisfactory progress is not being made, this conclusion will be referred to the Lead Commissioner for Transportation for his or her concurrence.

- Provide the Recipient with a written determination in accordance with the schedule. The written response may include a requirement for the Recipient to revise one or more product(s) that were included in the CPR.

The Recipient shall:

- Prepare a CPR Report for each CPR that discusses the progress of the Agreement toward achieving its goals and objectives. This report shall include recommendations and conclusions regarding continued work of the projects. This report shall be submitted along with any other products identified in this scope of work. The Recipient shall submit these documents to the CAM and any other designated reviewers at least 15 working days in advance of each CPR meeting.
- Present the required information at each CPR meeting and participate in a discussion about the Agreement.

CAM Products:

- Agenda and a list of expected participants
- Schedule for written determination
- Written determination

Recipient Product:

- CPR Report(s)

Task 1.3 Final Meeting

The goal of this task is to closeout this Agreement.

The Recipient shall:

- Meet with CEC staff to present the findings, conclusions, and recommendations. The final meeting must be completed during the closeout of this Agreement.

This meeting will be attended by, at a minimum, the Recipient, the Commission Grants Office Officer, and the CAM. The technical and administrative aspects of Agreement closeout will be discussed at the meeting, which may be two separate meetings at the discretion of the CAM.

The technical portion of the meeting shall present an assessment of the degree to which project and task goals and objectives were achieved, findings, conclusions, recommended next steps (if any) for the Agreement, and recommendations for improvements. The CAM will determine the appropriate meeting participants.

The administrative portion of the meeting shall be a discussion with the CAM and the Grants Officer about the following Agreement closeout items:
 - What to do with any equipment purchased with CEC funds (Options)
 - CEC request for specific “generated” data (not already provided in Agreement products)
 - Need to document Recipient’s disclosure of “subject inventions” developed under the Agreement

- “Surviving” Agreement provisions
- Final invoicing and release of retention
- Prepare a schedule for completing the closeout activities for this Agreement.

Products:

- Written documentation of meeting agreements
- Schedule for completing closeout activities

Task 1.4 Monthly Progress Reports

The goal of this task is to periodically verify that satisfactory and continued progress is made towards achieving the objectives of this Agreement on time and within budget.

The objectives of this task are to summarize activities performed during the reporting period, to identify activities planned for the next reporting period, to identify issues that may affect performance and expenditures, and to form the basis for determining whether invoices are consistent with work performed.

The Recipient shall:

- Prepare a Monthly Progress Report which summarizes all Agreement activities conducted by the Recipient for the reporting period, including an assessment of the ability to complete the Agreement within the current budget and any anticipated cost overruns. Each progress report is due to the CAM within 10 days of the end of the reporting period. The recommended specifications for each progress report are contained in Section 6 of the Terms and Conditions of this Agreement.
- In the first Monthly Progress Report and first invoice, document and verify match expenditures and provide a synopsis of project progress, if match funds have been expended or if work funded with match share has occurred after the notice of proposed award but before execution of the grant agreement. If no match funds have been expended or if no work funded with match share has occurred before execution, then state this in the report. All pre-execution match expenditures must conform to the requirements in the Terms and Conditions of this Agreement.

Product:

- Monthly Progress Reports

Task 1.5 Final Report

The goal of the Final Report is to assess the project's success in achieving the Agreement's goals and objectives, advancing science and technology, and providing energy-related and other benefits to California.

The objectives of the Final Report are to clearly and completely describe the project's purpose, approach, activities performed, results, and advancements in science and technology; to present a public assessment of the success of the project as measured by the degree to which goals and objectives were achieved; to make insightful observations based on results obtained; to draw conclusions; and to make recommendations for further projects and improvements to the FTD project management processes.

The Final Report shall be a public document. If the Recipient has obtained confidential status from the CEC and will be preparing a confidential version of the Final Report as well, the Recipient shall perform the following activities for both the public and confidential versions of the Final Report.

The Recipient shall:

- Prepare an Outline of the Final Report, if requested by the CAM.
- Prepare a Final Report following the latest version of the Final Report guidelines which will be provided by the CAM. The CAM shall provide written comments on the Draft Final Report within fifteen (15) working days of receipt. The Final Report must be completed at least 60 days before the end of the Agreement Term.
- Submit one bound copy of the Final Report with the final invoice.

Products:

- Outline of the Final Report, if requested
- Draft Final Report
- Final Report

Task 1.6 Identify and Obtain Matching Funds

The goal of this task is to ensure that the match funds planned for this Agreement are obtained for and applied to this Agreement during the term of this Agreement.

The costs to obtain and document match fund commitments are not reimbursable through this Agreement. Although the CEC budget for this task will be zero dollars, the Recipient may utilize match funds for this task. Match funds shall be spent concurrently or in advance of CEC funds for each task during the term of this Agreement. Match funds must be identified in writing and the associated commitments obtained before the Recipient can incur any costs for which the Recipient will request reimbursement.

The Recipient shall:

- Prepare a letter documenting the match funding committed to this Agreement and submit it to the CAM at least 2 working days prior to the kick-off meeting. If no match funds were part of the proposal that led to the CEC awarding this Agreement and none have been identified at the time this Agreement starts, then state such in the letter. If match funds were a part of the proposal that led to the CEC awarding this Agreement, then provide in the letter a list of the match funds that identifies the:
 - Amount of each cash match fund, its source, including a contact name, address and telephone number and the task(s) to which the match funds will be applied.
 - Amount of each in-kind contribution, a description, documented market or book value, and its source, including a contact name, address and telephone number and the task(s) to which the match funds will be applied. If the in-kind contribution is equipment or other tangible or real property, the Recipient shall identify its owner and provide a contact name, address and telephone number, and the address where the property is located.

- Provide a copy of the letter of commitment from an authorized representative of each source of cash match funding or in-kind contributions that these funds or contributions have been secured. For match funds provided by a grant a copy of the executed grant shall be submitted in place of a letter of commitment.
- Discuss match funds and the implications to the Agreement if they are reduced or not obtained as committed, at the kick-off meeting. If applicable, match funds will be included as a line item in the progress reports and will be a topic at CPR meetings.
- Provide the appropriate information to the CAM if during the course of the Agreement additional match funds are received.
- Notify the CAM within 10 days if during the course of the Agreement existing match funds are reduced. Reduction in match funds must be approved through a formal amendment to the Agreement and may trigger an additional CPR meeting.

Products:

- A letter regarding match funds or stating that no match funds are provided
- Copy(ies) of each match fund commitment letter(s) (if applicable)
- Letter(s) for new match funds (if applicable)
- Letter that match funds were reduced (if applicable)

Task 1.7 Identify and Obtain Required Permits

The goal of this task is to obtain all permits required for work completed under this Agreement in advance of the date they are needed to keep the Agreement schedule on track.

Permit costs and the expenses associated with obtaining permits are not reimbursable under this Agreement. Although the CEC budget for this task will be zero dollars, the Recipient shall budget match funds for any expected expenditures associated with obtaining permits. Permits must be identified in writing and obtained before the Recipient can make any expenditure for which a permit is required.

The Recipient shall:

- Prepare a letter documenting the permits required to conduct this Agreement and submit it to the CAM at least 2 working days prior to the kick-off meeting. If there are no permits required at the start of this Agreement, then state such in the letter. If it is known at the beginning of the Agreement that permits will be required during the course of the Agreement, provide in the letter:
 - A list of the permits that identifies the:
 - Type of permit
 - Name, address and telephone number of the permitting jurisdictions or lead agencies
 - The schedule the Recipient will follow in applying for and obtaining these permits.

- Discuss the list of permits and the schedule for obtaining them at the kick-off meeting and develop a timetable for submitting the updated list, schedule and the copies of the permits. The implications to the Agreement if the permits are not obtained in a timely fashion or are denied will also be discussed. If applicable, permits will be included as a line item in the Progress Reports and will be a topic at CPR meetings.
- If during the course of the Agreement additional permits become necessary, provide the appropriate information on each permit and an updated schedule to the CAM.
- As permits are obtained, send a copy of each approved permit to the CAM.
- If during the course of the Agreement permits are not obtained on time or are denied, notify the CAM within 5 working days. Either of these events may trigger an additional CPR.

Products:

- Letter documenting the permits or stating that no permits are required
- A copy of each approved permit (if applicable)
- Updated list of permits as they change during the term of the Agreement (if applicable)
- Updated schedule for acquiring permits as changes occur during the term of the Agreement (if applicable)
- A copy of each final approved permit (if applicable)

Task 1.8 Obtain and Execute Subcontracts

The goal of this task is to ensure quality products and to procure subcontractors required to carry out the tasks under this Agreement consistent with the Agreement Terms and Conditions and the Recipient's own procurement policies and procedures. It will also provide CEC an opportunity to review the subcontracts to ensure that the tasks are consistent with this Agreement, and that the budgeted expenditures are reasonable and consistent with applicable cost principles.

The Recipient shall:

- Manage and coordinate subcontractor activities.
- Submit a draft of each subcontract required to conduct the work under this Agreement to the CAM for review.
- Submit a final copy of the executed subcontract.
- If Recipient decides to add new subcontractors, then the Recipient shall notify the CAM.

Products:

- Letter describing the subcontracts needed, or stating that no subcontracts are required
- Draft subcontracts
- Final subcontracts

TECHNICAL TASKS

TASK 2 NORTH COAST MD/HD ZEV READINESS PLAN DEVELOPMENT

The goal of this task is to develop a blueprint to streamline and support MD/HD ZEV adoption in the North Coast region.

TASK 2.1 PLANNING AND ANALYSIS

The goal of this task is to develop various best practices and technical assessment documents that can be included in the blueprint and serve as resources during the implementation phase.

The Recipient shall:

- In a background section of the blueprint, describe previously-undertaken steps in the region related to MD and HD ZEV adoption
- Conduct a literature review of existing planning documents related to electric vehicle uptake in the region.
- Create a realistic, detailed timeline for MD and HD ZEV uptake and charging and/or refueling infrastructure installation, including quantitative goals.
- Quantify MD and HD ZEV uptake projections scenarios by vehicle class. Scenarios include:
 - Business-as-usual replacement cycle
 - Replacement cycle needed to meet regulatory targets
 - Different mixes of battery-electric and fuel cell vehicles
- Design separate timelines and uptake goals for the primary uses of MD and HD vehicles in the region including:
 - Local municipal, school, and private fleets
 - Local waste management authorities and private garbage/recycling collectors
 - Fire departments
 - Private delivery services
- Create a list of optimal charging and/or refueling infrastructure locations and describe the methodology used to select these locations.
 - These efforts will build upon the work performed previously by the Recipient and the Schatz Energy Research Center through the Caltrans Adaptation Planning Grant and the CEC-funded North Coast Plug-In Electric Vehicle Charging Network project.
 - Optimal charging/refueling zones will be considered both for public entities (e.g. municipal fleets) and private entities (e.g. curbside garbage pickup routes).
- Understand and analyze existing barriers to streamlining permitting for fueling infrastructure in a draft summary.

- Develop a best practices fact sheet regarding increasing MD/HD ZEV adoption while maintaining grid resiliency and reliability, including addressing impacts of charging on utility rates.
 - Consideration will be made for including MD/HD charging and refueling in resiliency projects, including microgrid development.
- Quantify fuel demand profiles for vehicle uptake scenarios
 - For battery-electric vehicles, potentially attempt to identify spatially explicit fuel demand profiles to inform electricity distribution system load projections.
- Work with local jurisdictions to enforce existing streamlining ordinances and permitting checklists for ZEV charging infrastructure, and determine how best to incorporate MD/HD chargers into these processes.
 - The Recipient has been working with local jurisdictions to streamline permitting for EV charging stations serving light-duty electric vehicles, and this work will complement and expand existing efforts.
 - Focus will be on identifying current barriers to a streamlined permitting process and the efforts that will best help jurisdictions overcome those barriers.
- Perform a technological assessment of local MD and HD charging/refueling infrastructure needs and existing or near-term options to address them.
 - Focus will be on options that can best serve rural areas without easy access to pipelines or well-developed electrical infrastructure (e.g. solar-powered standalone chargers, mobile battery-powered chargers).
 - Literature review will include fueling standards and projected commercially available vehicle performance specifications.
- Develop a guide listing the charging or refueling infrastructure technologies best suited for identified North Coast region applications.
- Publicize existing safety plans for hydrogen refueling infrastructure.
- Describe quantitative GHG emission and air pollutant goals and place them in a timeline to be shared with the local air quality management district.
- Develop a list of major local sources of emissions that will be primary targets for future outreach and education.
 - This effort will involve collaboration with the North Coast Unified Air Quality Management District.

Products:

- Description of previously-undertaken steps in the region
- Literature review of existing planning documents and fueling standards
- ZEV uptake and infrastructure timeline
- Draft projections for MD/HD ZEV uptake
- Sectoral timeline documents

- Charging/refueling location map
- Draft (interim) summary of existing barriers to streamlining permitting for fueling infrastructure
- Draft list of major local emission sources.
- Best practices and utility partnership fact sheet
- Fuel demand profiles
- Summary of streamlining ordinances and ZEV permitting checklists
- Technical assessment of infrastructure needs
- MD and HD charging infrastructure selection guide
- Hydrogen refueling safety plan checklist
- GHG emission goals timeline
- List of major local sources of emissions

TASK 2.2 COMMUNITY OUTREACH

The goals of this task are to gather community input on the planning process to incorporate into the blueprint and to educate stakeholder groups on the benefits and importance of MD/HD ZEV adoption and infrastructure installation.

The Recipient shall:

- Develop a draft list of key project partners and stakeholders, including workplaces in Humboldt, Del Norte, and Trinity counties, business owners, residents, California Native American Tribes, and financial institutions, from whom input on MD/HD ZEV transportation shall be obtained.
- Obtain input from workplaces in Humboldt, Del Norte, and Trinity counties, business owners, residents, California Native American Tribes, and financial institutions about MD/HD ZEV transportation.
- Maintain a spreadsheet documenting key project partners and stakeholder groups and the steps each took while working towards ZEV fleet transitions.
- Develop a list of required education materials and methods to engage the community and determine how many outreach meetings will need to be held in the future and which community groups they should include.
- Create a resource guide that colleges in Humboldt, Del Norte, and Trinity counties can use to begin crafting workforce development programs related to the development, support, and maintenance of ZEV fleets.
- Research and identify the types of jobs that will be created and which communities will benefit from them.
- Assist with qualitative systems-level context of target fleets catalyzing adoption in challenging fleet sectors (e.g. MD truck fleets, long haul tractor trailers, etc.)

Products:

- Draft list of key project partners and stakeholders whose input shall be obtained.
- List of educational materials, planned schedule for outreach meetings, and methods for engaging the local community.
- Spreadsheet documenting steps taken by partners and stakeholders
- Summarized and analyzed input on the blueprint
- Resource guide for workforce development
- Summary of job creation and community impact research
- Summary of qualitative assistance

TASK 3 PROJECT FACT SHEET

The goals of this task are to develop initial and final project fact sheets which describe the CEC-funded project and the benefits resulting from the project for the public and key decision makers.

The Recipient shall:

- Prepare an Initial Project Fact Sheet at start of the project that describes the project and the expected benefits. Use the format provided by the CAM.
- Prepare a Final Project Fact Sheet at the project's conclusion that describes the project, the actual benefits resulting from the project, and lessons learned from implementing the project. Use the format provided by the CAM.
- Provide at least (6) six High Quality Digital Photographs (minimum resolution of 1300x500 pixels in landscape ratio) from the project.

Products:

- Initial Project Fact Sheet
- Final Project Fact Sheet
- High Quality Digital Photographs

TASK 4 BLUEPRINT

The goal of this task is to consolidate materials produced in Task 2 into a complete planning blueprint that will identify actions and milestones needed for implementation of MD/HD ZEVs and related EV charging or hydrogen refueling infrastructure.

The Recipient shall:

- Develop a North Coast MD/HD ZEV Readiness Plan Blueprint
 - The Blueprint will summarize all of the work done in Task 2, and include sections devoted to short-, medium-, and long-term strategies.

Products:

- Draft North Coast MD/HD ZEV Readiness Plan Blueprint
- Final North Coast MD/HD ZEV Readiness Plan Blueprint

Attachment 4
Schedule of Products and Due Dates

Schedule of Products and Due Dates

Task Number	Task Name	Product(s)	Revised Due Date
1.1	Attend Kick-off Meeting	Updated Schedule of Products	11/5/2021
		Updated List of Match Funds	11/5/2021
		Updated List of Permits	11/5/2021
		Kick-Off Meeting Agenda (CEC)	11/12/2021
1.2	Critical Project Review Meetings	1st CPR CPR Report	TBD by Commission
		Meeting Written determination (CEC)	TBD by Commission
1.3	Final Meeting	Written documentation of meeting agreements	11/10/2023
		Schedule for completing closeout activities	11/10/2023
1.4	Monthly Progress Reports		
		Monthly Progress Reports	The 10th calendar day of each month during the approved term of this Agreement
1.5	Final Report	Final Outline of the Final Report	10/24/2022
		Draft Final Report (no less than 60 days before the end term of the agreement)	7/26/2023
		Final Report	9/18/2023
1.6	Identify and Obtain Match Funds	A letter regarding match funds or stating that no match funds are provided	11/5/2021
		Copy(ies) of each match fund commitment letter(s) (if applicable)	11/5/2021
		Letter(s) for new match funds (if applicable)	Within 10 days of identifying new match funds
		Letter that match funds were reduced (if applicable)	Within 10 days of identifying reduced funds
1.7	Identify and Obtain Required Permits	Letter documenting the permits or stating that no permits are required	11/5/2021
		A copy of each approved permit (if applicable)	Within 10 days of receiving each permit
		Updated list of permits as they change during the term of the Agreement (if applicable)	Within 10 days of change in list of permits
		Updated schedule for acquiring permits as changes occur during the term of the Agreement (if applicable)	Within 10 days of change in schedule for obtaining permits
		A copy of each final approved permit (if applicable)	Within 10 days of receiving each final approved permit

Attachment 4
Schedule of Products and Due Dates

1.8 Obtain and Execute Subcontracts	Letter describing the subcontracts needed, or stating that no subcontracts are required	11/5/2021
	Draft subcontracts	15 days prior to the scheduled execution date
	Final subcontracts	Within 10 days of execution
2.1 Planning and Analysis	Description of previously-undertaken steps in the region	11/21/2022
	Literature review of existing planning documents and fueling standards	11/21/2022
	ZEV uptake and infrastructure timeline	11/21/2022
	Draft projections for MD/HD ZEV uptake	11/21/2022
	Draft (interim) summary of existing barriers to streamlining permitting for fueling infrastructure	11/21/2022
	Draft list of major local emission sources.	11/21/2022
	Sectoral timeline documents	7/17/2023
	Charging/refueling location map	7/17/2023
	Best practices and utility partnership fact sheet	7/17/2023
	Fuel demand profiles	7/17/2023
	Summary of streamlining ordinances and ZEV permitting checklists	7/17/2023
	Technical assessment of infrastructure needs	7/17/2023
	MD and HD charging infrastructure selection guide	7/17/2023
	Hydrogen refueling safety plan checklist	7/17/2023
	GHG emission goals timeline	7/17/2023
	Final list of major local sources of emissions	7/17/2023
	Final projections for MD/HD ZEV uptake	7/17/2023
2.2 Community Outreach	Draft list of key project partners and stakeholders whose input shall be obtained	11/21/2022
	List of educational materials, planned schedule for outreach meetings, and methods for engaging the local community.	11/21/2022
	Spreadsheet documenting steps taken by partners and stakeholders	7/17/2023
	Summarized and analyzed input on the blueprint	7/17/2023
	Resource guide for workforce development	7/17/2023
	Summary of job creation and community impact research	7/17/2023
	Summary of qualitative assistance	7/17/2023
3 Project Fact Sheet	Initial Project Fact Sheet	11/5/2021
	Final Project Fact Sheet	7/17/2023
	High Quality Digital Photographs	7/17/2023
4 Blueprint	Draft North Coast MD/HD ZEV Readiness Plan Blueprint	7/26/2023
	Final North Coast MD/HD ZEV Readiness Plan Blueprint	10/11/2023

Category Budget

Name of Organization	Redwood Coast Energy Authority
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☒ Contractor/Recipient ☐ Subcontractor
☐ Small Business ☐ Micro Business ☐ Disabled Veteran Business Enterprise

Cost Category	Energy Commission Reimbursable Share	Match Share	Total
Direct Labor	\$ 70,590	\$ -	\$ 70,590
Fringe Benefits	\$ 33,961	\$ -	\$ 33,961
Total Labor	\$ 104,551	\$ -	\$ 104,551
Travel	\$ 1,450	\$ -	\$ 1,450
Equipment	\$ -	\$ -	\$ -
Materials/Miscellaneous	\$ 2,184	\$ -	\$ 2,184
Subcontractors	\$ 49,995	\$ -	\$ 49,995
Total Other Direct Costs	\$ 53,629	\$ -	\$ 53,629
Indirect Costs	\$ 41,820	\$ -	\$ 41,820
Profit (not allowed for grant recipients)	\$ -	\$ -	\$ -
Total Indirect and Profit	\$ 41,820	\$ -	\$ 41,820
Grand Totals	\$ 200,000	\$ -	\$ 200,000
Amount of funds to California Based Entities (CBEs)**			
Percentage of Funds to CBEs	\$ -		
Amount of funds to be Spent in California***			
Percentage of Funds to be spent in California			

Direct Labor (Unloaded)

Redwood Coast Energy Authority

Hourly Rates

Employee Name	Job Classification / Title	Maximum Labor Rate (\$ per hour)	# of Hours	Energy Commission Funds	Match Share	Total
Matthew Marshall	Executive Director	\$ 75.66	80	\$ 6,053	\$ -	\$ 6,053
Dana Boudreau	Director	\$ 58.20	200	\$ 11,640	\$ -	\$ 11,640
Aisha Cissna	Manager	\$ 46.56	100	\$ 4,656	\$ -	\$ 4,656
Nancy Stephenson	Manager	\$ 46.56	100	\$ 4,656	\$ -	\$ 4,656
Magdalena Means	Technician	\$ 40.35	80	\$ 3,228	\$ -	\$ 3,228
Lexie Fischer	Specialist	\$ 34.81	40	\$ 1,392	\$ -	\$ 1,392
Lee Valenzuela	Specialist	\$ 34.81	1,031	\$ 35,889	\$ -	\$ 35,889
Summer Sanderson	Coordinator/Associate	\$ 20.37	100	\$ 2,037		\$ 2,037
Neesh Wells	Coordinator/Associate (Temporary)	\$ 20.37	51	\$ 1,039	\$ -	\$ 1,039
		\$ -		\$ -	\$ -	\$ -
Hourly Direct Labor Totals				\$ 70,590	\$ -	\$ 70,590

Monthly Salary Rates

Employee Name	Job Classification / Title	Maximum Labor Rate (\$ per month)	# of Months	Energy Commission Funds	Match Share	Total
		\$ -		\$ -	\$ -	\$ -
		\$ -		\$ -	\$ -	\$ -
		\$ -		\$ -	\$ -	\$ -
		\$ -		\$ -	\$ -	\$ -
		\$ -		\$ -	\$ -	\$ -
		\$ -		\$ -	\$ -	\$ -
Monthly Direct Labor Totals				\$ -	\$ -	\$ -

	Energy Commission Funds	Match Share	Total
Direct Labor Grand Totals	\$ 70,590	\$ -	\$ 70,590

Fringe Benefits

Redwood Coast Energy Authority

Fringe Benefit Base Description (Employee or Job Classification/Title)	Max. Fringe Benefit Rate (%)	Direct Labor Costs (\$)	Energy Commission Funds	Match Share	Total
All full-time staff classifications	50.00%	\$ 67,514	\$ 33,757	\$ -	\$ 33,757
Coordinator/Associate classifications	20.00%	\$ 3,076	\$ 204	\$ -	\$ 204
	0.00%	\$ -	\$ -	\$ -	\$ -
	0.00%	\$ -	\$ -	\$ -	\$ -
	0.00%	\$ -	\$ -	\$ -	\$ -
Fringe Benefit Totals		\$ 70,590	\$ 33,961	\$ -	\$ 33,961

Travel

Redwood Coast Energy Authority

Task No.	Traveler's Name and/or Classification	Departure and Destination	Trip Purpose	Energy Commission Funds	Match Share	Total
1	Specialist, Director	Eureka to Sacramento	Kick-off Meeting	\$ 310	\$ -	\$ 310
1	Specialist, Director	Eureka to Sacramento	CPR Meeting	\$ 310	\$ -	\$ 310
1	Specialist, Director	Eureka to Sacramento	Final Meeting	\$ 310	\$ -	\$ 310
2	Specialist, Director, Manager, Coordinator	Local mileage within the region	Travel for education events, public meetings, and site evaluations	\$ 520	\$ -	\$ 520
				\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -
Total:				\$ 1,450	\$ -	\$ 1,450

Equipment

Redwood Coast Energy Authority

Task No.	Description	Purpose	# Units	Unit Cost	Energy Commission Funds	Match Share	Total
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
Total:					\$ -	\$ -	\$ -

Materials & Miscellaneous

Redwood Coast Energy Authority

Task No.	Description	Purpose	# Units	Unit Cost	Energy Commission Funds	Match Share	Total
2	Education and outreach materials	Print media for events, workshops, and meetings	varies	varies	\$ 1,184	\$ -	\$ 1,184
2	Event registration and venue fees	Registration fees, venue fees and associated insurance certificate fees for renting facilitated for public events, workshops, and meetings.	Varies	varies	\$ 1,000	\$ -	\$ 1,000
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
Total:					\$ 2,184	\$ -	\$ 2,184

Subcontracts

Redwood Coast Energy Authority

Task No.	Subcontractor Name	Purpose	CA Business Certifications DVBE/ SB/MB/None	Energy Commission Funds	Match Share	Total
2	Schatz Energy Research Center	Technical assistance		\$ 43,160	\$ -	\$ 43,160
4	Schatz Energy Research Center	Blueprint Review		\$ 6,835	\$ -	\$ 6,835
				\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -
Total:				\$ 49,995	\$ -	\$ 49,995

Indirect Costs and Profit

Redwood Coast Energy Authority

Indirect Cost(s)

Name of Indirect Cost	Maximum Rate	Indirect Cost Base Description	Indirect Cost Base Amount	Energy Commission Funds	Match Share	Total
General & Administrative Overhead	40.00%	Direct Labor and Fringe Benefits	\$ 104,551	\$ 41,820	\$ -	\$ 41,820
	0.00%		\$ -	\$ -	\$ -	\$ -
	0.00%		\$ -	\$ -	\$ -	\$ -
	0.00%		\$ -	\$ -	\$ -	\$ -
	0.00%		\$ -	\$ -	\$ -	\$ -
Total:				\$ 41,820	\$ -	\$ 41,820

Profit

(Profit is not allowed for Grant Recipients)

Profit Rate	Profit Base Description	Profit Base Amount	Energy Commission Funds	Match Share	Total
0.00%		\$ -	\$ -	\$ -	\$ -
Total:			\$ -	\$ -	\$ -

EXHIBIT C
CLEAN TRANSPORTATION PROGRAM (CTP) TERMS AND
CONDITIONS

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TERMS AND CONDITIONS

1. **Grant Agreement**

This project is being funded with a grant from the California Energy Commission's (Energy Commission) Clean Transportation Program (CTP, formerly known as the Alternative and Renewable Fuel and Vehicle Technology Program).

This Agreement is comprised of the grant funding award, the Terms and Conditions, and all attachments. These Terms and Conditions are standard requirements for grant awards. The Energy Commission may impose additional special conditions in this grant Agreement that address the unique circumstances of this project. Special conditions that conflict with these standard provisions take precedence.

The Recipient's authorized representative shall sign all copies of this Agreement and return all signed packages to the Energy Commission's Grants and Loans Office within 30 days. Failure to meet this requirement may result in the forfeiture of this award. When all required signatures are obtained, an executed copy will be returned to the Recipient.

The term of this Agreement or the Agreement Period is the length of this Agreement between the Energy Commission and the Recipient. Project means Recipient's specific project that is funded in whole or in part by this Agreement. The Recipient's project may coincide with or extend outside the Agreement Period.

All reimbursable work and/or the expenditure of funds must occur within the approved term of this Agreement. The Energy Commission cannot authorize any payments until all parties sign this Agreement.

2. **Documents Incorporated by Reference**

The documents below are incorporated by reference into this Agreement. These terms and conditions will govern in the event of a conflict with the documents below, with the exception of the documents in subsection (f). Where this Agreement or California laws and regulations are silent or do not apply, the Energy Commission will use the federal cost principles and acquisition regulations listed below as guidance in determining whether reimbursement of claimed costs is allowable. Documents incorporated by reference include:

Solicitation Documents (if award is made through a competitive solicitation)

- a. The funding solicitation under which this Agreement was awarded.
- b. The Recipient's proposal submitted in response to the solicitation

Federal Cost Principles (applicable to state and local governments, Indian tribes, institutions of higher education, and nonprofit organizations)

- c. 2 Code of Federal Regulations (CFR) Part 200, Subpart E (Sections 200.400 et seq.)

Federal Acquisition Regulations (applicable to commercial organizations)

- d. 48 CFR, Ch.1, Subchapter E, Part 31, Subpart 31.2: Contracts with Commercial Organizations (supplemented by 48 CFR, Ch. 9, Subchapter E, Part 931, Subpart 931.2 for Department of Energy grants)

Nondiscrimination

- e. 2 California Code of Regulations, Section 11099 et seq.: Contractor Nondiscrimination and Compliance

General Laws

- f. Any federal, state, or local laws or regulations applicable to the project that are not expressly listed in this Agreement

3. *Funding Limitations*

Any federal, State, and local laws and regulations applicable to your project not expressly listed in this Agreement are incorporated herein as part of this Agreement.

4. *Due Diligence*

The Recipient is required to take timely actions which, taken collectively, move this project to completion. The Energy Commission Agreement Manager (CAM) will periodically evaluate the Schedule of Products and Due Dates for completion of the Statement of Work tasks. If the CAM determines (1) the Recipient is not being diligent in completing the tasks in the Statement of Work or (2) the time remaining in this Agreement is insufficient to complete all project work tasks by the approved Agreement end term date, the CAM may recommend that this Agreement be terminated, and the Agreement may, without prejudice to any of the Energy Commission's remedies, be terminated.

5. *Products*

Products are defined as any tangible item specified in the Statement of Work. Unless otherwise directed, draft copies of all products identified in the Work Statement shall be submitted to the CAM for review and comment. The Recipient will submit an original and two copies of the final version of all products to the CAM.

6. *Reports*

- a. Progress Reports

The Recipient shall submit progress reports to the CAM as indicated in the Special Conditions or Work Statement. At a minimum, each progress report shall include the following:

Work Statement: This section should include a brief restatement of the approved tasks in the Work Statement and a report on the status of each, including a discussion of any products due and whether or not the project is progressing according to schedule. This section also should include a discussion of any problems encountered, proposed changes to the tasks in the Work Statement, and anticipated accomplishments in the upcoming quarter.

Financial Status: This section should include a narrative report comparing costs incurred to date with the approved Budget. The report should state whether or not the project is progressing within the approved Budget and discuss any proposed changes.

Additional Information: Additional information may be required in the progress reports as specified in the Work Statement or Special Conditions.

b. Final Reports

A draft final report shall be submitted to the CAM no later than 60 days prior to the end of the Agreement term. At a minimum, the report shall include:

- Table of Contents.
- Abstract.
- A brief summary of the objectives of the project and how these objectives were accomplished.
- Any findings, conclusions, or recommendations for follow-up or ongoing activities that might result from the successful completion of the project.
- A statement of future intent of the grant Recipient to maintain or further develop the project.
- A consolidated list of subcontractors funded in whole or in part by the grant Recipient. Include the name, address, concise statement of work done, period, and value of each.
- Additional information as specified in this Agreement or as directed by the CAM.

The CAM will review the draft report. The Recipient will incorporate applicable comments and submit the final report (the original and two copies) to the CAM.

The Recipient may only submit a request for the final payment (including any retention) after the final report is completed, submitted to the CAM, and Clean Transportation Program management has verified satisfactory completion of work.

c. Rights in Reports

The Energy Commission reserves the right to use and reproduce all reports and data produced and delivered pursuant to this Agreement, and reserves the right to authorize others to use or reproduce such materials. Each report becomes the property of the Energy Commission.

d. **Failure to Comply with Reporting Requirements**

Failure to submit a product required in the Scope of Work may be considered material noncompliance with the Agreement terms. Without prejudice to any other remedies, noncompliance may result in actions such as the withholding of future payments or awards, or the suspension or termination of the Agreement.

7. Publications - Legal Statement on Reports and Products

The Recipient is encouraged to publish or otherwise make publicly available the results of the work conducted under the award.

No product or report produced as a result of work funded by this program shall be represented to be endorsed by the Energy Commission, and all such products or reports shall include the following statement:

LEGAL NOTICE

This document was prepared as a result of work sponsored by the California Energy Commission. It does not necessarily represent the views of the Energy Commission, its employees, or the State of California. The Energy Commission, the State of California, its employees, contractors, and subcontractors make no warranty, express or implied, and assume no legal liability for the information in this document; nor does any party represent that the use of this information will not infringe upon privately owned rights.

8. Changes to the Agreement

a. **Procedure for Requesting Changes**

The Recipient must submit a written request to the CAM for any change to the Agreement. The request must include:

- A brief summary of the proposed change;
- A brief summary of the reason(s) for the change;
- Justification for the change; and
- The revised section(s) of the Agreement, with changes made in underline/ strikethrough format.

b. Approval of Changes

No amendment or variation of this Agreement shall be valid unless made in writing and signed by both of the parties except for the Commission's unilateral termination rights in Section 13 of these terms. No oral understanding or agreement is binding on any of the parties. Changes to the Agreement must be approved at a Commission business meeting or by the Executive Director (or his/her designee).

The CAM or Commission Agreement Officer will provide the Recipient with guidance regarding the level of Commission approval required for a proposed change.

c. Personnel or Subcontractor Changes

All changes below require advance written approval by the CAM, in addition to the appropriate level of Commission approval as described in subsection (b).

1) Replacement of Key Personnel, Subcontractors, and Vendors

The CAM must provide advance written approval of the replacement of personnel, subcontractors, and vendors who are identified in the Agreement and are critical to the outcome of the project, such as the Project Manager.

2) Assignment of New Personnel to an Existing Job Classification

If the Recipient or a subcontractor seeks to assign new personnel to a job classification identified in Exhibit B, the Recipient or subcontractor must submit the individual's resume and proposed job classification and rate to the CAM for approval. The proposed rate may not exceed the maximum rate identified for the job classification. Neither the Recipient nor any subcontractor may use the job classifications or rates of their subcontractors for personnel.

If the individual performs any work prior to the effective date of the amendment documenting the change, the Recipient will bear the expense of the work.

3) Promotion of Existing Personnel (Applies to Recipients and major subcontractors)

Promotion of existing Recipient and major subcontractor personnel to rates higher than those listed for their current classification in Exhibit B will not be approved. If the actual rates (e.g., direct labor rates, fringe benefit rates, and indirect rates) exceed the approved rates in the Budget, the difference may be charged to the agreement as a match share expenditure.

4) Addition of job classifications and changes in hours.

5) Increased direct operating expenses and rates that exceed the expenses and rates identified in Exhibit B.

9. Contracting and Procurement Procedures

This section provides general requirements for an agreement between the Recipient and a third party ("subcontractor").

All subcontracts must be submitted to the CAM for review prior to execution. For subcontracts that are listed as "to be determined" in the Budget, the Recipient must submit a revised Budget to the CAM, identifying the subcontractor and specific items of cost expected to be incurred by that subcontractor. In addition, Recipient must have a fully executed subcontract before the subcontractor can incur any costs for which the Recipient will seek reimbursement.

The Recipient is required, where feasible, to employ contracting and procurement practices that promote open competition for all goods and services needed to complete this project. Recipient shall obtain price quotes from an adequate number of sources for all subcontracts.

The Energy Commission will defer to the Recipient's own regulations and procedures as long as they reflect applicable state and local laws and regulations and are not in conflict with the minimum standards specified in this Agreement.

Upon request, the Recipient must submit to the CAM a copy of all solicitations for services or products required to carry out the terms of this Agreement and copies of the proposals or bids received.

The Recipient is responsible for handling all contractual and administrative issues arising out of or related to any subcontracts it enters into under this Agreement.

All subcontracts must incorporate all of the following:

- A clear and accurate description of the material, products, or services to be procured as well as a detailed budget and timeline.
- Provisions that allow for administrative, contractual, or legal remedies in instances where subcontractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate.
- Provisions for termination by the Recipient, including termination procedures and the basis for settlement.
- Language conforming to the "Nondiscrimination" provision in this Agreement.
- The Standard of Performance provisions specified in this Agreement.
- Retention of Records provisions specified in this Agreement.
- Audits provisions specified in this Agreement.
- Language conforming to the "Indemnification" provision in this Agreement.
- Public Work -- Payment of Prevailing Wages Generally Required by Law provisions in this Agreement.
- Assembly Bill 841 (2020) provision specified in this Agreement.

Recipients who are subcontracting with University of California (UC) may use the terms and conditions negotiated by the Energy Commission with UC for their subcontracts. Recipients who are subcontracting with the Department of Energy (DOE) national laboratories may use the terms and conditions negotiated with DOE.

Without limiting any of the Commission's other remedies, failure to comply with the above requirements may result in the termination of this Agreement.

10. *Bonding and Insurance*

The Recipient will follow its own bonding and insurance requirements relating to bid guarantees, performance bonds, and payment bonds without regard to the dollar value of the subcontract(s) as long as they reflect applicable state and local laws and regulations.

11. *Permits and Clearances*

The Recipient is responsible for ensuring all necessary permits and environmental documents are prepared and clearances are obtained from the appropriate agencies.

12. *Equipment*

Equipment is defined as having a useful life of at least one year, having an acquisition unit cost of at least \$5,000, and purchased with Energy Commission funds. Equipment means any products, objects, machinery, apparatus, implements or tools purchased, used or constructed within the Project, including those products, objects, machinery, apparatus, implements or tools from which over thirty percent (30%) of the equipment is composed of materials purchased for the Project. For purposes of determining depreciated value of equipment used in the Agreement, the Project shall terminate at the end of the normal useful life of the equipment purchased, funded and/or developed with Energy Commission funds. The Energy Commission may determine the normal useful life of such equipment.

Title to equipment acquired by the Recipient with grant funds shall vest in the Recipient. The Recipient shall use the equipment in the project or program for which it was acquired as long as needed, whether or not the project or program continues to be supported by grant funds, and the Recipient shall not encumber the property without CAM approval. When no longer needed for the original project or program, the Recipient shall contact the CAM for disposition instructions.

13. *Termination*

This project may be terminated for any reason set forth below.

a. With Cause

The Energy Commission may, for cause, terminate this Agreement upon giving five (5) calendar days advance written notice to the Recipient. In this event, the Recipient will use all reasonable efforts to mitigate its expenses and obligations.

The term "for cause" includes but is not limited to the following:

- Partial or complete loss of match funds;
- Reorganization to a business entity unsatisfactory to the Energy Commission;
- Retention or hiring of subcontractors, or replacement or addition of personnel, that fail to perform to the standards and requirements of this Agreement;
- The Recipient's inability to pay its debts as they become due and/or the Recipient's default of an obligation that impacts its ability to perform under this Agreement; or
- Significant change in state or Energy Commission policy such that the work or product being funded would not be supported by the Commission.

b. **Without Cause**

The Energy Commission may terminate this Agreement without cause upon giving thirty (30) days advance written notice to the Recipient. In this event, the Recipient will use all reasonable efforts to mitigate its expenses and obligations.

14. Stop Work

Energy Commission staff may, at any time, by written notice to Recipient, require Recipient to stop all or any part of the work tasks in this Agreement. Stop work orders may be issued for reasons such as a project exceeding budget, standard of performance, out of scope work, delay in Project schedule, misrepresentations and the like.

- a. **Compliance.** Upon receipt of such stop work order, Recipient shall immediately take all necessary steps to comply therewith and to stop the incurrence of costs allocable to the Energy Commission.
- b. **Canceling a Stop Work Order.** Recipient shall resume the work only upon receipt of written instructions from Energy Commission staff.

15. Travel and Per Diem

- a. The Recipient shall be reimbursed for travel and per diem expenses using the same rates provided to non-represented State employees. The Recipient must pay for travel in excess of these rates. The Recipient may obtain current rates from the Energy Commission's Web Site at: http://www.energy.ca.gov/contracts/TRAVEL_PER_DIEM.PDF.
- b. For purposes of payment, Recipient's headquarters shall be considered the location of the Recipient's office where the employees' assigned responsibilities for this award are permanently assigned.
- c. Travel identified in the Budget section of this Agreement is approved and does not require further authorization.

- d. Travel that is not included in the Budget section of this Agreement shall require written authorization from the CAM and Commission Agreement Officer prior to travel departure. The Energy Commission will reimburse travel expenses from the Recipient's office location.
- e. The Recipient must retain documentation of travel expenses in its financial records. The documentation must be listed by trip and include dates and times of departure and return, departure and destination cities. Travel receipts, including for travel meals and incidentals, shall be submitted with payment requests requesting reimbursement from the Energy Commission.

16. Standard of Performance

Recipient, its subcontractors and their employees, in the performance of Recipient's work under this Agreement shall be responsible for exercising the degree of skill and care required by customarily accepted good professional practices and procedures used in the Recipient's field.

Any costs for failure to meet the foregoing standard or to correct otherwise defective work that requires re-performance of the work, as directed by CAM, shall be borne in total by Recipient and not the Energy Commission. The failure of a project to achieve the performance goals and objectives stated in the Work Statement is not a basis for requesting re-performance unless the work conducted by Recipient and/or its subcontractors is deemed by the Energy Commission to have failed the foregoing standard of performance.

In the event Recipient/subcontractor fails to perform in accordance with the above standard:

- Recipient/subcontractor will re-perform, at its own expense, any task which was not performed to the reasonable satisfaction of the CAM. Any work re-performed pursuant to this paragraph shall be completed within the time limitations originally set forth for the specific task involved. Recipient/subcontractor shall work any overtime required to meet the deadline for the task at no additional cost to the Energy Commission;
- The Energy Commission shall provide a new schedule for the re-performance of any task pursuant to this paragraph in the event that re-performance of a task within the original time limitations is not feasible; and
- The Energy Commission shall have the option to direct Recipient/subcontractor not to re-perform any task which was not performed to the reasonable satisfaction of the CAM pursuant to application of (1) and (2) above. In the event the Energy Commission directs Recipient/subcontractor not to re-perform a task, the Energy Commission and Recipient shall negotiate a reasonable settlement for satisfactory work performed. No previous payment shall be considered a waiver of the Energy Commission's right to reimbursement.

Nothing contained in this section is intended to limit any of the rights or remedies which the Energy Commission may have under law.

17. Payment of Funds

The Energy Commission agrees to reimburse the Recipient for actual allowable expenditures incurred in accordance with the Budget. The rates in the Budget are rate caps, or the maximum amount allowed to be billed.

The Recipient can only bill for actual expenses incurred at the Recipient's actual rates not to exceed the rates specified in the Budget (e.g., direct labor rates, fringe benefit rates, and indirect rates). For example, if the Budget includes an employee's hourly rate of \$50/hour but the employee is only paid \$40/hour, the Recipient can only bill for \$40/hour. Under the same example, if the employee earned \$70/hour but the Budget only lists \$50/hour, the Recipient can only bill for \$50. Another example is if the maximum fringe benefit rate listed in the Budget is 20% but the Recipient's actual fringe benefit rate is only 15%, the Recipient can only bill at 15%. If the actual rates (e.g., direct labor rates, fringe benefit rates, and indirect rates) exceed the approved rates in the Budget, the difference may be charged to the agreement as a match share expenditure.

a. Payment Requests

The Recipient may request payment from the Energy Commission at any time during the term of this Agreement. The final payment request must be received by the Energy Commission along with the draft Final Report 60 days prior to the end of the Agreement term.

Payments will generally be made on a reimbursement basis for Recipient expenditures, i.e., after the Recipient has incurred the cost for a service, product, supplies, or other approved budget item. No reimbursement for food or beverages shall be made other than allowable per diem charges.

Funds in this Agreement have a limited period in which they must be expended. All Recipient expenditures must occur within the approved term of this Agreement.

b. Documentation

All payment requests must be submitted using a completed Payment Request form. This form must be accompanied by an itemized list of all charges and copies of all receipts or invoices necessary to document these charges for both Energy Commission and match share, including backup documentation for actual expenditures, such as time cards, vendor invoices, and proof of payment. Any payment request that is submitted without the itemization will not be authorized. If the itemization or documentation is incomplete, inadequate, or inaccurate, the CAM will inform the Recipient via a Dispute Notification Form (Std. 209) and hold the invoice until all required information is received or corrected. Any penalties imposed on the Recipient by a subcontractor because of delays in payment will be paid by the Recipient.

Any documentation in foreign currency must be converted to dollars, and the conversion rate must be included in your itemization.

c. Certification

The following certification shall be included on each Payment Request form and signed by the Recipient's authorized officer:

I certify that this invoice is correct and proper for payment, and reimbursement for these costs has not and will not be received from any other sources, including but not limited to a government entity contract, subcontract or other procurement method.

Additional certification required related to the payment of prevailing wages. Refer to section 26 of these terms and conditions for more information.

d. Government Entity

Government Entity is defined as a governmental agency from California or any state or a state college or state university from California or any state; a local government entity or agency, including those created as a Joint Powers Authority; an auxiliary organization of the California State University or a California community college; the Federal Government; a foundation organized to support the Board of Governors of the California Community Colleges or an auxiliary organization of the Student Aid Commission established under Education Code 69522.

e. Release of Funds

The CAM will not process any payment request during the Agreement term until the following conditions have been met:

- All required reports have been submitted and are satisfactory to the CAM.
- All applicable special conditions have been met.
- All appropriate permits or permit waivers from governmental agencies have been issued to the Recipient and copies have been received by the CAM.
- All products due have been submitted and are satisfactory to the CAM.
- Other prepayment conditions as may be required by the CAM have been met. Such conditions will be specified in writing ahead of time, if possible.

f. Fringe Benefits, Indirect Overhead, and General and Administrative (G&A),

Indirect cost rates must be developed in accordance with generally accepted accounting principles. If the Recipient has an approved fringe benefits or indirect cost rate (indirect overhead or G&A) from their cognizant Federal Agency, the Recipient may bill at the federal rate up to the Budget rate caps if the following conditions are met:

- The Recipient may bill at the federal provisional rate but must adjust annually to reflect their actual final rates for the year in accordance with the Labor, Fringe, and Indirect Invoicing Instructions which can be accessed in this agreement.
- The cost pools used to develop the federal rates must be allocable to the Energy Commission Agreement, and the rates must be representative of the portion of costs benefiting the Energy Commission Agreement. For example, if the federal rate is for manufacturing overhead at the Recipient's manufacturing facility and the Energy Commission Agreement is for research and development at their research facility, the federal indirect overhead rate would not be applicable to the Energy Commission Agreement.
- The federal rate must be adjusted to exclude any costs that are specifically prohibited in the Energy Commission Agreement.
- The Recipient may only bill up to the Agreement Budget rate caps unless and until an amendment to the Agreement Budget is approved.

g. Retention

It is the Energy Commission's policy to retain 10 percent of any payment request or 10 percent of the total Energy Commission award at the end of the project. After the project is complete the Recipient must submit a completed payment request form requesting release of the retention. The CAM will review the project file and, when satisfied that the terms of the funding Agreement have been fulfilled, will authorize release of the retention.

h. State Controller's Office

Payments are made by the State Controller's Office.

18. Fiscal Accounting Requirements

a. Accounting and Financial Methods

The Recipient shall establish a separate ledger account or fund for receipt and disbursement of Energy Commission funds for each project funded by the Energy Commission. Expenditure details must be maintained in accordance with the approved budget details using appropriate accounting practices.

b. Retention of Records

The Recipient shall retain all project records (including financial records, progress reports, and payment requests) for a minimum of three (3) years after the final payment has been received or three years after the federal grant term, whichever is later, unless otherwise specified in the funding Agreement.

Records for nonexpendable personal property acquired with grant funds shall be retained for three years after its final disposition or three years after the federal grant term, whichever is later.

c. Audits

Upon written request from the Energy Commission, the Recipient shall provide detailed documentation of all expenses at any time throughout the project. In addition, the Recipient agrees to allow the Energy Commission or any other agency of the State, or their designated representative, upon written request, to have reasonable access to and the right of inspection of all records that pertain to the project during the term of this Agreement and for a period of three (3) years thereafter or three years after the federal grant term, whichever is later, unless the Energy Commission notifies the Recipient, prior to the expiration of such three-year period, that a longer period of record retention is necessary. Further, the Recipient agrees to incorporate an audit of this project within any scheduled audits, when specifically requested by the State. Recipient agrees to include a similar right to audit in any subcontract.

Recipients are strongly encouraged to conduct annual audits in accordance with the single audit concept. The Recipient should provide two copies of the independent audit report and any resulting comments and correspondence to the CAM within 30 days of the completion of such audits.

d. Match Share Requirements

Match Share means cash or in-kind (non-cash) contributions provided by Recipient, subcontractors or third parties that will be used in performance of this Agreement.

The Recipient agrees to provide the Minimum Match Share Percentage of Total Allowable Project Costs, even if the Agreement is terminated early or otherwise ends before project completion. The Minimum Match Share Percentage is the Minimum Match Share Required (as specified on the CEC-146) divided by the Total of Reimbursable Amount and Minimum Match Share Required (as specified on the CEC-146). Total Allowable Project Costs is the sum of all actual, allowable costs incurred in performance of the Agreement and approved by the Energy Commission.

For example, if the CEC-146 specifies the following,

Reimbursable Amount \$200,000
Minimum Match Share Required \$50,000
Total of Reimbursable Amount and Minimum Match Share Required \$250,000
Minimum Match Share Percentage of Total Allowable Project Costs 20%

the Recipient agrees to be liable for a minimum of 20% (\$50,000 divided by \$250,000) of Total Allowable Project Costs. In this example and at the end of the agreement, if Total Allowable Project Costs is \$125,000, the Recipient shall have provided a minimum of \$25,000 (\$125,000 times 20%) as match share.

Without limiting any of the Energy Commission's other rights or remedies, the Recipient agrees that if it fails to provide the Minimum Match Share Percentage of Total Allowable Project Costs, and if requested by the Energy Commission, the Recipient shall repay an amount to ensure the Recipient provides, at a minimum, the Minimum Match Share Percentage of Total Allowable Project Costs.

For example, and building upon the previous example, if:

- A. Energy Commission funds disbursed = \$110,000
- B. Match Share Documented and Approved = \$15,000
- C. Total Allowable Project Costs = \$125,000 (Line A plus Line B)
- D. Minimum Match Share Percentage of Total Allowable Project Costs = 20%
- E. Minimum Match Share Amount Required = \$25,000 (Line C multiplied by Line D)

the Energy Commission may request, and the Recipient would be required to repay upon such request, \$10,000 (Line E minus Line B) to the Energy Commission.

The maximum amount to be reimbursed by the Energy Commission under this Agreement is the Reimbursable Amount specified on the CEC-146. The Energy Commission award amount is fixed and will not be augmented. If actual Total Allowable Project Costs exceed estimated Total Allowable Project Costs, the Recipient is responsible for those additional costs.

The Recipient must maintain accounting records detailing the expenditure of the Match Share and provide documentation of expenditures as described in this Agreement (e.g., under this Exhibit C "Payment of Funds" and "Fiscal Accounting Requirements").

In the event of any conflict or inconsistency between the Minimum Match Share Required specified on the CEC-146 and the Match Share specified on other Exhibits to this Agreement, the Minimum Match Share Required specified on the CEC-146 shall control.

19. Indemnification

The Recipient agrees to indemnify, defend, and save harmless the State, its officers, agents, and employees from any and all claims and losses accruing or resulting to Recipient and to any and all contractors, subcontractors, materialmen, laborers, and any other person, firm, or corporation furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by the Recipient in the performance of this Agreement.

20. Workers' Compensation Insurance

- a. Recipient hereby warrants that it carries Worker's Compensation Insurance for all of its employees who will be engaged in the performance of this Agreement, and agrees to furnish to the CAM satisfactory evidence of this insurance at any time the CAM may request.
- b. If Recipient is self-insured for worker's compensation, it hereby warrants such self-insurance is permissible under the laws of the State of California and agrees to furnish to the CAM satisfactory evidence of this insurance at any time the CAM may request.

21. General Provisions

- a. Governing Law

It is hereby understood and agreed that this Agreement shall be governed by the laws of the State of California as to interpretation and performance.

- b. Independent Capacity

The Recipient, and the agents and employees of the Recipient, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the Energy Commission.

- c. Assignment

Without the written consent of the Energy Commission in the form of a formal written amendment, this Agreement is not assignable or transferable by Recipient either in whole or in part.

- d. Timeliness

Time is of the essence in this Agreement.

- e. Unenforceable Provision

In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

f. Waiver

No waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent breach. All remedies afforded in this Agreement shall be taken and construed as cumulative, that is, in addition to every other remedy provided therein or by law.

g. Assurances

The Energy Commission reserves the right to seek further written assurances from the Recipient and its team that the work of the project under this Agreement will be performed consistent with the terms of the Agreement.

h. Change in Business

- (1) Recipient shall promptly notify the Energy Commission of the occurrence of each of the following:
 - (a) A change of address.
 - (b) A change in the business name or ownership.
 - (c) The existence of any litigation or other legal proceeding affecting the project.
 - (d) The occurrence of any casualty or other loss to project personnel, equipment or third parties of a type commonly covered by insurance.
 - (e) Receipt of notice of any claim or potential claim against Recipient for patent, copyright, trademark, service mark and/or trade secret infringement that could affect the Energy Commission's rights.
- (2) Recipient shall not change or reorganize the type of business entity under which it does business except upon prior written notification to the Energy Commission. A change of business entity or name change requires an amendment assigning or novating the Agreement to the changed entity. In the event the Energy Commission is not satisfied that the new entity can perform as the original Recipient, the Energy Commission may terminate this Agreement as provided in the termination paragraph.

i. Survival of Terms

It is understood and agreed that certain provisions shall survive the completion or termination date of this Agreement for any reason. The provisions include, but are not limited to:

- "Payments of Funds"
- "Equipment"
- "Change in Business"
- "Termination"

- “Audit”
- “Indemnification”
- “Fiscal Accounting Requirements”

22. *Certifications and Compliance*

a. Federal, State and Municipal Requirements

Recipient must obtain any required permits and shall comply with all applicable federal, State, and municipal laws, rules, codes, and regulations for work performed under this Agreement.

b. Nondiscrimination Statement of Compliance

During the performance of this Agreement, Recipient and its subcontractors shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition (cancer), age, marital status, and denial of family care leave. Recipient and its subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination and harassment. Recipient and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Sections 12990 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 11000 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4.1 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part of it as if set forth in full. Recipient and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

The Recipient shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

c. Drug-Free Workplace Certification

By signing this Agreement, the Recipient hereby certifies under penalty of perjury under the laws of the State of California that the Recipient will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and will provide a drug-free workplace by taking the following actions:

- (1) Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations as required by Government Code Section 8355(a)(1).
- (2) Establish a Drug-Free Awareness Program as required by Government Code Section 8355(a)(2) to inform employees about all of the following:
 - The dangers of drug abuse in the workplace;
 - The person's or organization's policy of maintaining a drug-free workplace;
 - Any available counseling, rehabilitation, and employee assistance programs; and
 - Penalties that may be imposed upon employees for drug abuse violations.
- (3) Provide, as required by Government Code Section 8355(a)(3), that every employee who works on the proposed project:
 - Will receive a copy of the company's drug-free policy statement;
 - Will agree to abide by the terms of the company's statement as a condition of employment on the project.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both, and the Recipient may be ineligible for any future State awards if the Energy Commission determines that any of the following has occurred: (1) the Recipient has made false certification, or (2) violates the certification by failing to carry out the requirements as noted above.

d. Child Support Compliance Act (Applicable to California Employers)

For any Agreement in excess of \$100,000, the Recipient acknowledges that:

- It recognizes the importance of child and family support obligations and shall fully comply with all applicable State and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and

- To the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- e. Americans with Disabilities Act
- By signing this Agreement, Recipient assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990 (42 U.S.C. 12101, et seq.), which prohibits discrimination on the basis of disability, as well as applicable regulations and guidelines issued pursuant to the ADA.

23. Site Visits

The Energy Commission and/or its designees have the right to make site visits at reasonable times to review project accomplishments and management control systems and to provide technical assistance, if required. Recipient must provide and must require subawardees to provide reasonable facilities and assistance for the safety and convenience of the government representatives in the performance of their duties. All site visits and evaluations must be performed in a manner that does not unduly interfere with or delay the work.

24. Confidentiality

a. Information Considered Confidential

Confidential information is information designated confidential pursuant to the procedures specified in 20 CCR 2505. If applicable, all Recipient information considered confidential at the commencement of this Agreement is designated in the Attachment to this Exhibit.

b. Confidential Deliverables: Labeling and Submitting Confidential Information

Prior to the commencement of this Agreement, if applicable, the parties have identified in the Attachment to this Exhibit, specific Confidential Information to be provided as a deliverable. All such confidential deliverables shall be marked, by the Recipient, as "Confidential" on each page of the document containing the Confidential Information and presented in a sealed package to the Commission Agreement Officer. (Non-confidential deliverables are submitted to the Accounting Office.) All Confidential Information will be contained in the "confidential" volume: no Confidential Information will be in the "public" volume.

c. Submittal of Unanticipated Confidential Information as a Deliverable

The Recipient and the Energy Commission agree that during this Agreement, it is possible that the Recipient may develop additional data or information not originally anticipated as a confidential deliverable. In this case, Recipient shall follow the procedures for a request for designation of Confidential Information specified in 20 CCR 2505. The Energy Commission's Executive Director makes the determination of confidentiality. Such subsequent determinations may be added to the list of confidential deliverables in the Attachment to this Exhibit.

d. Disclosure of Confidential Information

Disclosure of Confidential Information by the Energy Commission may only be made pursuant to 20 CCR 2506 and 2507. All confidential data, records or deliverables that are legally disclosed by the Recipient or any other entity become public records and are no longer subject to the above confidentiality designation.

25. Budget Contingency Clause

It is mutually agreed that this Agreement shall be of no further force and effect if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the work identified in the Scope of Work. In this event, the Energy Commission shall have no liability to pay any funds whatsoever to the Recipient or to furnish any other consideration under this Agreement, and the Recipient shall not be obligated to perform any provisions of this Agreement.

If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the Energy Commission shall have the option to either: 1) cancel this Agreement with no liability occurring to the Energy Commission; or 2) offer an Agreement Amendment to the Recipient to reflect the reduced amount.

26. Public Works -- Payment of Prevailing Wages

Generally Required by Law

Projects that receive an award of public funds from the Energy Commission often involve construction, alteration, demolition, installation, repair or maintenance work over \$1,000.

NOTE: Projects that receive an award of public funds from the Energy Commission are likely to be considered public works under the California Labor Code. See Chapter 1 of Part 7 of Division 2 of the California Labor Code, commencing with Section 1720 and Title 8, California Code of Regulations, Chapter 8, Subchapter 3, commencing with Section 16000.

Accordingly, the Energy Commission assumes that all projects it funds are public works. Projects deemed to be public works require among other things the payment of prevailing wages.

NOTE: Prevailing wage rates can be significantly higher than non-prevailing wage rates.

By accepting this Agreement, Recipient as a material term of this Agreement shall be fully responsible for complying with all California public works requirements including but not limited to payment of prevailing wage. Therefore, as a material term of this Agreement, Recipient must either:

(a) Proceed on the assumption that the project is a public work and ensure that:

- (i) prevailing wages are paid; and
- (ii) the project budget for labor reflects these prevailing wage requirements; and
- (iii) the project complies with all other requirements of prevailing wage law including but not limited to keeping accurate payroll records, and complying with all working hour requirements and apprenticeship obligations;

or,

(b) Timely obtain a legally binding determination from DIR or a court of competent jurisdiction before work begins on the project that the proposed project is not a public work.

NOTE: Only the California Department of Industrial Relations (DIR) and courts of competent jurisdiction have jurisdiction to issue legally binding determinations that a particular project is or is not a public work.

If the Recipient is unsure whether the project receiving this award is a “public work” as defined in the California Labor Code, it may wish to seek a timely determination from the California Department of Industrial Relations (DIR) or an appropriate court.

NOTE: Such processes can be time consuming and therefore it may not be possible to obtain a timely determination before the date for performance of the award commences.

If the Recipient does not timely obtain a binding determination from DIR or a court of competent jurisdiction that the project is not a public work, before this Agreement from the Energy Commission is executed, the Recipient shall assume that the project is a public work and that payment of prevailing wages is required and shall pay prevailing wages unless and until such time as the project is subsequently determined to not be a public work by DIR or a court of competent jurisdiction.

NOTE: California Prevailing Wage law provides for substantial damages and financial penalties for failure to pay prevailing wages when payment of prevailing wages is required.

Subcontractors and Flow-down Requirements. Recipient shall ensure that its subcontractors, if any, also comply with above requirements with respect to public works/prevaling wage. Recipient shall ensure that all agreements with its contractors/subcontractors to perform work related to this Project contain the above terms regarding payment of prevailing wages on public works projects. Recipient shall be responsible for any failure of Recipient's subcontractors to comply with California prevailing wage and public works laws.

Indemnification and Breach. Any failure of Recipient or its subcontractors to comply with the above requirements shall constitute a breach of this Agreement that excuses the Energy Commission's performance of this Agreement at the Energy Commission's option, and shall be at Recipient's sole risk. In such a case, Energy Commission may refuse payment to Recipient of any amount under this Agreement and Energy Commission shall be released, at its option, from any further performance of this award or any portion thereof. By accepting this Agreement, and as a material term of this Agreement, Recipient agrees to indemnify the Energy Commission and hold the Energy Commission harmless for any and all financial consequences arising out of or resulting from the failure of Recipient and/or any of Recipient's subcontractors to pay prevailing wages or to otherwise comply with the requirements of prevailing wage law.

Budget. Recipient's budget on public works projects must indicate which job classifications are subject to prevailing wage. For detailed information about prevailing wage and the process to determine if the proposed project is a public work, Recipient may wish to contact the California Department of Industrial Relations (DIR) or a qualified labor attorney of their choice for guidance.

Covered Trades. For public works projects, Recipient may contact DIR for a list of covered trades and the applicable prevailing wage.

Questions. If Recipient has any questions about this contractual requirement or the wage, record keeping, apprenticeship or other significant requirements of California prevailing wage law, it is recommended that Recipient consult DIR and/or a qualified labor attorney of its choice before accepting this Agreement.

Certification. Recipient shall certify to the Energy Commission on each Payment Request Form, either that (1) prevailing wages were paid to eligible workers who provided labor for work covered by the payment request and that the Recipient and all contractors and subcontractors otherwise complied with all California prevailing wage laws, or (2) that the project is not a public work requiring the payment of prevailing wages. In the latter case, Recipient shall provide competent proof of a DIR or court determination that the project is not a public work requiring the payment of prevailing wages.

Prior to the release of any retained funds under this Agreement, the Recipient shall submit to the Energy Commission the above-described certificate signed by the Recipient and all contractors and subcontractors performing public works activities on the project. Absent such certificate, Recipient shall have no right to any funds under this Agreement, and Energy Commission shall be relieved of any obligation to pay said funds.

27. *Intellectual Property*

The Energy Commission makes no claim to intellectual property developed under this Agreement that is not specified for delivery, except as expressly provided herein.

28. *Commission Remedies for Recipient's Non-Compliance*

Without limiting any of its other remedies, the Commission may, for Recipient's noncompliance of any Agreement requirement, withhold future payments, demand and be entitled to repayment of past reimbursements, or suspend or terminate this Agreement. The tasks in the Scope of Work are non-severable, and completion of all of them is material to this Agreement. Thus, the Commission, without limiting its other remedies, is entitled to repayment of all funds paid to Recipient if the Recipient does not timely complete all tasks in the Scope of Work.

29. *Assembly Bill 841 (2020)*

By signing this Agreement, Recipient as a material term of this Agreement shall be fully responsible for complying with this section. AB 841 (Ting, 2020) added Public Utilities Code (PUC) section 740.20, which requires Electric Vehicle Infrastructure Training Program (EVITP) certification to install electric vehicle charging infrastructure and equipment for work performed on or after January 1, 2022, subject to certain exceptions. As a policy matter, the CEC is applying the EVITP certification requirements to project work funded under this Agreement, regardless of whether it might be performed prior to January 1, 2022, unless an exception applies.

Therefore, applying PUC 740.20 EVITP requirements to this Agreement means that all electric vehicle charging infrastructure and equipment located on the customer side of the electrical meter shall be installed by a contractor with the appropriate license classification, as determined by the Contractors' State License Board, and at least one electrician on each crew, at any given time, who holds an EVITP certification. Projects that include installation of a charging port supplying 25 kilowatts or more to a vehicle must have at least 25 percent of the total electricians working on the crew for the project, at any given time, who hold EVITP certification. One member of each crew may be both the contractor and an EVITP certified electrician. The requirements stated in this paragraph do not apply to any of the following:

- (1) Electric vehicle charging infrastructure installed by employees of an electrical corporation or local publicly owned electric utility.
- (2) Electric vehicle charging infrastructure funded by moneys derived from credits generated from the Low Carbon Fuel Standard Program (Subarticle 7 (commencing with Section 95480) of Article 4 of Subchapter 10 of Chapter 1 of Division 3 of Title 17 of the California Code of Regulations).
- (3) Single-family home residential electric vehicle chargers that can use an existing 208/240-volt outlet.



REDWOOD COAST Energy Authority

STAFF REPORT Agenda Item # 6.1

AGENDA DATE:	October 28, 2021
TO:	Board of Directors
PREPARED BY:	Richard Engel, Director of Power Resources
SUBJECT:	Non-Standard Rate for Nordic Aquafarms

SUMMARY

Last month the Board adopted by resolution a policy allowing creation of non-standard rates by negotiation with eligible large commercial and industrial customers. Management of Nordic Aquafarms (NAF) has approached RCEA staff with interest to take advantage of such a rate. This would be the first such negotiated rate offered by RCEA, and NAF's projected load would make it by far the single largest electric user in the county.

The attached Non-Standard Rate Adoption Process Diagram outlines how the process will work, based on the adopted policy and discussion with the Board at the September 2021 meeting when the policy was approved. Per the adopted policy, staff invite the Board to form an ad hoc committee to monitor and provide input on staff's planned negotiations with NAF.

BACKGROUND

NAF plans to build and populate their aquaculture facility in Samoa in phases over several years, with average load initially coming on at about 5 MW and eventually reaching over 20 MW at full build-out, as shown in Figure 1. If served by RCEA, this single facility will substantially add to RCEA's expected future load, as shown in Figure 2.

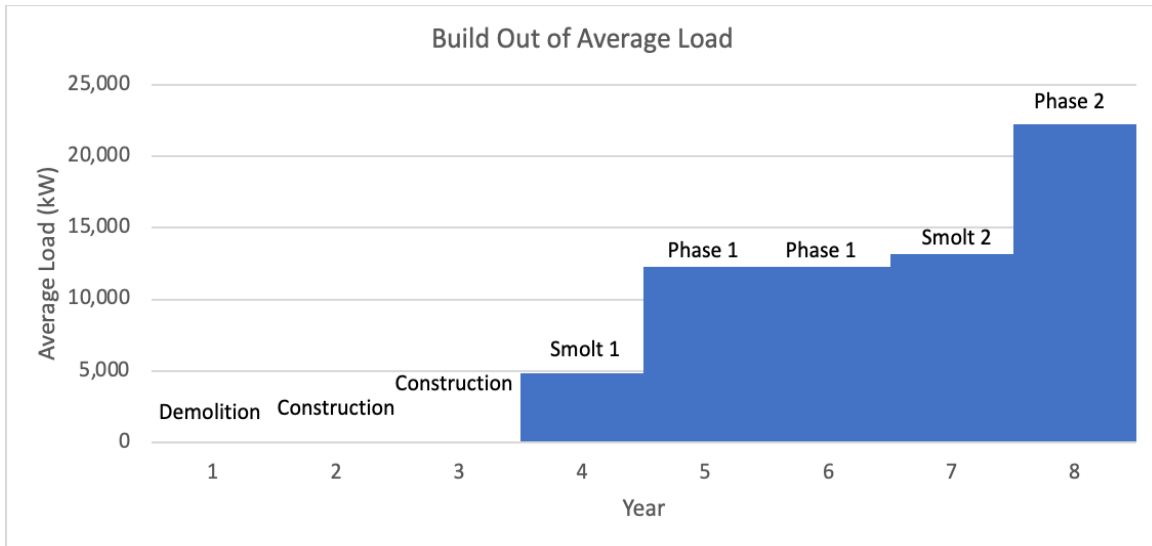


Figure 1. Expected timeline for NAF load to come online. Start date for demolition of existing facilities is unknown pending completion of project permitting. NAF management estimate demolition could begin within six to twelve months, with Phase 2 full buildout occurring by approximately 2030. (Graph courtesy of Nordic Aquafarms)

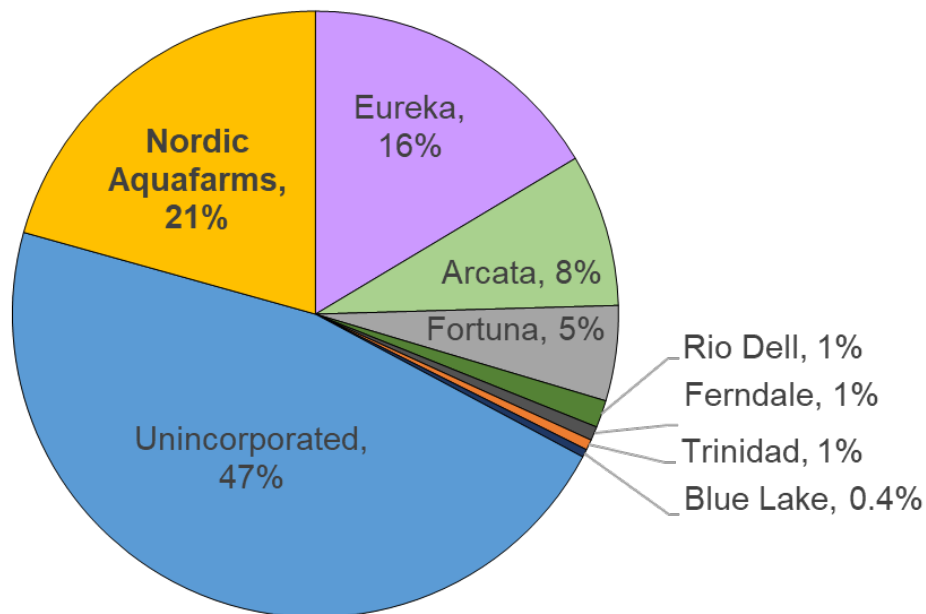


Figure 2. NAF annual electric use at full build-out circa 2030 as a fraction of current total county load. Humboldt load is forecasted to increase modestly over the next decade, but not enough to significantly change the proportion of NAF's load to the total.

FINANCIAL IMPACTS

RCEA and NAF have not yet entered negotiations on a non-standard rate; hence the financial impacts are not known. NAF management have been clear from the outset that they intend to secure a rate that will cost them less than the default retail industrial rate, whether that be through RCEA or a Direct Access (DA) provider. However, they also understand that a rate consisting of hourly wholesale pricing plus a negotiated adder to cover RCEA's non-energy costs, a common pricing model for large industrial customers, would carry the risk of higher energy costs at times when wholesale prices surge. In addition, future changes to the power charge indifference adjustment or resource adequacy prices add uncertainty for both parties to how a negotiated rate might compare with a standard retail rate.

For a sense of scale, staff estimate that at full future build-out and based on today's B20 transmission voltage electric rates and NAF's projected load profile, RCEA's annual gross generation revenue from the facility if served at this standard retail rate would be approximately \$7.5 million.

For RCEA, the apt comparison to make is not between having NAF as a standard retail rate customer or on a negotiated rate, but rather between having or not having NAF as a customer. NAF have advised RCEA that they are pursuing DA generation service through a third-party provider should they receive a lottery allocation and if negotiations with RCEA were unsuccessful. California's DA capacity cap and lottery system for participation make this an uncertain path for NAF, but there is a continuing risk to RCEA of losing this and other large customers if the agency does not make an effort to offer competitive pricing.

STAFF RECOMMENDATION

Establish an ad hoc committee to monitor and provide input on staff negotiations with Nordic Aquafarms on a non-standard electric generation rate for the company's proposed aquaculture facility.

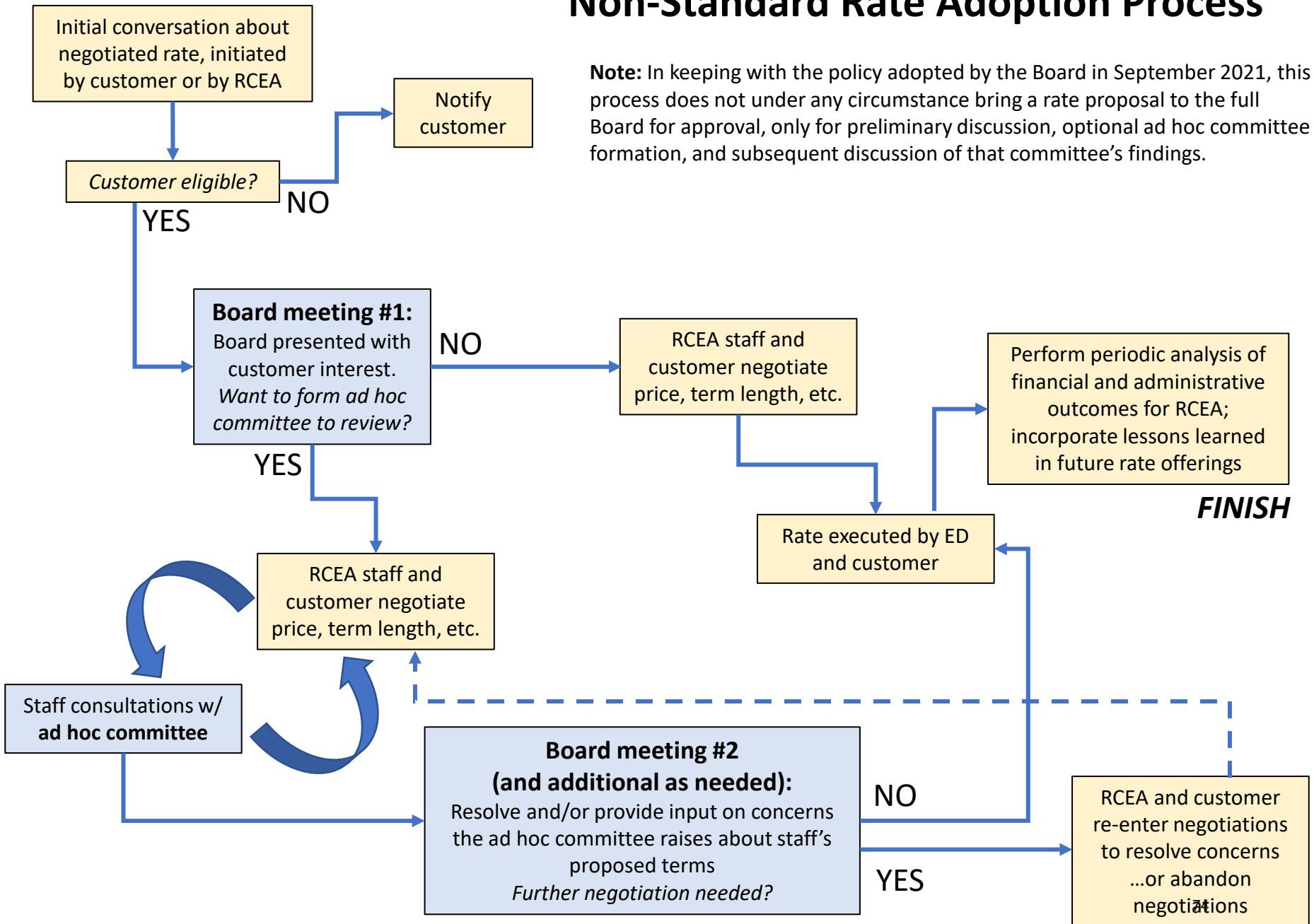
ATTACHMENTS

Non-Standard Rate Adoption Process Diagram

START

Non-Standard Rate Adoption Process

Note: In keeping with the policy adopted by the Board in September 2021, this process does not under any circumstance bring a rate proposal to the full Board for approval, only for preliminary discussion, optional ad hoc committee formation, and subsequent discussion of that committee's findings.



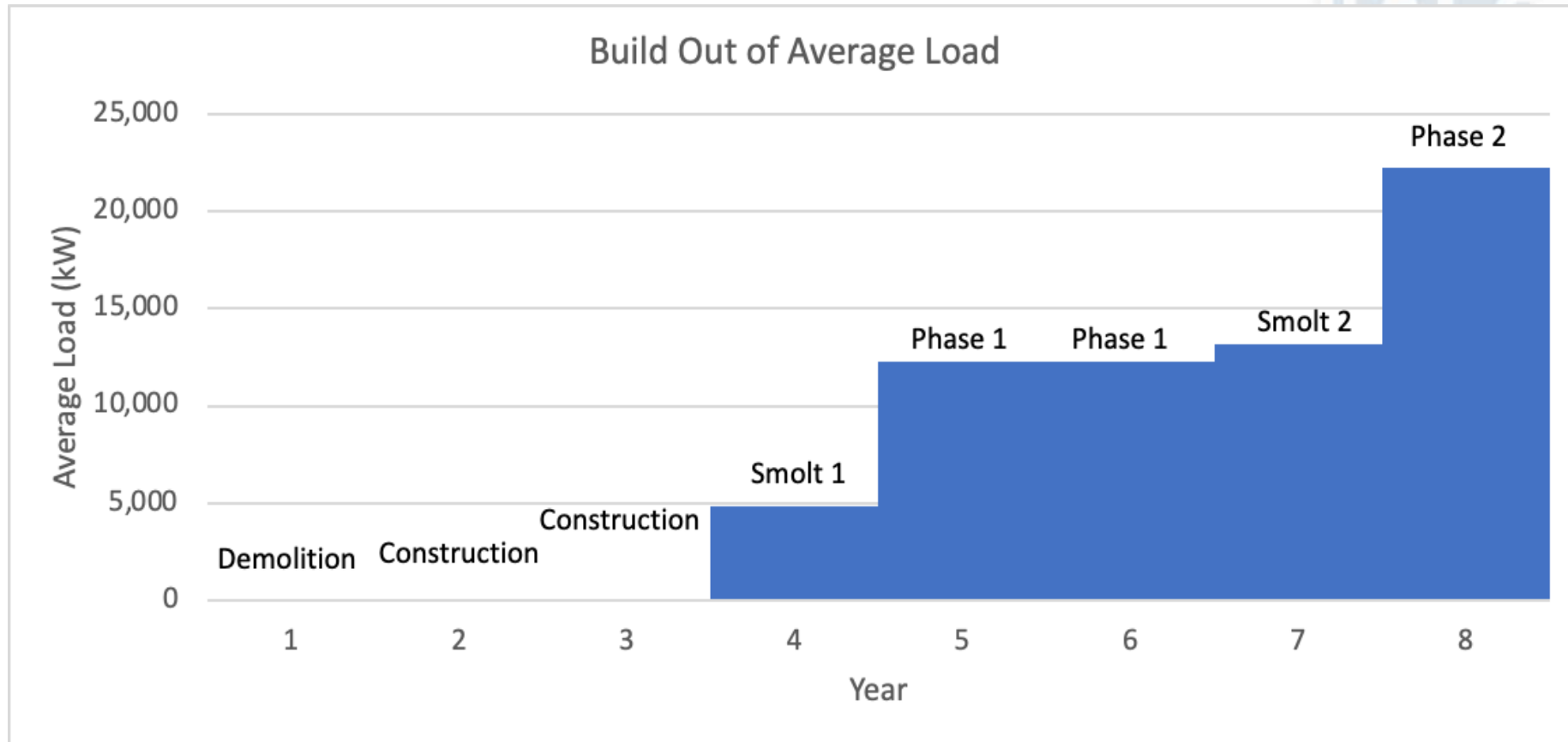


Proposed Non-Standard Rate for Nordic Aquafarms

Presentation to RCEA Board of Directors
October 28, 2021

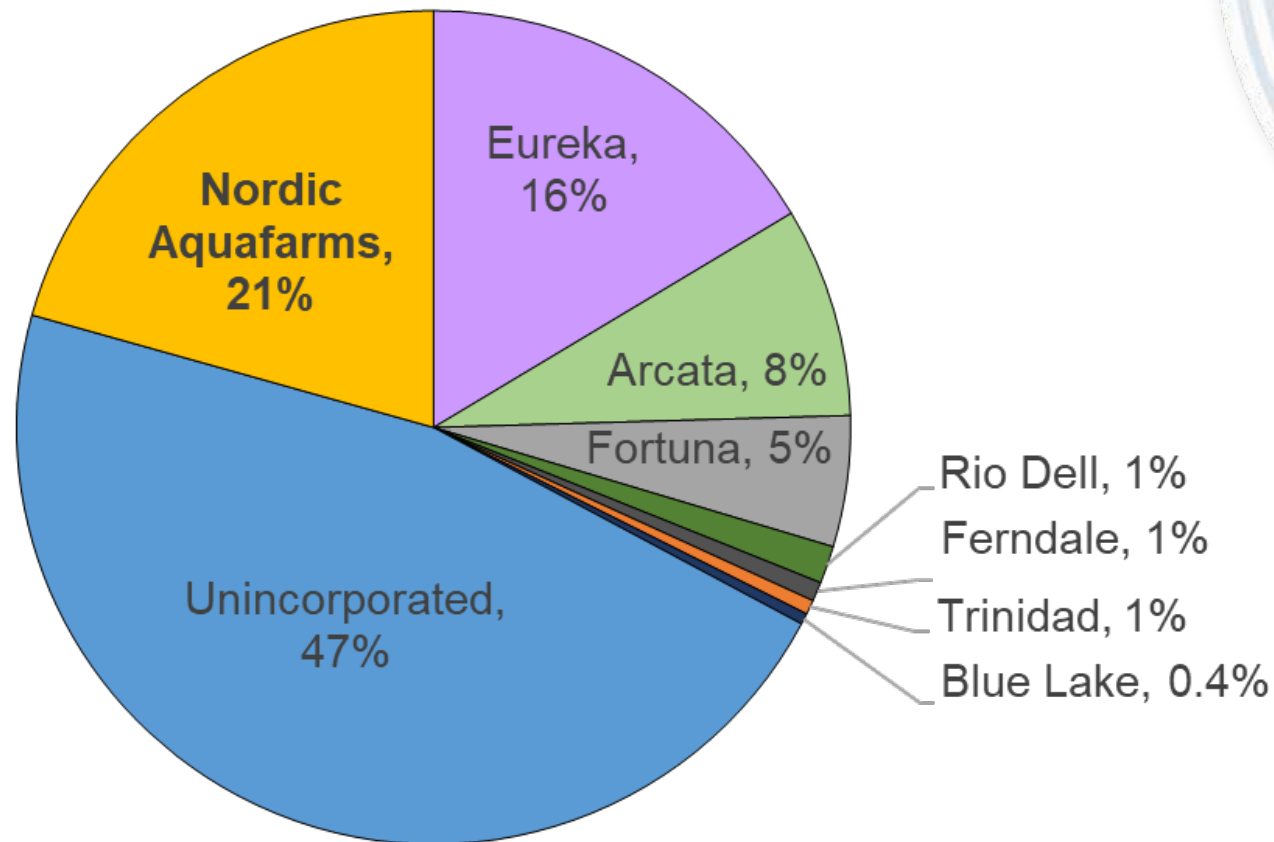


Expected timeline for NAF load to come online

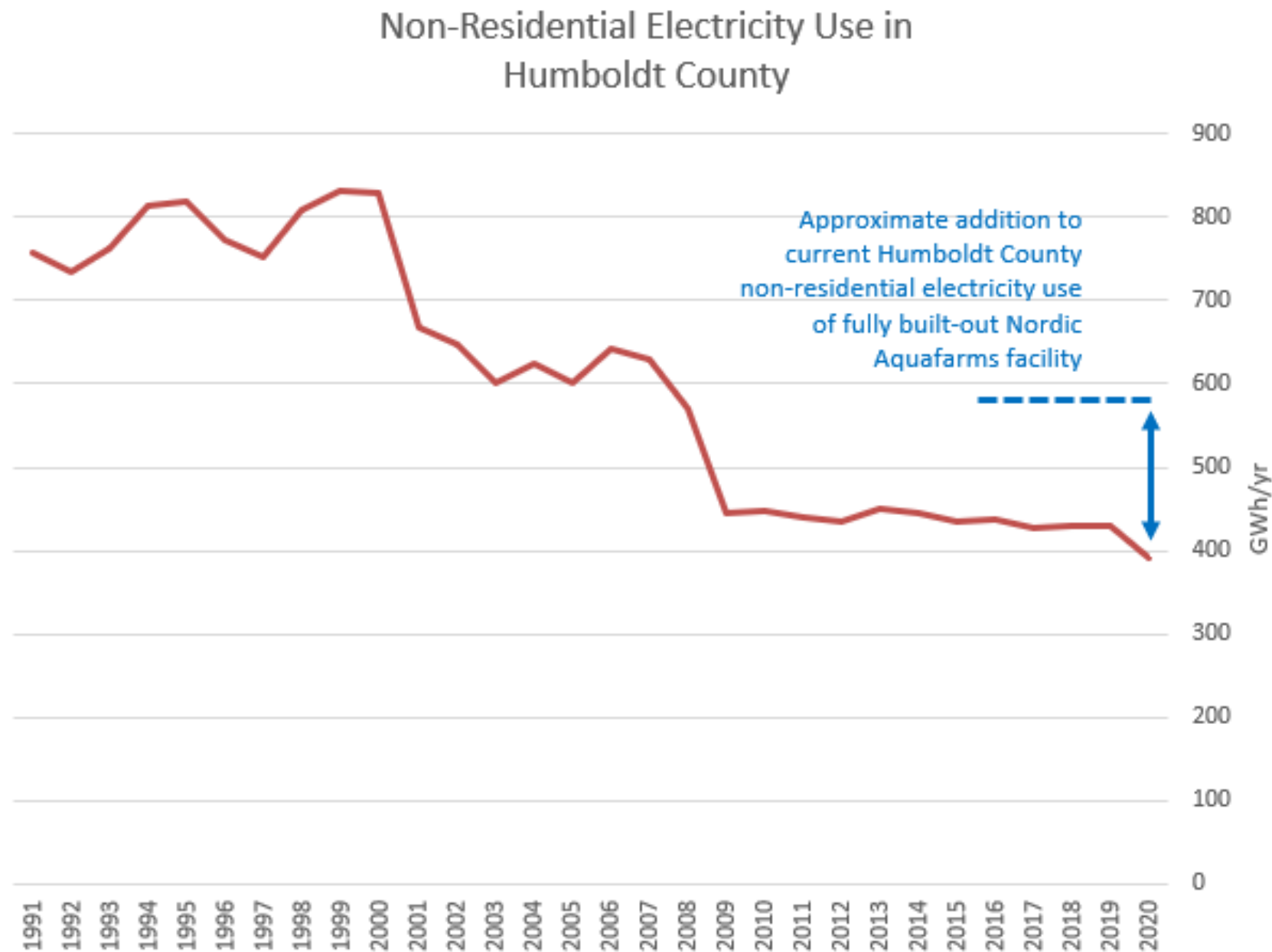


Graph courtesy of Nordic Aquafarms

Nordic Aquafarms annual electric use at full build-out circa 2030 as a percentage of current total load by jurisdiction



Analysis by RCEA staff using NAF facility load provided by NAF. Humboldt County load is forecasted to increase modestly over the next decade, but not enough to significantly change the proportion of NAF's load to the total.⁷⁷



source: California Energy Commission <https://ecdms.energy.ca.gov/elecbycounty.aspx>



REDWOOD COAST Energy Authority

STAFF REPORT Agenda Item # 7.1

AGENDA DATE:	October 28, 2021
TO:	Board of Directors
PREPARED BY:	Richard Engel, Director of Power Resources
SUBJECT:	Update on California Community Power Procurement Activities

SUMMARY

Staff continue to participate in joint CCA procurement activities through the California Community Power (CC Power) joint powers authority. Significant recent developments include:

1. The long-duration storage solicitation issued by joint CCAs in October 2020 has progressed to where the CC Power Board on October 8, 2021, gave 60-day notice of its intent to contract for energy storage services from LS Power's 69 MW Tumbleweed project. Staff are seeking Board approval to continue participating in negotiations, bringing the Board a project participation share agreement for approval after CC Power executes the energy storage services agreement. RCEA's committed share of the project would not exceed 3.83 MW.
2. CC Power members are preparing to issue another solicitation for "firm clean" generation resources compliant with the California Public Utilities Commission (CPUC) June 2021 mid-term reliability decision. Staff seek Board authorization for RCEA to participate in this solicitation. At the time of this staff report's publication, CC Power planned to issue the solicitation on or around October 25, prior to the RCEA Board meeting. RCEA will be listed as a participant; however, should the Board choose for any reason not to have RCEA participate, it is still possible to withdraw from the process.

BACKGROUND

In its decision D.2021-06-035, the CPUC in June 2021 directed the state's load-serving entities, including RCEA, to procure new capacity resources to come online between 2023 and 2026 to ensure electric system reliability. With the Board's approval, RCEA launched a solicitation last month aimed at procuring resources needed to come online in phases between 2023 and 2025.

The resources ordered by the CPUC to be available by 2026 fall into two special categories. One of these is long-duration storage (LDS), and RCEA has been pursuing this compliance need through participation in the joint solicitation issued by a group of CCAs a year ago, now under the auspices of CC Power. Staff will provide a presentation with background information on the LDS procurement process to date and the proposed agreement with LS Power for their Tumbleweed LDS project.

The other category, referred to as firm clean resources (FCR), includes resources that have no on-site emissions or qualify as renewable per State standards, and have at least 80% capacity factor. The CCAs interpret this requirement as meaning that new or expanded geothermal or biomass facilities would likely be the only types of qualifying resources. Staff are seeking Board approval to participate in a CC Power solicitation seeking these firm clean resources.

FINANCIAL IMPACTS

Based on the contract price offered to the participating CCAs by LS Power, the annual cost to RCEA of its share of the Tumbleweed energy storage project will be approximately \$330,000. Operation of the storage resource in the California Independent System Operator (CAISO) market is expected to earn the participating CCAs some revenues that could partially offset this contract cost.

The joint CCAs planning to participate in the FCR solicitation intend to minimize costs of running the solicitation through reliance on CCA staff “sweat equity” in place of outside consultants, to the extent feasible. As with the long-duration storage solicitation, participating CCAs will each contribute to any cash costs associated with the firm clean resources solicitation, including CC Power staff time and consultant time. The long-term financial impact of RCEA’s eventual procurement resulting from the FCR solicitation is not yet known and will be determined by the price of any accepted offers and the amount of capacity to which RCEA commits.

STAFF RECOMMENDATION

Authorize staff to continue to participate in negotiations for procurement of long-duration energy storage from LS Power’s Tumbleweed project, with a goal of bringing the Board a Project Participation Share Agreement for approval subsequent to approval of an Energy Storage Services Agreement by the California Community Power Board.

Approve RCEA Participation in California Community Power’s Solicitation for Firm Clean Resources

ATTACHMENTS

None

Update on California Community Power Procurement Activities

- *Long Duration Energy Storage*
- *Firm Clean Energy Resources*

Presentation for Redwood Coast Energy Authority
Board of Directors

October 28, 2021

Long Duration Storage RFO

- Joint CCAs including RCEA issued solicitation in Oct. 2020 seeking up to 500 MW
- Offers must be Grid-charged with minimum 8-hour discharge duration, minimum 50 MW, minimum 10-year term, online by 2026
- CC Power took on management of the RFO once the JPA was established
- 51 Entities submitted offers (over 9,000 MW)
- CC Power, CCAs, and consultants have been working on evaluation, short listing, and negotiations

8 Technology Types Offered

Battery aqueous-air flow lithium-ion zinc
Chemical Flow iron redox flow vanadium flow
Compressed Air
Fuel Cell – Hydrogen
Hybrid hydrogen, combined-cycle gas gen Li-ion, combined-cycle gas gen
Mechanical – Gravity
Pumped Hydro
Thermal ice (HVAC) liquid air molten Salt molten Salt & Gas gen volcanic stone water heat exchange

Participating CCAs in LDS Procurement

7 CCAs agreed to move forward with joint LDS procurement



Lithium-Ion vs. Emerging Technologies

- The top 10 projects were the highest scores (all Li-ion battery projects).
- The remaining 7 spots were allocated to the highest scoring non Li-ion projects.
 - The decision to include non Li-ion and classify as “emerging technologies” was to introduce technology diversity to the potential shortlist.
 - 56 out of the 98 primary offers represented Li-ion

LDS Project #1

- **Project – Tumbleweed (developer: LS Power)**
- **Product – 69 MW/552 MWh – Tolling Agreement**
- **Location – Rosamond, Kern County**
- **Technology – Lithium-ion battery**
- **Interconnection Status – Partial Capacity**
- **Online – 7/1/24**
(~2 yrs before CPUC deadline)
- **Discharge Duration – 8 hours**
- **Price – fixed over term**
- **Term – 15 years**



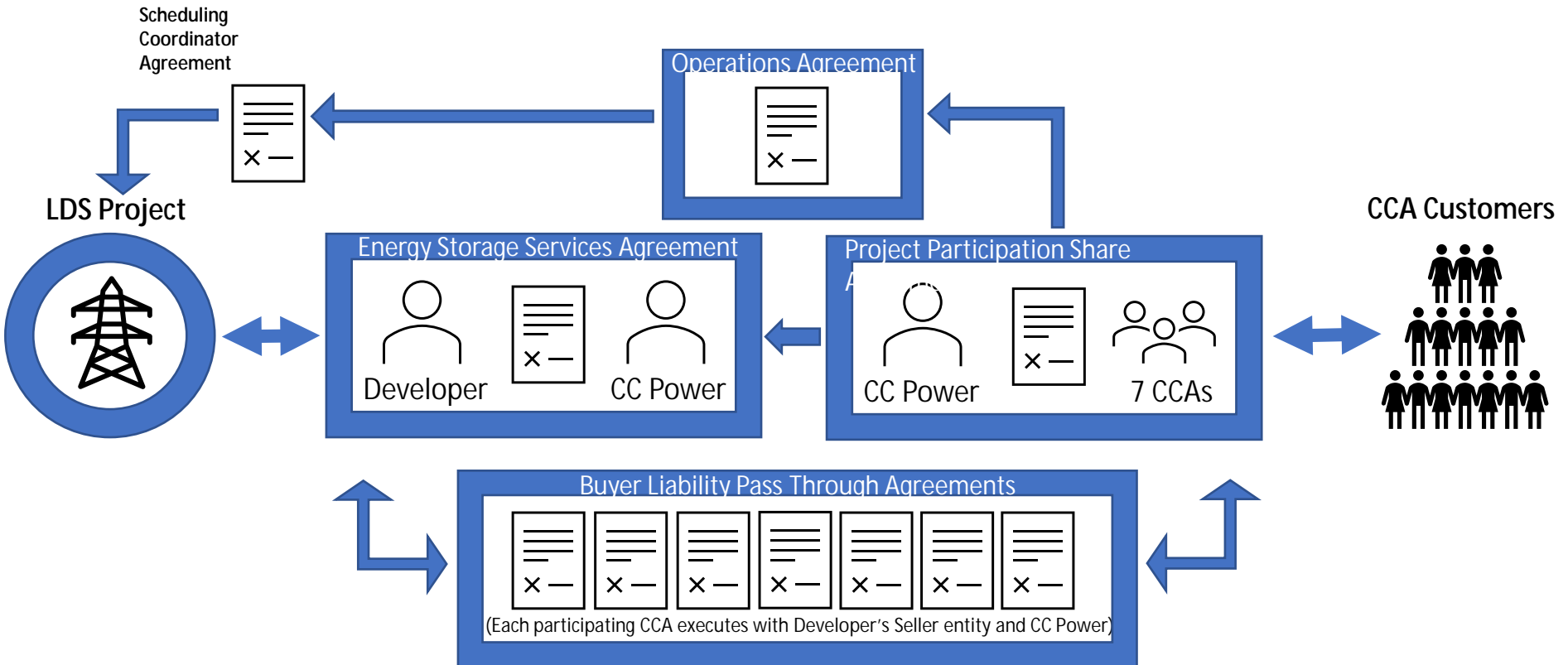
Tumbleweed Shares per CCA

- Expected capacity share per CCA is based on a pro rata share of CPUC's June 2021 Mid-term Reliability Procurement Order

Participating CCA	MTR Procurement Capacity Order LDS MW	% of MTR Requirement	Tumbleweed Allocation MW
CPSF	15.5	16%	11.1
PCE	19	20%	13.6
RCEA	3.5	4%	2.5
SJCE	21.5	22%	15.4
SVCE	20.5	21%	14.7
SCPA	12.5	13%	8.9
VCE	4	4%	2.9
Total	96.5		69.0

- Participating CCAs will seek authority to take a maximum capacity to cover:
 - Increased capacity should a CCA not obtain approval to move forward
 - Step-up capacity of up to 25% of contracted capacity

Contract Structure



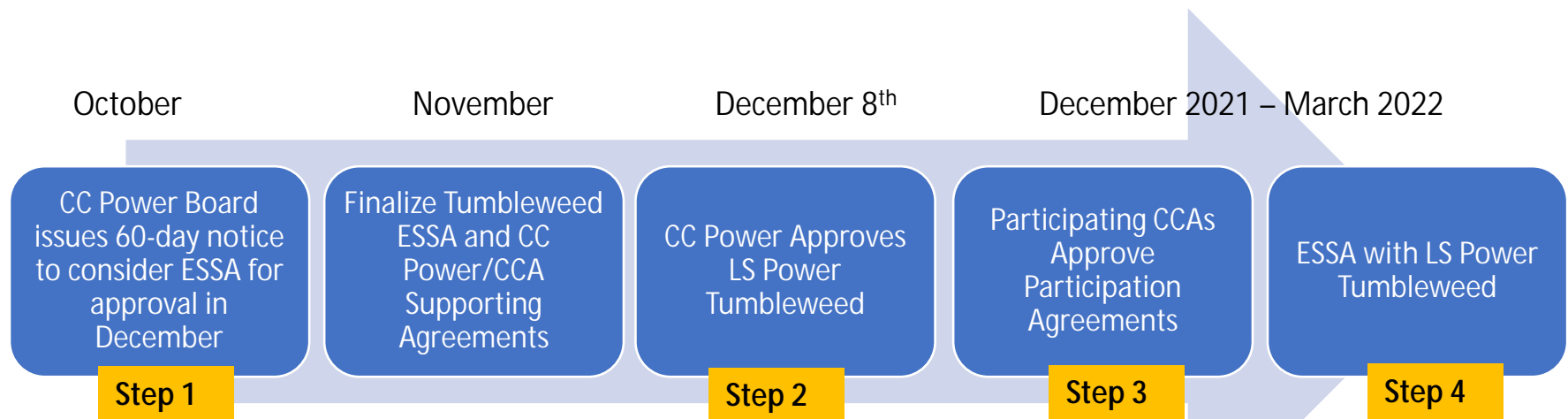
Tumbleweed Approval Process

Step 1: CC Power Board issues 60-day notice to consider ESSA for approval in December – **Oct. 8, 2021**

Step 2: CC Power Board approves ESSA, PPSA, BLPTA & Operating Agreement, conditioned on individual CCA Approval

Step 3: CCAs seek respective Board Approvals of PPSA, BLPTA and Operating Agreement

Step 4: Tumbleweed Agreements become effective



Process will be repeated for additional LDS Project Agreements – conditioned on negotiations and interest from other CCAs

LDS Team

Project Oversight Committee

CCA	POC Member	Other Staff
CleanPowerSF	Michael Hyams	Erin Mulberg
Peninsula Clean Energy	Siobhan Doherty	
Redwood Coast Energy	Richard Engel	Jocelyn Gwynn
San Jose Clean Energy	Jeanne Sole	Phil Cornish
Silicon Valley Clean Energy	Monica Padilla	Karthik Rajan
Sonoma Clean Power	Deb Emerson	Ryan Tracey and Hannah Rennie
Valley Clean Energy	Gordon Samuel	

Gridwell Consulting – Carrie Bentley

Keyes & Fox – Kevin Fox

Ascend Analytics – David Millar, Brent Nelson and Valerie Katz

BBSW – Tony Braun, Justin Wynne, Brittany Iles, Kris Kirkegaard
Timothy Haines

Firm Clean Energy Resources RFO

- In addition to long duration storage, CPUC's June 2021 mid-term reliability decision also requires load-serving entities to procure capacity from generation with zero emissions or state-qualified renewables and at least 80% capacity factor, aka "firm clean energy resources" (FCER)
- Based on those criteria, qualifying FCER resources expected to be new or expanded geothermal or biomass projects
- CC Power's member CCAs have been working on a new request for offers seeking FCER, issued earlier this week
- Similar to the LDS procurement, RCEA's target would be approximately 3.5 MW of FCER capacity for CPUC compliance



REDWOOD COAST Energy Authority

STAFF REPORT Agenda Item # 8.1

AGENDA DATE:	October 28, 2021
TO:	Board of Directors
PREPARED BY:	Jocelyn Gwynn, Power Resources Manager
SUBJECT:	Hatchery Road Feed-in Tariff Contracts

SUMMARY

In August 2021, the Board received updates on delays to RCEA's contracted Feed-In Tariff (FIT) solar projects, and approved amendments to their contracts so that the damages accrued by the project developers would not render the projects uneconomic. The prospective Hatchery Road Solar Project in Blue Lake is experiencing significant delays in commercial operation in their interconnection process with PG&E. The project was originally planned to become operational in two phases, with Hatchery A & B coming online in December 2021 and Hatchery C & D in April 2022. However, the Commercial Operation Date (COD) of all four parts of the project is now anticipated to be April 1, 2023, due to the interconnection delays.

In recent months, staff have learned that there has also been a dramatic increase in the interconnection costs that the project developer, Renewable Properties, will have to pay PG&E. To cover the additional costs, Renewable Properties has elected to terminate two of the four Hatchery Road Power Purchase Agreements (PPA) with RCEA and reapply to the program at the currently offered, higher FIT PPA price. As a reminder, RCEA's FIT program incorporates market-adjusting pricing, meaning the offered price increases over time if little to no capacity is reserved, and conversely decreases if a greater amount of capacity is reserved. Because RCEA has not received any FIT applications in a while, the price has increased to the ceiling of \$90 per MWh.

Staff consider Renewable Properties' decision to terminate and reapply reasonable given the circumstances beyond their control and ask that the Board approve the two new PPAs for Hatchery Road C and D. In addition to the standard FIT PPA changes the Board approved in August, the only other changes to these contracts are the increase in price of from \$84/MWh to \$90/MWh and the revision of the COD from April 1, 2022, to April 1, 2023. The Hatchery Road C PPA is attached to this report showing the revisions in redline format. The Hatchery Road D PPA is identical to the Hatchery Road C PPA and is not attached.

BACKGROUND

The typical wholesale distribution interconnection process through PG&E involves an initial System Impact Study that is performed remotely, upon which PG&E provides the applicant with a scope of work and cost estimate to interconnect their project. If the applicant agrees to proceed, they execute an interconnection agreement with PG&E. Later in the process, the utility

engineers do a substation site walk to assess the physical infrastructure at the point of interconnection, and as a result may update the scope of work and cost.

In the case of Hatchery Road, PG&E's onsite walk resulted in a cost increase of up to seven-fold from the original estimate, due to substantial infrastructure upgrades that would be triggered by the project. In particular, it was determined that an entirely new control building and associated underground cable was needed to accommodate the project, due to the age of the existing control room and current codes. This turn of events is reflected in correspondence between PG&E and Renewable Properties that was reviewed by staff.

FINANCIAL IMPACTS

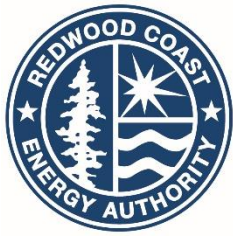
With the 7% contract price increase, approval of the new Hatchery Road PPAs will result in RCEA spending about \$550,000 more over the 20-year life of the contracts, depending on how much energy the projects generate. Although these dollars have not been earmarked in RCEA's budget, they are within the approved FIT program budget. Per the terms of its standard FIT PPA, RCEA has retained Renewable Properties' security deposits upon termination of the previous Hatchery C & D contracts, and the developer has submitted new deposits with their reapplications. The forfeiture of the original deposits marginally offsets the increased cost of the proposed new PPAs.

STAFF RECOMMENDATION

Approve the Revised Power Purchase Agreements for Hatchery Road C & D with RPCA Solar 5 LLC and Authorize the Executive Director to Execute the Agreements.

ATTACHMENTS

Hatchery Road C Power Purchase Agreement



REDWOOD COAST
EnergyAuthority

FEED-IN TARIFF

POWER PURCHASE AGREEMENT

between

REDWOOD COAST ENERGY AUTHORITY

and

RPCA Solar 5, LLC

FEED-IN TARIFF

POWER PURCHASE AGREEMENT

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FEED-IN TARIFF POWER PURCHASE AGREEMENT

The Redwood Coast Energy Authority, a California Joint Powers Authority (“Buyer” or “RCEA”), and RPCA Solar 5, LLC (“Seller”), a California Limited Liability Company, hereby enter into this Power Purchase Agreement (“Agreement”) made and effective as of the Execution Date. Seller and Buyer are sometimes referred to in this Agreement jointly as “Parties” or individually as “Party.” In consideration of the mutual promises and obligations stated in this Agreement and its appendices, the Parties agree as follows:

1. DOCUMENTS INCLUDED

This Agreement includes the following appendices, which are specifically incorporated herein and made a part of this Agreement:

- Appendix A Definitions
- Appendix B Commercial Operation Date Confirmation Letter
- Appendix C Forecasting Requirements
- Appendix D Description of the Facility
- Appendix E Seller’s Milestone Schedule
- Appendix F Notices List
- Appendix G Form Of Letter Of Credit
- Appendix H Form Of Consent To Assignment

This Agreement specifically incorporates herein by reference as if appended hereto the following documents (collectively referred to herein as the “Referenced Documents”):

Feed-in Tariff dated April 1, 2019

Feed-in Tariff Application, submitted by Seller dated August 26, 2020

Feed-in Tariff Generation Forecast dated August 26, 2020

To the extent any provisions of the Referenced Documents conflict with any other provisions of the Agreement, the other provisions of the Agreement shall control.

FEED-IN TARIFF

POWER PURCHASE AGREEMENT

2. SELLER'S FACILITY AND COMMERCIAL OPERATION DATE

This Agreement governs Buyer's purchase of the Product from the electrical generating facility (hereinafter referred to as the "Facility" or "Project") as described in this Section.

2.1. Facility Location. The Facility is physically located at:

1195 Hatchery Road Arcata CA, 95521

2.2. Facility Name. The Facility is named Hatchery Road Solar C.

2.2.1. The Facility's renewable resource is Solar.

2.3. Interconnection Point. The Facility is connected to the Pacific Gas & Electric Company ("PG&E") electric system at PG&E Blue Lake 1101 distribution circuit at a service voltage of 12.47 kV.

2.4. Delivery Point. The Delivery Point for Energy is the Interconnection Point.

2.5. Facility Description. A description of the Facility, including a summary of its significant components, a drawing showing the general arrangements of the Facility, and a single line diagram illustrating the interconnection of the Facility and loads with the Transmission/Distribution Owner's electric distribution system, is attached and incorporated herein as Appendix D.

2.6. Commercial Operation.

2.6.1. The Facility's expected Commercial Operation Date is 4/1/2023.

2.6.2. Seller shall achieve Commercial Operation no later than the expected Commercial Operation Date specified in Section 2.6.1, which date shall be no later than eighteen (18) months from the Execution Date of this Agreement. The expected Commercial Operation Date specified in Section 2.6.1 may be extended for only the following reasons:

2.6.2.1. If Seller has taken all commercially reasonable actions (including but not limited to Seller's timely filing of all required applications and documents, payment of all applicable fees, and completion of all electric system upgrades needed, if any) to have the Project physically interconnected to the Transmission/Distribution Owner's distribution system, but fails to secure any necessary commitments from the Transmission/Distribution Owner for such interconnection and upgrades due to delays beyond Seller's reasonable control,

FEED-IN TARIFF

POWER PURCHASE AGREEMENT

then the expected Commercial Operation Date specified in Section 2.6.1 shall be extended for the number of days necessary to physically interconnect the Facility; provided, however, that such delay may not extend the expected Commercial Operation Date specified in Section 2.6.1 for a period of more than ~~six-twelve~~ (12~~6~~) months; or

2.6.2.2. If Seller has taken all commercially reasonable actions (including but not limited to Seller's timely filing of all required applications and documents and payment of all applicable fees, if any) to obtain permits necessary to construct and operate the facility but fails to secure any such permits due to delays beyond Seller's reasonable control, then the expected Commercial Operation Date specified in Section 2.6.1 shall be extended for the number of days necessary to secure such permits; provided, however, that such delay may not extend the expected Commercial Operation Date specified in Section 2.6.1 for a period of more than ~~six-twelve~~ (12~~6~~) months; or

2.6.2.3. In the event of Force Majeure, the expected Commercial Operation Date specified in Section 2.6.1 shall be extended on a day-to-day basis for a cumulative period of not more than six (6) months; provided that Seller complies with Section 10.

2.6.2.4. Extensions under Section 2.6.2.1, 2.6.2.2, and 2.6.2.3, to the extent they may occur concurrently, shall run concurrently.

2.6.3. Seller shall provide Notice to Buyer of the Commercial Operation Date of the Facility no later than thirty (30) days before such date.

2.6.4. Notwithstanding anything in this Agreement, if Seller is unable to achieve Commercial Operation by the expected Commercial Operation Date specified in Section 2.6.1, which may be extended pursuant to Section 2.6.2, then Seller shall either (i) terminate the Agreement, in which case Buyer may retain the full Reservation Deposit, or (ii) pay to Buyer daily delay damages in the amount of ~~twenty-ten~~ cents (\$0.~~12~~0) for each kilowatt of Contract Capacity for each day beyond the expected Commercial Operation Date specified in Section 2.6.1, as may be extended pursuant to Section 2.6.2, that Seller requires to achieve Commercial Operation.

2.6.5. Commercial Operation shall occur only when all of the following conditions have been satisfied:

2.6.5.1. the Facility's status as an Eligible Renewable Energy Resource is demonstrated by Seller's receipt of pre-certification from the CEC;

FEED-IN TARIFF

POWER PURCHASE AGREEMENT

2.6.5.2. the Parties have executed and exchanged the “Commercial Operation Date Confirmation Letter” attached as Appendix B;

2.6.5.3. Seller has obtained and is in compliance with the Interconnection Agreement for the Facility, and Seller has satisfied all applicable CAISO Tariff requirements and metering requirements in Sections 6.1 and 6.2;

2.6.5.4. Seller has furnished to Buyer all insurance documents required under Section 8;

2.6.5.5. Seller has provided thirty (30) days’ Notice prior to the Commercial Operation Date as required under Section 2.6.3;

2.6.5.6. Seller has obtained all permits necessary to operate the Facility and is in compliance with all Laws applicable to the operation of the Facility;

2.6.5.7. Seller has successfully installed and tested the Facility at its full Contract Capacity, and the Facility is capable of reliably generating at its full Contract Capacity; and

2.6.5.8. Seller has satisfied the Collateral Requirement set forth in Section 3.9.

3. CONTRACT CAPACITY AND QUANTITY; TERM; CONTRACT PRICE; BILLING; COLLATERAL REQUIREMENT

3.1. Contract Capacity. The Contract Capacity is 990 kW, alternating current (AC). The Contract Capacity shall not exceed 1,000 kW AC.

3.2. Contract Quantity. The “Contract Quantity” during each Contract Year is the amount set forth in the applicable Contract Year in the “Delivery Term Contract Quantity Schedule,” set forth below, which amount is net of Station Use. Seller shall have the option to update the Delivery Term Contract Quantity Schedule one (1) time prior to Commercial Operation Date.

Delivery Term Contract Quantity Schedule	
Contract Year	Contract Quantity (kWh/Yr)
1	2,017,000
2	2,450,000
3	2,438,000
4	2,426,000
5	2,414,000
6	2,402,000

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Delivery Term Contract Quantity Schedule	
Contract Year	Contract Quantity (kWh/Yr)
7	2,390,000
8	2,378,000
9	2,366,000
10	2,354,000
11	2,342,000
12	2,330,000
13	2,319,000
14	2,307,000
15	2,296,000
16	2,284,000
17	2,273,000
18	2,261,000
19	2,250,000
20	2,239,000
21	403,000

3.3. Transaction. During the Delivery Term, Seller shall sell and deliver, or cause to be delivered, and Buyer shall purchase and receive, all Product produced by or associated with the Facility that is delivered to the Delivery Point. In no event shall Seller have the right to procure the Product from sources other than the Facility for sale or delivery to Buyer under this Agreement. Buyer shall have no obligation to receive or purchase the Product from Seller prior to the Commercial Operation Date or after the end of the Delivery Term.

3.4. Term of Agreement; Survival of Rights and Obligations.

3.4.1. The term shall commence upon the Execution Date of this Agreement and shall remain in effect until the conclusion of the Delivery Term unless terminated sooner pursuant to Sections 10.4 or 11 of this Agreement (the "Term").

3.4.2. Notwithstanding anything to the contrary in this Agreement, all of the rights and obligations that this Agreement expressly provides survive termination as well as the rights and obligations that arise from Seller's or Buyer's covenants, agreements, representations, and warranties applicable to, or to be performed, at or during any time before or as a result of the termination of this Agreement.

3.5. Delivery Term. Seller shall deliver the Product from the Facility to Buyer for a period of twenty (20) Contract Years for all generation technologies. The Delivery Term shall commence on the Commercial Operation Date and continue until the end of the last Contract Year

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unless the Agreement is terminated sooner pursuant to the terms of the Agreement.

3.6. Contract Price.

3.6.1. Throughout the Delivery Term, and subject to and in accordance with the terms of this Agreement, Buyer shall pay the Contract Price to Seller for the Product based on the amount of Delivered Energy. The Contract Price shall be \$~~9084~~ per MWh of Delivered Energy with an additional \$5 per MWh for Delivered Energy during the first five (5) Contract Years.

3.6.2. In any Contract Year, if the amount of Delivered Energy exceeds one hundred fifteen percent (115%) of the annual Contract Quantity amount, the Contract Price for such Delivered Energy in excess of one hundred fifteen percent (115%) shall be adjusted to be seventy-five percent (75%) of the applicable Contract Price.

3.6.3. Seller shall curtail production of the Facility in accordance with the applicable Notice after receipt of: (a) Notice from Buyer that Buyer has been instructed by the CAISO or the Transmission/Distribution Owner or any other jurisdictional entity to curtail Energy deliveries; or (b) Notice that Seller has been given a curtailment order or similar instruction in order to respond to an Emergency; or (c) Notice of a Curtailment Order issued by Buyer. Buyer shall have no obligation to pay Seller for any Product delivered in violation of this Section 3.6.3. Seller shall assume all liability and reimburse Buyer for any and all costs and charges incurred by Buyer, including but not limited to CAISO penalties, as a result of Seller delivering Energy in violation of the Section 3.6.3. Buyer shall have no obligation to pay Seller for any Product that Seller would have been able to deliver but for the fact of a curtailment pursuant to subsection (a) or (b) of the first sentence of this Section 3.6.3.

3.6.4. Buyer shall have the right, but not the obligation, to issue to Seller a Curtailment Order. Buyer shall pay Seller the Contract Price for the Product Seller would have been able to deliver but for the fact that Buyer issued a Curtailment Order ("Paid Curtailed Product") as calculated pursuant to Section 3.6.5.

3.6.5. No later than fifteen (15) days after the end of a calendar month in which Buyer issued a Curtailment Order, Seller shall prepare and provide to Buyer a calculation of the amount of Product the Facility would have been able to deliver under Sections 3.6.4 for the applicable month. Seller shall apply accepted industry standards in making such calculation and take into consideration past performance of the Facility, and other relevant information, including

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but not limited to, Facility availability, weather, water flow, and solar irradiance data for the period of time during the Buyer issued Curtailment Order. Upon Buyer's request, Seller shall promptly provide to Buyer any additional and supporting documentation necessary for Buyer to audit and verify Seller's calculation.

3.6.6. If Seller was approved by Buyer as qualifying for the Local Business Incentive based on the circumstances at the time that Seller submitted the Feed-in Tariff Application, but at any time subsequent to the submission of the Feed-in Tariff Application, Seller no longer meets the requirements for the Local Business Incentive, then Seller shall provide Buyer with Notice within sixty (60) days of the date that Seller no longer meets the requirements for the Local Business Incentive. The Notice provided by Seller to Buyer shall state the date on which Seller no longer met the requirements for the Local Business Incentive. The applicable Contract Price specified in Section 3.6.1 shall be reduced by the amount of the Local Business Incentive as of the date on which Seller no longer met the requirements for the Local Business Incentive. If Seller has previously billed Buyer for Delivered Energy at a Contract Price that includes the Local Business Incentive but was generated after the date on which Seller no longer qualifies for the Local Business Incentive, then Seller shall reduce the next invoice by the amount equal to the Local Business Incentive multiplied by the number of hours of Delivered Energy that Seller billed Buyer for, but for which Seller did not qualify for the Local Business Incentive.

3.7. Billing.

3.7.1. The amount of Delivered Energy shall be determined by the meter specified in Section 6.2.1 or Check Meter, as applicable. Buyer has no obligation to purchase from Seller any Energy that is not or cannot be delivered to the Delivery Point, regardless of circumstance. Buyer will not be obligated to pay Seller for any Product that Seller delivers in violation of Section 3.6.3, including any Product Seller delivers in excess of the amount specified in any Curtailment Order.

3.7.2. For the purpose of calculating monthly payments under this Agreement, the amount recorded by the meter specified in Section 6.2.1 or Check Meter, as applicable, will be multiplied by the Contract Price noted in Section 3.6.1, as possibly adjusted under Section 3.6.2, less any Energy produced by the Facility for which Buyer is not obligated to pay Seller as set forth in Section 3.7.1.

3.7.3. On or before the last Business Day of the month immediately following each calendar month, Seller shall determine the amount of Delivered Energy received by Buyer pursuant to this Agreement for

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each monthly period and issue an invoice showing the calculation of the payment. Seller shall also provide to Buyer: (a) records of metered data sufficient to document and verify the generation of Delivered Energy by the Facility during the preceding month; (b) access to any records; and (c) an invoice, in the format specified by Buyer.

- 3.7.4. 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, with Notice of the objection given to the other Party. 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. In the event adjustments to payments are required as a result of inaccurate meter(s), Buyer in its reasonable discretion shall determine the correct amount of Delivered Energy received under this Agreement during any period of inaccuracy and recompute the amount due from Buyer to Seller for the Delivered Energy delivered during the period of inaccuracy. The Parties agree to use good faith efforts to resolve the dispute or identify the adjustment as soon as possible. Upon resolution of the dispute or calculation of the adjustment, any required payment shall be made within thirty (30) days of such resolution.
- 3.7.5. All interest paid or payable under this Agreement shall be computed as simple interest using the Interest Rate and, unless specified otherwise in this Agreement, shall be paid concurrently with the payment or refund of the underlying amount on which such interest is payable.
- 3.8. Title and Risk of Loss. Title to and risk of loss related to the Energy from the Facility shall transfer from Seller to Buyer at the Delivery Point. Seller warrants that it will deliver to Buyer the Product from the Facility free and clear of all liens, security interests, claims, and encumbrances or any interest therein or thereto by any person.
- 3.9. Collateral Requirement. On or before the Commercial Operation Date, Seller shall post and thereafter maintain a collateral requirement equal to twenty dollars (\$20.00) for each kilowatt of Contract Capacity (the "Collateral Requirement"). The Collateral Requirement will be held by Buyer and must be in the form of either cash deposit or Letter of Credit. The Collateral Requirement shall be posted to Buyer and maintained at all times during the Delivery Term. Buyer shall be entitled to draw upon the Collateral Requirement for any damages arising upon Buyer's declaration of an Early Termination Date as set forth in Section 11.3. In the event that Buyer draws on the Collateral Requirement, Seller shall promptly replenish such Collateral Requirement to the amount specified

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in this Section 3.9. Buyer shall return the unused portion of the Collateral Requirement to Seller promptly at the end of the Delivery Term, once all payment obligations of the Seller under this Agreement have been satisfied. Buyer shall pay simple interest on cash held to satisfy the Collateral Requirements at the rate and in the manner set forth in Section 3.7.5.

4. GREEN ATTRIBUTES; RESOURCE ADEQUACY BENEFITS; ERR REQUIREMENTS

- 4.1. Green Attributes. Seller hereby provides and conveys all Green Attributes associated with all electricity generation from the Project to Buyer as part of the Product being delivered. Seller represents and warrants that Seller holds the rights to all Green Attributes from the Project, and Seller agrees to convey and hereby conveys all such Green Attributes to Buyer as included in the delivery of the Product from the Project.
- 4.2. Conveyance of Product. Throughout the Delivery Term, Seller shall provide and convey the Product to Buyer in accordance with the terms of this Agreement, and Buyer shall have the exclusive right to the Product. Seller shall, at its own cost, take all actions and execute all documents or instruments that are reasonable and necessary to effectuate the use of the Green Attributes, Resource Adequacy Benefits, if any, and Capacity Attributes, if any, for Buyer's benefit throughout the Delivery Term.
- 4.3. WREGIS. Seller shall cause and allow Buyer, or Buyer's agent, to be the "Qualified Reporting Entity" and "Account Holder" (as such terms are defined by WREGIS) for the Facility within thirty (30) days after the Commercial Operation Date. In the event that Buyer is not the Qualified Reporting Entity, Seller shall, at its sole expense, take all actions necessary and provide any documentation requested by Buyer in support of WREGIS account administration and compliance with the California Renewables Portfolio Standard. Seller, at its sole expense, shall take all necessary steps and submit/file all necessary documentation to ensure that the Facility remains an Eligible Renewable Energy Resource throughout the Delivery Term as outlined in Section 4.5 and that all WREGIS Certificates associated with the Product accrue to Buyer and will satisfy the requirements of the California Renewables Portfolio Standard.
- 4.4. Resource Adequacy Benefits.
 - 4.4.1. During the Delivery Term, Seller grants, pledges, assigns and otherwise commits to Buyer all of the Contract Capacity, including Capacity Attributes, if any, from the Project to enable Buyer to meet

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its Resource Adequacy or successor program requirements, as the CPUC, CAISO or other regional entity may prescribe ("Resource Adequacy Requirements").

4.4.2. If providing any Resource Adequacy, Seller shall comply with the Resource Adequacy requirements set forth in the CAISO Tariff, including Section 40 thereof, as may be changed from time to time.

4.4.3. If providing any Resource Adequacy, Seller shall cooperate in good faith with and comply with reasonable requests of Buyer and the CAISO to enable Buyer and/or the CAISO to assign Capacity Attributes and Resource Adequacy Benefits to the Facility.

4.5. Eligible Renewable Energy Resource. Seller shall take all actions necessary to achieve and maintain status as an Eligible Renewable Energy Resource or ERR throughout the Delivery Term. Within thirty (30) days after the Commercial Operation Date, Seller shall file an application or other appropriate request with the CEC for CEC Certification for the Facility. Seller shall expeditiously seek CEC Certification, including promptly responding to any requests for information from the requesting authority.

5. REPRESENTATION AND WARRANTIES; COVENANTS

5.1. Representations and Warranties. On the Execution Date, each Party represents and warrants to the other Party that:

5.1.1. it is duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation;

5.1.2. the execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any Laws;

5.1.3. this Agreement and each other document executed and delivered in accordance with this Agreement constitutes a legally valid and binding obligation enforceable against it in accordance with its terms;

5.1.4. it is not Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt; and

5.1.5. there is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement.

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5.2. General Covenants. Each Party covenants that throughout the Term of this Agreement:

5.2.1. it shall continue to be duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation;

5.2.2. it shall maintain (or obtain from time to time as required, including through renewal, as applicable) all regulatory authorizations necessary for it to legally perform its obligations under this Agreement; and

5.2.3. it shall perform its obligations under this Agreement in a manner that does not violate any of the terms and conditions in its governing documents, any contracts to which it is a party, or any Law.

5.3. Seller's Representations, Warranties and Covenants. In addition to the representations, warranties and covenants specified in Sections 5.1 and 5.2, Seller makes the following additional representations, warranties and covenants to Buyer, as of the Execution Date:

5.3.1. Seller has not participated in the Self-Generation Incentive Program (as defined in CPUC Decision 01-03-073), the California Solar Initiative (as defined in CPUC Decision 06-01-024), and/or other similar California ratepayer subsidized program relating to energy production or rebated capacity costs with respect to the Facility.

5.3.2. Seller's execution of this Agreement will not violate Public Utilities Code Section 2821(d)(1), if applicable;

5.3.3. Seller has met all applicable legal and regulatory requirements to sell wholesale electricity in California;

5.3.4. Seller, and, if applicable, its successors, represents and warrants that throughout the Delivery Term of this Agreement that: (i) the Project qualifies and is certified by the CEC as an Eligible Renewable Energy Resource ("ERR") as such term is defined in Public Utilities Code Section 399.12 or Section 399.16; and (ii) the Project's output delivered to Buyer qualifies under the requirements of the California Renewables Portfolio Standard. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law;

5.3.5. Seller and, if applicable, its successors, represents and warrants that throughout the Delivery Term of this Agreement the Renewable Energy Credits transferred to Buyer conform to the definition and attributes required for compliance with the California Renewables

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Portfolio Standard, as set forth in California Public Utilities Commission Decision 08-08-028, and as may be modified by subsequent decision of the California Public Utilities Commission or by subsequent legislation. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law;

- 5.3.6. Throughout the Delivery Term, Seller shall: (a) own and operate the Facility; (b) deliver the Product to Buyer free and clear of all liens, security interests, claims, and encumbrances or any interest therein or thereto by any individual or entity; and (c) hold the rights to all of the Product;
- 5.3.7. Seller is acting for its own account, has made its own independent decision to enter into this Agreement and as to whether this Agreement is appropriate or proper for it based upon its own judgment, is not relying upon the advice or recommendations of the Buyer in so doing, and is capable of assessing the merits of, and understands and accepts, the terms, conditions and risks of this Agreement;
- 5.3.8. Throughout the Delivery Term: (a) Seller shall not convey, transfer, allocate, designate, award, report or otherwise provide any or all of the Product, or any portion thereof, or any benefits derived therefrom, to any party other than Buyer; and (b) Seller shall not start-up or operate the Facility per instruction of or for the benefit of any third party, except as required by other Laws;
- 5.3.9. Seller has not relied on any promises, representations, statements or information of any kind that are not contained in this Agreement in deciding to enter into this Agreement;
- 5.3.10. The construction of the Facility shall comply with all Laws, including applicable state and local laws, building standards, and interconnection requirements;
- 5.3.11. No other person or entity, including any other generating facility, has any rights in connection with Seller's Interconnection Agreement or Seller's Interconnection Facilities and no other persons or entities shall have any such rights during the Term;
- 5.3.12. During the Delivery Term, Seller shall not allow any other person or entity, including any other generating facility, to use Seller's Interconnection Facilities; and

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5.3.13. All representations made by Seller in its Feed-in Tariff Application are true and correct.

6. GENERAL CONDITIONS

6.1. CAISO Agreements; CAISO Costs; Interconnection Agreements.
During the Delivery Term, Seller shall comply with all contractual, metering, and applicable interconnection requirements, including those set forth in the Interconnection Agreement, Transmission/Distribution Owner's applicable tariffs, the CAISO Tariff and implementing CAISO standards and requirements, and all Laws so as to be able to deliver Energy to the Delivery Point. Seller shall provide and maintain during the Delivery Term, at its cost, all data processing gateways or remote intelligence gateways, telemetering equipment and data acquisition services, and associated measuring and recording equipment necessary to meet all applicable WREGIS and CAISO requirements applicable to the Facility during the Delivery Term. Seller shall also secure and maintain in full force all of the CAISO agreements, certifications, and approvals required in order for the Facility to comply with the CAISO Tariff and any other agreement necessary to deliver Product to Buyer during the Delivery Term. Seller shall submit its request to interconnect the Facility and obtain an Interconnection Agreement pursuant to Transmission/Distribution Owner's Wholesale Distribution Tariff. For avoidance of doubt, Facilities that interconnect pursuant to CPUC Rule 21 are not eligible for this Agreement.

6.2. Metering Requirements.

6.2.1. All Energy from the Project must be delivered through a single revenue quality meter and that meter must be dedicated exclusively to the Project. All Delivered Energy purchased under this Agreement must be measured by the Project's revenue quality meter(s) to be eligible for payment under this Agreement. Seller shall bear all costs relating to all metering equipment installed to accommodate the Project.

6.2.2. Buyer may, at its sole cost, furnish and install one Check Meter at the interconnection associated with the Facility at a location provided by Seller that is compliant with Buyer's electric service requirements. The Check Meter may be interconnected with Buyer's communication network, or the communication network of Buyer's Agent, to permit periodic, remote collection of revenue quality meter data. In the event that Buyer elects to install a Check Meter, Buyer may compare the Check Meter data to the Facility's revenue meter data. If the deviation between the Facility's revenue meter data and the Check Meter data for any comparison is greater than 0.3%, Buyer may provide Notice to Seller of such deviation and the Parties shall

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mutually arrange for a meter check or recertification of the Check Meter or the Facility's revenue meter, as applicable. Each Party shall bear its own costs for any meter check or recertification. Testing procedures and standards for the Check Meter shall be the same as for a comparable Buyer-owned meter. Parties shall have the right to have representatives present during all such tests. The Check Meter, if Buyer elects to install a Check Meter, is intended to be used for back-up purposes in the event of a failure or other malfunction of the Facility's revenue meter, and Check Meter data shall only be used to validate the Facility's revenue meter data and, in the event of a failure or other malfunction of the Facility's revenue meter, in place of the Facility's revenue meter until such time that the Facility's revenue meter is recertified.

- 6.3. Meter Data. Seller hereby agrees to provide all meter data to Buyer in a form acceptable to Buyer, including any inspection, testing and calibration data and reports. Seller shall grant Buyer and Buyer's agent the right to retrieve the meter readings from Seller or Seller's meter reading agent, which may be PG&E.
- 6.4. Standard of Care. Seller shall: (a) maintain and operate the Facility and Interconnection Facilities in conformance with the Interconnection Agreement, the CAISO Tariff, all Laws, and Prudent Electrical Practices; (b) obtain any governmental authorizations and permits required for the construction and operation of the Facility and Interconnection Facilities; and (c) generate, schedule and perform transmission services in compliance with all applicable CAISO operating policies, criteria, rules, guidelines and tariffs and Prudent Electrical Practices. Seller shall reimburse Buyer for any and all losses, damages, claims, penalties, or liability Buyer incurs as a result of Seller's failure to obtain or maintain any governmental authorizations and permits required for construction and operation of the Facility throughout the Term of this Agreement.
- 6.5. Access Rights.
- 6.5.1. Operations Logs. Seller shall maintain a complete and accurate log of all material operations and maintenance information on a daily basis. Such log shall include, but not be limited to, information on power production, fuel consumption (if applicable), efficiency, availability, maintenance performed, outages, results of inspections, manufacturer recommended services, replacements, electrical characteristics of the generators, control settings or adjustments of equipment and protective devices. Seller shall provide this information electronically to Buyer within twenty (20) days of Buyer's request.

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- 6.5.2. Access Rights. Buyer, its authorized agents, employees and inspectors may, on reasonable advance notice under the circumstances, visit the Project during normal business hours for purposes reasonably connected with this Agreement. Buyer, its authorized agents, employees and inspectors must (a) at all times adhere to all safety and security procedures as may be required by Seller; and (b) not interfere with the operation of the Project. Buyer shall make reasonable efforts to coordinate its emergency activities with the safety and security departments, if any, of the Project operator. Seller shall keep Buyer advised of current procedures for contacting the Project operator's safety and security departments, if any exist.
- 6.6. Protection of Property. Seller shall be solely responsible for protecting its own facilities from possible damage resulting from electrical disturbances or faults caused by the operation, faulty operation, or non-operation of the Transmission/Distribution Owner's facilities. Buyer shall not be liable for any such damages so caused.
- 6.7. Forecasting. Seller shall comply with the forecasting in Appendix C.
- 6.8. Greenhouse Gas Emissions. Seller acknowledges that a Governmental Authority may require Buyer to take certain actions with respect to greenhouse gas emissions attributable to the generation of Energy, including, but not limited to, reporting, registering, tracking, allocating for or accounting for such emissions. Promptly following Buyer's written request, Seller agrees to take all commercially reasonable actions and execute or provide any and all documents, information, or instruments with respect to generation by the Facility reasonably necessary to permit Buyer to comply with such requirements, if any.
- 6.9. Reporting and Record Retention.
- 6.9.1. Seller shall use commercially reasonable efforts to meet the Milestone Schedule set forth in Appendix E and avoid or minimize any delays in meeting such schedule. Seller shall provide Project development status reports in a format and a frequency, which shall not exceed one (1) report per month, specified by the Buyer. The report shall describe Seller's progress relative to the development, construction, and startup of the Facility, as well as a Notice of any anticipated change to the Commercial Operation Date and whether Seller is on schedule to meet the Commercial Operation Date.
- 6.9.2. Seller shall within ten (10) Business Days of receipt thereof provide to Buyer copies of any Interconnection Agreement and all other material reports, studies and analyses furnished by any Transmission/Distribution Owner, and any correspondence with the

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Transmission/Distribution Owner related thereto, concerning the interconnection of the Facility to the Transmission/Distribution Owner's electric system or the transmission of Energy on the Transmission/Distribution Owners' electric system.

- 6.9.3. Seller shall provide to Buyer on the Commercial Operation Date, and within thirty (30) days after the completion of each Contract Year thereafter during the Delivery Term, a copy of any inspection and maintenance report regarding the Facility that was also provided to the Transmission/Distribution Owner during the previous Contract Year.
- 6.10. Tax Withholding Documentation. Upon Buyer's request, Seller shall promptly provide to Buyer Internal Revenue Service tax Form W-9 and California tax Form 590 (or their equivalent), completed with Seller's information, and any other documentation necessary for Buyer to comply with its tax reporting or withholding obligations with respect to Seller.
- 6.11. Modifications to Facility. During the Delivery Term, Seller shall not repower or materially modify or alter the Facility without the written consent of Buyer. Material modifications or alterations include, but are not limited to, (a) movement of the Site, (b) changes that may increase or decrease the expected output of the Facility other than as allowed under Section 3.2, (c) changes that may affect the generation profile of the Facility, (d) changes that may affect the ability to accurately measure the output of Product from the Facility and (e) changes that conflict with elections, information or requirements specified elsewhere in this Agreement. Material modifications or alterations do not include maintenance and repairs performed in accordance with Prudent Electrical Practices. Seller shall provide to Buyer Notice not less than ninety (90) days before any proposed repowering, modification or alteration occurs describing the repowering, modification or alteration to Buyer's reasonable satisfaction.
- 6.12. No Additional Incentives. Seller agrees that during the Term of this Agreement it shall not seek additional compensation or other benefits pursuant to the Self-Generation Incentive Program, as defined in CPUC Decision 01-03-073, the California Solar Initiative, as defined in CPUC Decision 06-01-024, Buyer's net energy metering tariff, or other similar California ratepayer subsidized program relating to energy production with respect to the Facility.
- 6.13. Small Hydro/Private Energy Producer. Seller agrees to provide to Buyer copies of each of the documents identified in California Public Utilities Code Section 2821(d)(1), if applicable, as may be amended from time to time, as evidence of Seller's compliance with such Public

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Utilities Code section prior to the Commercial Operation Date and, after the Commercial Operation Date, within thirty (30) days of Seller's receipt of written request.

- 6.14. Site Control. Seller shall have Site Control as of the earlier of: (a) the Commercial Operation Date; or (b) any date before the Commercial Operation Date to the extent necessary for the Seller to perform its obligations under this Agreement and, in each case, Seller shall maintain Site Control throughout the Delivery Term. Seller shall promptly provide Buyer with Notice if there is any change in the status of Seller's Site Control.

7. INDEMNITY

Seller shall defend, save harmless and indemnify Buyer and its directors, officers, officials, and employees against and from any and all loss, liability, damage, expense, and costs (including without limitation costs and fees of litigation and reasonable attorneys' fees) of every nature resulting from or arising out of Seller's performance of its obligations under this Agreement, or its failure to comply with any of its obligations contained in this Agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of Buyer.

8. INSURANCE

- 8.1. Insurance Coverage. Seller shall, at its own expense, starting on the Execution Date and until the end of the Term, and for such additional periods as may be specified below, provide and maintain in effect the following insurance policies and minimum limits of coverage as specified below, and such additional coverage as may be required by Law, with insurance companies authorized to do business in the state in which the services are to be performed, with an A.M. Best's Insurance Rating of not less than A-:VII.

- 8.1.1. Commercial general liability insurance, written on an occurrence, not claims-made basis, covering all operations by or on behalf of Seller arising out of or connected with this Agreement, including coverage for bodily injury, broad form property damage, personal and advertising injury, products/completed operations, contractual liability, premises-operations, owners and contractors protective, hazard, explosion, collapse and underground. Such insurance must bear a combined single limit per occurrence and annual aggregate of not less than two million dollars (\$2,000,000.00), exclusive of defense costs, for all coverages. Such insurance must contain standard cross-liability and severability of interest provisions. If Seller elects, with Buyer's written concurrence, to use a "claims made" form of

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commercial general liability insurance, then the following additional requirements apply: (a) the retroactive date of the policy must be prior to the Execution Date; and (b) either the coverage must be maintained for a period of not less than four (4) years after this Agreement terminates, or the policy must provide for a supplemental extended reporting period of not less than four (4) years after this Agreement terminates. Governmental agencies which have an established record of self-insurance may provide the required coverage through self-insurance.

8.1.2. Workers' compensation insurance with statutory limits, as required by the state having jurisdiction over Seller's employees, and employer's liability insurance with limits of not less than: (a) bodily injury by accident - one million dollars (\$1,000,000.00) each accident; (b) bodily injury by disease - one million dollars (\$1,000,000.00) policy limit; and (c) bodily injury by disease - one million dollars (\$1,000,000.00) each employee.

8.1.3. Commercial automobile liability insurance covering bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000.00) per occurrence. Such insurance must cover liability arising out of Seller's use of all owned, non-owned and hired automobiles in the performance of the Agreement.

8.1.4. Umbrella/excess liability insurance, written on an occurrence, not claims-made basis, providing coverage excess of the underlying employer's liability, commercial general liability, and commercial automobile liability insurance, on terms at least as broad as the underlying coverage, with limits of not less than four million dollars (\$4,000,000.00) per occurrence and in the annual aggregate.

8.2. Additional Insurance Provisions.

8.2.1. On or before the later of (a) sixty (60) days after the Execution Date and (b) the date immediately preceding commencement of construction of the Facility, and again within a reasonable time after coverage is renewed or replaced, Seller shall furnish to Buyer certificates of insurance evidencing the coverage required above, written on forms and with deductibles reasonably acceptable to Buyer. Notwithstanding the foregoing sentence, Seller shall in no event furnish Buyer certificates of insurance evidencing required coverage later than the Commercial Operation Date. All deductibles, co-insurance and self-insured retentions applicable to the insurance above must be paid by Seller. All certificates of insurance must note that the insurers issuing coverage must endeavor to provide Buyer with at least thirty (30) days' prior written notice in the event of cancellation of coverage. Buyer's receipt of certificates that do not

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comply with the requirements stated in this Section 8.2.1, or Seller's failure to provide such certificates, do not limit or relieve Seller of the duties and responsibility of maintaining insurance in compliance with the requirements in this Section 8 and do not constitute a waiver of any of the requirements of Section 8.

- 8.2.2. Insurance coverage described above in Section 8.1 shall provide for thirty (30) days written Notice to Buyer prior to cancellation, termination, alteration, or material change of such insurance.
- 8.2.3. Evidence of coverage described above in Section 8.1 shall state that coverage provided in primary and is not excess to or contributing with any insurance or self-insurance maintained by Buyer.
- 8.2.4. Buyer shall have the right to inspect or obtain a copy of the original policy(ies) of insurance.
- 8.2.5. All insurance certificates, endorsements, cancellations, terminations, alterations, and material changes of such insurance must be issued, clearly labeled with this Agreement's identification number and submitted in accordance with Section 9 and Appendix F.
- 8.2.6. The insurance requirements set forth in Section 8.1 shall apply as primary insurance to, without a right of contribution from, any other insurance maintained by or afforded to Buyer, its subsidiaries and Affiliates, and their respective officers, directors, shareholders, agents, and employees, regardless of any conflicting provision in Seller's policies to the contrary. To the extent permitted by Law, Seller and its insurers shall be required to waive all rights of recovery from or subrogation against Buyer, its subsidiaries and Affiliates, and their respective officers, directors, shareholders, agents, employees and insurers. The commercial general liability insurance required in Section 8.1.1 and the umbrella/excess liability insurance required in Section 8.1.4 must name Buyer, its subsidiaries and Affiliates, and their respective officers, directors, shareholders, agents and employees, as additional insureds for liability arising out of Seller's construction, use or ownership of the Facility.
- 8.2.7. Seller shall remain liable for all acts, omissions or default of any subcontractor or subsupplier and shall indemnify, defend and hold harmless Buyer for any and all loss or damages, as well as all costs, charges and expenses which Buyer may suffer, incur, or bear as a result of any acts, omissions or default by or on behalf of any subcontractor or subsupplier.
- 8.2.8. If Seller fails to comply with any of the provisions of this Section 8, Seller, among other things and without restricting Buyer's remedies under Law or otherwise, shall, at its own cost, act as an insurer and

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provide insurance in accordance with the terms and conditions of this Section 8. With respect to the required commercial general liability insurance set forth in Section 8.1.1, umbrella/excess liability insurance set forth in Section 8.1.4, and commercial automobile liability insurance set forth in Section 8.1.3, Seller shall provide a current, full and complete defense to Buyer, its subsidiaries and Affiliates, and their respective officers, directors, shareholders, agents, employees, assigns, and successors in interest, in response to a third party claim in the same manner that an insurer with an A.M. Best's Insurance Rating of A:VII would have, had the insurance been maintained in accordance with the terms and conditions set forth in this Section 8 and given the required additional insured wording in the commercial general liability insurance and umbrella/excess liability insurance, and standard "Who is an Insured" provision in commercial automobile liability form.

9. NOTICES

Notices (other than forecasts and scheduling requests) shall, unless otherwise specified herein, be in writing and may be delivered by hand delivery, United States mail, overnight courier service, facsimile, or electronic messaging (e-mail). A notice sent by facsimile transmission or e-mail will be recognized and shall be deemed received on the Business Day on which such notice was transmitted if received before 5 p.m. Pacific prevailing time (and if received after 5 p.m., on the next Business Day) and a notice by overnight mail or courier shall be deemed to have been received on the next Business Day after such Notice is sent or such earlier time as is confirmed by the receiving Party unless it confirms a prior oral communication, in which case any such notice shall be deemed received on the day sent. A Party may change its addresses by providing notice of same in accordance with this provision. All Notices, requests, invoices, statements or payments for this Facility must reference this Agreement's identification number. Notices shall be provided as indicated in Appendix F.

10. FORCE MAJEURE

10.1. No Default for Force Majeure. Neither Party shall be in default in the performance of any of its obligations set forth in this Agreement when and to the extent failure of performance is caused by Force Majeure.

10.2. Requirements Applicable to Claiming Party. If a Party, because of Force Majeure, is rendered wholly or partly unable to perform its obligations when due under this Agreement, such Party (the "Claiming Party") shall be excused from whatever performance is affected by the Force Majeure to the extent so affected. In order to be excused from its performance obligations under this Agreement by reason of Force Majeure:

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- 10.2.1. The Claiming Party, on or before the fourteenth (14th) day after the initial occurrence of the claimed Force Majeure, must give the other Party Notice describing the particulars of the occurrence; and
- 10.2.2. The Claiming Party must provide timely evidence reasonably sufficient to establish that the occurrence constitutes Force Majeure as defined in this Agreement.
- 10.3. Limitations. The suspension of the Claiming Party's performance due to Force Majeure may not be greater in scope or longer in duration than is required by such Force Majeure. In addition, the Claiming Party shall use diligent efforts to remedy its inability to perform. When the Claiming Party is able to resume performance of its obligations under this Agreement, the Claiming Party shall give the other Party prompt Notice to that effect.
- 10.4. Termination. Either Party may terminate this Agreement on at least five (5) Business Days' prior Notice, in the event of Force Majeure which materially interferes with such Party's ability to perform its obligations under this Agreement and which (a) extends, or is reasonably likely to extend, for more than 365 consecutive days, or (b) extends, or is reasonably likely to extend, for more than a total of 365 days in any consecutive 540-day period, ~~or (c) is consistent with Section 2.6.2.3.~~

11. EVENTS OF DEFAULT AND TERMINATION

- 11.1. Termination. Unless terminated earlier pursuant to Section 10.4 or this Section 11, this Agreement automatically terminates immediately following the last day of the Delivery Term.
- 11.2. Events of Default. An "Event of Default" means, with respect to a Party, the occurrence of any of the following:
- 11.2.1. With respect to either Party:
- 11.2.1.1. A Party becomes Bankrupt;
- 11.2.1.2. Except for an obligation to make payment when due, if there is a failure of a Party to perform any material covenant or obligation set forth in this Agreement (except to the extent such failure provides a separate termination right for the non-breaching Party or to the extent excused by Force Majeure), if such failure is not remedied within thirty (30) days after Notice thereof from the non-breaching Party to the breaching Party;
- 11.2.1.3. A Party fails to make any payment due and owing under this Agreement, if such failure is not cured within five (5) Business

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Days after Notice from the non-breaching Party to the breaching Party; or

11.2.1.4. Any representation or warranty made by a Party (a) is false or misleading in any material respect when made or (b) becomes false or misleading in any material respect during the Term.

11.2.2. With respect to Seller:

11.2.2.1. Seller fails to take all corrective actions specified in any Buyer Notice, within the time frame set forth in such Notice, that the Facility is out of compliance with any term of this Agreement; provided that if such corrective action falls under a specific termination right under Section 11.2.2, then the time frame, if any, set forth for such right shall apply;

11.2.2.2. The Facility has not achieved Commercial Operation by the expected Commercial Operation Date specified in Section 2.6.1 and Seller has not elected to pay daily delay damages pursuant to Section 2.6.4;

11.2.2.3. Subject to Section 10, Seller delivers less than 80% of the applicable Contract Quantity from the Facility to Buyer for a period of two (2) consecutive Contract Years;

11.2.2.4. Seller fails to maintain its status as an ERR as set forth in Section 4.5 of the Agreement;

11.2.2.5. Seller abandons the Facility;

11.2.2.6. Seller installs generating equipment at the Facility that exceeds the Contract Capacity and such excess generating capacity is not removed within five (5) Business Days after Notice from Buyer;

11.2.2.7. Seller delivers or attempts to deliver to the Delivery Point for sale under this Agreement product that was not generated by the Facility;

11.2.2.8. Seller fails to install any of the equipment or devices necessary for the Facility to satisfy the Contract Capacity set forth in Section 3.1;

11.2.2.9. An unauthorized assignment of the Agreement, as set forth in Section 15;

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11.2.2.10. Seller fails to reimburse Buyer any amounts due under this Agreement;

11.2.2.11. Seller breaches the requirements in Section 6.12 regarding incentives; or

11.2.2.12. Seller fails to maintain the Collateral Requirement set forth in Section 3.9.

11.3. Declaration of an Event of Default. If an Event of Default has occurred, the non-defaulting Party shall have the right to: (a) send Notice, designating a day, no earlier than five (5) days after such Notice and no later than twenty (20) days after such Notice, as an early termination date of this Agreement ("Early Termination Date"); (b) accelerate all amounts owing between the Parties; (c) terminate this Agreement and end the Delivery Term effective as of the Early Termination Date; (d) collect any Settlement Amount under Section 11.5; and (e) if the defaulting party is the Seller and Buyer terminates the Agreement prior to the start of the Commercial Operation Date, Buyer shall have the right to retain the entire Reservation Deposit.

11.4. Suspension of Performance. If an Event of Default shall have occurred, the non-defaulting Party has the right to immediately suspend performance under this Agreement and pursue all remedies available at Law or in equity against the defaulting Party (including monetary damages), except to the extent that such remedies are limited by the terms of this Agreement.

11.5. Calculation of Settlement Amount.

11.5.1. If either Party exercises a termination right under Section 11.3 after the Commercial Operation Date, the non-defaulting Party shall calculate a settlement amount ("Settlement Amount") equal to the amount of the non-defaulting Party's aggregate Losses and Costs less any Gains, determined as of the Early Termination Date. Prior to the Commercial Operation Date, the Settlement Amount shall be Zero dollars (\$0).

11.5.2. If the non-defaulting Party's aggregate Gains exceed its aggregate Losses and Costs, if any, determined as of the Early Termination Date, the Settlement Amount shall be Zero dollars (\$0).

11.5.3. The Buyer shall not have to enter into replacement transactions to establish a Settlement Amount.

11.5.4. Buyer shall have the right to draw upon the Collateral Requirement to collect any Settlement Amount owed to Buyer.

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11.6. Rights and Remedies Are Cumulative. The rights and remedies of the Parties pursuant to this Section 11 shall be cumulative and in addition to the rights of the Parties otherwise provided in this Agreement.

11.7. Duty to Mitigate. Buyer and Seller shall each have a duty to mitigate damages pursuant to this Agreement, and each shall use reasonable efforts to minimize any damages it may incur as a result of the other Party's non-performance of this Agreement, including with respect to termination of this Agreement.

11.8. Right of First Refusal.

11.8.1. If Seller terminates this Agreement pursuant to Section 10.4, or if Seller has an Event of Default prior to the Commercial Operation Date, neither Seller nor Seller's Affiliates may sell, or enter into a contract to sell, Energy, Green Attributes, Capacity Attributes, or Resource Adequacy Benefits, generated by, associated with or attributable to a generating facility installed at the Site to a party other than Buyer for a period of two (2) years following the effective date of such termination ("Restricted Period").

11.8.2. This prohibition on contracting and sale shall not apply if, before entering into such contract or making a sale to a party other than Buyer, Seller or Seller's Affiliate provides Buyer with a written offer to sell the Energy, Green Attributes, Capacity Attributes and Resource Adequacy Benefits to Buyer at the Contract Price and on other terms and conditions materially similar to the terms and conditions contained in this Agreement and Buyer fails to accept such offer within forty-five (45) days after Buyer's receipt thereof.

11.8.3. Neither Seller nor Seller's Affiliates may sell or transfer the Facility, or any part thereof, or land rights or interests in the Site of the proposed Facility during the Restricted Period so long as the limitations contained in this Section 11.8 apply, unless the transferee agrees to be bound by the terms set forth in this Section 11.8 pursuant to a written agreement reasonably approved by Buyer.

11.8.4. Seller shall indemnify and hold Buyer harmless from all benefits lost and other damages sustained by Buyer as a result of any breach of the covenants contained within this Section 11.8.

12. GOVERNMENTAL CHARGES

12.1. Governmental Charges. Seller shall pay or cause to be paid all taxes imposed by any Governmental Authority ("Governmental Charges") on or with respect to the Product or the Transaction arising at the Delivery Point, including, but not limited to, ad valorem taxes and other taxes attributable to the Project, land, land rights or interests in land for the

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Project. Buyer shall pay or cause to be paid all Governmental Charges on or with respect to the Product or the Transaction from the Delivery Point. In the event Seller is required by Law or regulation to remit or pay Governmental Charges which are Buyer's responsibility hereunder, Buyer shall reimburse Seller for such Governmental Charges within thirty (30) days of Notice by Seller. If Buyer is required by Law or regulation to remit or pay Governmental Charges which are Seller's responsibility hereunder, Buyer may deduct such amounts from payments to Seller with respect to payments under the Agreement; if Buyer elects not to deduct such amounts from Seller's payments, Seller shall reimburse Buyer for such amounts within thirty (30) days of Notice from Buyer. Nothing shall obligate or cause a Party to pay or be liable to pay any Governmental Charges for which it is exempt under the Law. A Party that is exempt at any time and for any reason from one or more Governmental Charges bears the risk that such exemption shall be lost or the benefit of such exemption reduced; and thus, in the event a Party's exemption is lost or reduced, each Party's responsibility with respect to such Governmental Charge shall be in accordance with the first four sentences of this Section.

13. RELEASE OF INFORMATION AND RECORDING CONVERSATION

- 13.1. Release of Information. Seller authorizes Buyer to release to the FERC, CEC, the CPUC, other Governmental Authority, and/or media outlet information regarding the Facility, including the Seller's name and location, and the size, location and operational characteristics of the Facility, the Term, the ERR type, photographs of the project, the Commercial Operation Date, greenhouse gas emissions data, and the net power rating of the Facility, as requested from time to time pursuant to the CEC's, CPUC's or applicable Governmental Authority's rules and regulations.
- 13.2. Public Announcements. Seller shall make no public announcement regarding any aspect of this Agreement or the role of Seller in regards to the development or operation of the Project without the prior written consent of Buyer, which consent shall not be unreasonably withheld. Any public announcement by Seller must comply with California Business and Professions Code § 17580.5 and with the *Guides for the Use of Environmental Marketing Claims*, published by the Federal Trade Commission, as it may be updated from time to time.

14. ASSIGNMENT

- 14.1. General Assignment. Except as provided in Sections 14.2 and 14.3, Seller may not assign this Agreement or its rights hereunder without the prior written consent of the Buyer, which consent shall not be unreasonably withheld or delayed so long as among other things (a) the

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assignee assumes the Seller's payment and performance obligations under this Agreement, (b) the assignee agrees in writing to be bound by the terms and conditions hereof, (c) Seller delivers evidence satisfactory to Buyer of the proposed assignee's technical and financial capability to meet or exceed Seller's obligations hereunder and (d) the Seller delivers such tax and enforceability assurance as Buyer may reasonably request.

14.2. Assignment to Financing Providers. Seller may assign this Agreement as collateral for any financing or refinancing of the Project (including any tax equity or lease financing) with the prior written consent of the Buyer, which consent shall not be unreasonably withheld or delayed. The Parties agree that, the consent provided to Buyer in accordance with this Section 14.2 shall be in a form substantially similar to the Form of Financing Consent attached hereto as Appendix H; provided that (a) Buyer shall not be required to consent to any additional terms or conditions beyond those contained in Appendix H, including extension of any cure periods or additional remedies for financing providers, and (b) Seller shall be responsible at Buyer's request for Buyer's reasonable costs and attorneys' fees associated with the review, negotiation, execution and delivery of documents in connection with such assignment.

14.3. Notice of Change in Control. Except in connection with public market transactions of the equity interests or capital stock of Seller or Seller's Affiliates, Seller shall provide Buyer notice of any direct change of control of Seller (whether voluntary or by operation of Law).

15. GOVERNING LAW

This agreement and the rights and duties of the parties hereunder shall be governed by and construed, enforced and performed in accordance with the laws of the State of California, without regard to principles of conflicts of law. To the extent enforceable at such time, each party waives its respective right to any jury trial with respect to any litigation arising under or in connection with this agreement.

16. DISPUTE RESOLUTION

16.1. Intent of the Parties. The sole procedure to resolve any claim arising out of or relating to this Agreement is the dispute resolution procedure set forth in this Section 16, except that either Party may seek an injunction in Superior Court Humboldt County, California if such action is necessary to prevent irreparable harm, in which case both Parties nonetheless will continue to pursue resolution of all other aspects of the dispute by means of this procedure.

16.2. Management Negotiations.

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- 16.2.1. The Parties will attempt in good faith to resolve any controversy or claim arising out of or relating to this Agreement by prompt negotiations between each Party's authorized representative, or such other person designated in writing as a representative of the Party (each a "Manager"). Either Manager may request a meeting, to be held in person or telephonically, to initiate negotiations to be held within ten (10) Business Days of the other Party's receipt of such request, at a mutually agreed time and place.
- 16.2.2. All communication and writing exchanged between the Parties in connection with these negotiations shall be deemed inadmissible as evidence such that it cannot be used or referred to in any subsequent judicial or arbitration process between the Parties, whether with respect to this dispute or any other.
- 16.2.3. If the matter is not resolved within forty-five (45) days of commencement of negotiations under Section 16.2.1, or if the Party receiving the written request to meet refuses or does not meet within the ten (10) Business Day period specified in Section 16.2.1, either Party may initiate arbitration of the controversy or claim according to the terms of Section 16.3.
- 16.3. Arbitration Initiation. If the dispute cannot be resolved by negotiation as set forth in Section 16.2 above, then the Parties shall resolve such controversy through arbitration ("Arbitration"). The Arbitration shall be adjudicated by one retired judge or justice from the JAMS panel. The Arbitration shall take place in Humboldt County, California, and shall be administered by and in accordance with JAMS' Commercial Arbitration Rules. If the Parties cannot mutually agree on the arbitrator who will adjudicate the dispute, then JAMS shall provide the Parties with an arbitrator pursuant to its then-applicable Commercial Arbitration Rules. The arbitrator shall have no affiliation with, financial or other interest in, or prior employment with either Party and shall be knowledgeable in the field of the dispute. Either Party may initiate Arbitration by filing with the JAMS a notice of intent to arbitrate at any time following the unsuccessful conclusion of the management negotiations provided for in Section 16.2.

17. MISCELLANEOUS

- 17.1. Severability. If any provision in this Agreement is determined to be invalid, void or unenforceable by any court having jurisdiction, such determination shall not invalidate, void, or make unenforceable any other provision, agreement or covenant of this Agreement. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

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- 17.2. Counterparts. 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 facsimile or PDF transmission will be deemed as effective as delivery of an originally executed counterpart. Each Party delivering an executed counterpart of this Agreement by facsimile or PDF transmission shall also deliver an originally executed counterpart, but the failure of any Party to deliver an originally executed counterpart of this Agreement shall not affect the validity or effectiveness of this Agreement.
- 17.3. General. No amendment to or modification of this Agreement shall be enforceable unless reduced to writing and executed by both Parties. This Agreement shall not impart any rights enforceable by any third party other than a permitted successor or assignee bound to this Agreement. Waiver by a Party of any default by the other Party shall not be construed as a waiver of any other default. The term “including” when used in this Agreement shall be by way of example only and shall not be considered in any way to be in limitation. The headings used herein are for convenience and reference purposes only.
- 17.4. Interpretation. Whenever this Agreement specifically refers to any Law, tariff, Governmental Authority, regional reliability council, Transmission/Distribution Owner, or credit rating agency, the Parties hereby agree that the references also refers to any successor to such Law, tariff or organization.
- 17.5. Construction. The Agreement will not be construed against any Party as a result of the preparation, substitution, or other event of negotiation, drafting or execution thereof.
- 17.6. Joint Powers Authority. Seller hereby acknowledges and agrees that Buyer is organized as a Joint Powers Authority in accordance with the Joint Powers Act of the State of California (Government Code Section 6500 et seq.) pursuant to a Third Amended and Restated Joint Powers Agreement dated October 13, 2016 (the “Joint Power Agreement”), that Buyer is a public entity separate from its members, and that under the Joint Powers Agreement the members have no liability for any obligations or liabilities of Buyer. Seller agrees that Buyer shall solely be responsible for all debts, obligations and liabilities to Seller accruing and arising out of this Agreement, and Seller agrees that it shall have no rights against, and shall not make any claim, take any actions or assert any remedies against, any of Buyer’s members, any cities or counties participating in Buyer’s community choice aggregation program, or any of Buyer’s retail customers in connection with this Agreement.

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IN WITNESS WHEREOF, each Party has caused this Agreement to be duly executed by its authorized representative as of the date of last signature provided below.

RPCA Solar 5, LLC

(Seller)

(Signature)

Aaron Halimi

(Type/Print Name)

President

(Title)

(Date)

REDWOOD COAST ENERGY AUTHORITY

(Buyer)

(Signature)

Matthew Marshall

(Type/Print Name)

Executive Director

(Title)

(Date)

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APPENDIX A - DEFINITIONS

Appendix A – Definitions

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

“Arbitration” has the meaning set forth in Section 16.

“As-Available Facility” means a generating facility that is powered by one of the following sources, except for a de minimis amount of Energy from other sources: (a) wind, (b) solar energy, (c) hydroelectric potential derived from small conduit water distribution facilities that do not have storage capability, or (d) other variable sources of energy that are contingent upon natural forces other than geothermal.

“Available Capacity” means the rated alternating current (AC) generating capacity of the Facility, expressed in whole kilowatts, that is available to generate Product.

“Bankrupt” means with respect to any entity, such entity:

(a) Files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it;

(b) Makes an assignment or any general arrangement for the benefit of creditors;

(c) Otherwise becomes bankrupt or insolvent (however evidenced);

(d) Has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to such entity or any substantial portion of its property or assets; or

(e) Is generally unable to pay its debts as they fall due.

“Baseload Facility” means a generating facility that does not qualify as an As-Available Facility.

“Business Day” means any day except a Saturday, Sunday, a Federal Reserve Bank holiday, or the Friday following Thanksgiving during the hours of 8:00 a.m. and 5:00 p.m. local time for the relevant Party’s principal place of business where the relevant Party in each instance shall be the Party from whom the notice, payment or delivery is being sent.

“CAISO” means the California Independent System Operator Corporation or any successor entity performing similar functions.

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“CAISO Grid” means the system of transmission lines and associated facilities that have been placed under the CAISO’s operational control.

“CAISO Tariff” means the CAISO FERC Electric Tariff, Fifth Replacement Volume No. 1, as amended from time to time.

“California Renewables Portfolio Standard” means the renewable energy program and policies codified in California Public Utilities Code Sections 399.11 through 399.33 and California Public Resources Code Sections 25740 through 25751, as such provisions may be amended or supplemented from time to time.

“Capacity Attributes” means any current or future defined characteristic, certificate, tag, credit, or ancillary service attribute, whether general in nature or specific as to the location or any other attribute of the Project, intended to value any aspect of the capacity of the Project to produce Energy or ancillary services, including, but not limited to, any accounting construct so that the full Contract Capacity of the Project may be counted toward a Resource Adequacy Requirement or any other measure by the CPUC, the CAISO, the FERC, or any other entity invested with the authority under federal or state Law, to require Buyer to procure, or to procure at Buyer’s expense, Resource Adequacy or other such products.

“CEC” means the California Energy Commission or its successor agency.

“CEC Certification” means certification by the CEC that the Facility is an ERR and that all Energy produced by the Facility qualifies as generation from an ERR.

“CEC Pre-Certification” means provisional certification of the proposed Facility as an ERR by the CEC upon submission by a facility of a complete application and required supplemental information.

“Check Meter” means the Buyer revenue-quality meter section(s) or meter(s), which Buyer may require at its discretion, and which will include those devices normally supplied by Buyer or Seller under the applicable utility electric service requirements.

“Claiming Party” has the meaning set forth in Section 10.2.

“Commercial Operation” means the Contract Capacity has been installed and the Facility is operating and able to produce and deliver the Product to Buyer pursuant to the terms of this Agreement.

“Commercial Operation Date” means the date on which the Facility achieves Commercial Operation.

“Contract Capacity” means the amount of electric energy generating capacity, set forth in Section 3.1, that Seller commits to install at the Site.

“Contract Price” has the meaning set forth in Section 3.6.

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“Contract Quantity” has the meaning set forth in Section 3.2.

“Contract Year” means a period of twelve (12) consecutive months with the first Contract Year commencing on the Commercial Operation Date and each subsequent Contract Year commencing on the anniversary of the Commercial Operation Date.

“Costs” means (a) brokerage fees, commissions and other similar third-party transaction costs and expenses reasonably incurred either in terminating any arrangement pursuant to which it has hedged its obligations or in entering into new arrangements which replace the Transaction; and (b) all reasonable attorneys’ fees and expenses incurred in connection with the termination of the Transaction.

“CPUC” means the California Public Utilities Commission, or successor entity.

“Credit Rating” means, with respect to any entity, (a) the rating then assigned to such entity’s unsecured senior long-term debt obligations (not supported by third party credit enhancements), or (b) if such entity does not have a rating for its unsecured senior long-term debt obligations, then the rating assigned to such entity as an issuer rating by S&P and/or Moody’s. If the entity is rated by both S&P and Moody’s and such ratings are not equivalent, the lower of the two ratings shall determine the Credit Rating. If the entity is rated by either S&P or Moody’s, but not both, then the available rating shall determine the Credit Rating.

“Current Inverters” means devices used to convert DC electric energy to alternating current electric energy. *[for solar photovoltaic technology]*

“Curtailment Order” means any instruction from Buyer to Seller to reduce the delivery of Energy from the Facility for any reason other than as set forth in Sections 3.6.3 (a) or (b).

“DC” means direct current. *[for solar photovoltaic technology]*

“DC Collection System” means the DC equipment, cables, components, devices and materials that interconnect the Photovoltaic Modules with the Current Inverters. *[for solar photovoltaic technology]*

“Delivered Energy” means all Energy produced from the Facility and delivered by Seller to the Delivery Point, expressed in kWh, as recorded by the meter specified in Section 6.2.1 or the Check Meter, as applicable.

“Delivery Point” has the meaning set forth in Section 2.5.

“Delivery Term” has the meaning set forth in Section 3.5.

“Early Termination Date” has the meaning set forth in Section 11.3.

“Eligible Renewable Energy Resource” or “ERR” has the meaning set forth in Public Utilities Code Sections 399.12 or Section 399.16 and California Public Resources

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Code Section 25741, as these code provision may be amended or supplemented from time to time.

“Emergency” means (a) an actual or imminent condition or situation which jeopardizes the integrity of the electric system or the integrity of any other systems to which the electric system is connected or any condition so defined and declared by the CAISO; or (b) an emergency condition as defined under an Interconnection Agreement and any abnormal interconnection or system condition that requires automatic or immediate manual action to prevent or limit loss of load or generation supply, that could adversely affect the reliability of the electric system or generation supply, that could adversely affect the reliability of any interconnected system, or that could otherwise pose a threat to public safety.

“Energy” means three-phase, 60-cycle alternating current electric energy measured in kWh, net of Station Use. For purposes of the definition of “Green Attributes,” the word “energy” shall have the meaning set forth in this definition.

“Execution Date” means the latest signature date found at the end of the Agreement.

“Facility” has the meaning set forth in Section 2. The terms “Facility” or “Project” as used in this Agreement are interchangeable.

“FERC” means the Federal Energy Regulatory Commission or any successor government agency.

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

- (a) In whole or in part:
 - (i) Delays a Party’s performance under this Agreement;
 - (ii) Causes a Party to be unable to perform its obligations; or
 - (iii) Prevents a Party from complying with or satisfying the conditions of this Agreement;
- (b) Is not within the control of that Party; and
- (c) The Party has been unable to overcome by the exercise of due diligence, including war, riot, civil disturbance or disobedience, terrorism, sabotage, strike or labor dispute, or unforeseen curtailment or reduction in deliveries at the direction of a Transmission/Distribution Owner or the CAISO.

Force Majeure does not include:

FEED-IN TARIFF POWER PURCHASE AGREEMENT

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(d) The lack of wind, sun or other fuel source of an inherently intermittent nature;

(e) Reductions in generation from the Facility resulting from ordinary wear and tear, deferred maintenance or operator error; or

(f) Any delay in providing, or cancellation of, interconnection service by a Transmission/Distribution Owner or the CAISO, except to the extent such delay or cancellation is the result of a Force Majeure claimed by the Transmission/Distribution Owner or the CAISO.

“Gains” means with respect to any Party, an amount equal to the present value of the economic benefit to it, if any (exclusive of Costs), resulting from the termination of the Transaction, determined in a commercially reasonable manner, subject to Section 11.5. Factors used in determining economic benefit may include, without limitation, reference to information either available to it internally or supplied by one or more third parties, including, without limitation, quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets, market price referent, market prices for a comparable transaction, forward price curves based on economic analysis of the relevant markets, settlement prices for a comparable transaction at liquid trading platforms (e.g., NYMEX), all of which should be calculated for the remaining Delivery Term to determine the value of the Product.

“Governmental Authority” means any federal, state, local or municipal government, governmental department, commission, board, bureau, agency, or instrumentality, or any judicial, regulatory or administrative body, having jurisdiction as to the matter in question.

“Governmental Charges” has the meaning set forth in Section 12.1.

“Green Attributes” means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Project, and its avoided emission of pollutants. Green Attributes include but are not limited to Renewable Energy Credits, as well as: (1) any avoided emission of pollutants to the air, soil or water such as sulfur oxides (SO_x), nitrogen oxides (NO_x), carbon monoxide (CO) and other pollutants; (2) any avoided emissions of carbon dioxide (CO₂), methane (CH₄), nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth’s climate by trapping heat in the atmosphere¹; (3) the reporting rights to these avoided emissions, such as Green

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

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APPENDIX A - DEFINITIONS

Tag Reporting Rights. Green Tag Reporting Rights are the right of a Green Tag Purchaser to report the ownership of accumulated Green Tags in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at the Green Tag Purchaser's discretion, and include without limitation those Green Tag Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program. Green Tags are accumulated on a MWh basis and one Green Tag represents the Green Attributes associated with one (1) MWh of Energy. Green Attributes do not include (i) any energy, capacity, reliability or other power attributes from the Project, (ii) production tax credits associated with the construction or operation of the Project and other financial incentives in the form of credits, reductions, or allowances associated with the project that are applicable to a state or federal income taxation obligation, (iii) fuel-related subsidies or "tipping fees" that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits, or (iv) emission reduction credits encumbered or used by the Project for compliance with local, state, or federal operating and/or air quality permits. If the Project is a biomass or biogas facility and Seller receives any tradable Green Attributes based on the greenhouse gas reduction benefits or other emission offsets attributed to its fuel usage, it shall provide Buyer with sufficient Green Attributes to ensure that there are zero net emissions associated with the production of electricity from the Project.

"Interconnection Agreement" means the small generator interconnection agreement entered into separately between Seller, Transmission/Distribution Owner, and CAISO (as appropriate) obtained by Seller pursuant to Transmission/Distribution Owner's Wholesale Distribution Tariff.

"Interconnection Facilities" has the meaning set forth in the tariff applicable to the Seller's Interconnection Agreement.

"Interconnection Point" has the meaning set forth in Section 2.4.

"Interest Rate" means the rate per annum equal to the "Monthly" Federal Funds Rate (as reset on a monthly basis based on the latest month for which such rate is available) as reported in Federal Reserve Bank Publication H.15-519, or its successor publication.

"JAMS" means JAMS, Inc. or its successor entity, a judicial arbitration and mediation service.

"kW" means kilowatt.

"kWh" means kilowatt-hour.

"kWPC" means peak DC power. *[for solar photovoltaic technology]*

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APPENDIX A - DEFINITIONS

“Law” means any statute, law, treaty, rule, regulation, ordinance, code, permit, enactment, injunction, order, writ, decision, authorization, judgment, decree or other legal or regulatory determination or restriction by a court or Governmental Authority of competent jurisdiction, including any of the foregoing that are enacted, amended, or issued after the Execution Date, and which becomes effective during the Delivery Term; or any binding interpretation of the foregoing.

“Letter of Credit” means an irrevocable, non-transferable standby letter of credit issued either by a U.S. commercial bank or a foreign bank with a U.S. branch office with a Credit Rating of at least “A-” by S&P and “A3” by Moody’s (without a “credit watch”, “negative outlook” or other rating decline alert if its Credit Rating is “A-” by S&P or “A3” by Moody’s). The Letter of Credit must be substantially in the form as contained in Appendix G to this Agreement; provided that if the Letter of Credit is issued by a branch of a foreign bank, Buyer may require changes to such form.

“Local Business Incentive” means an adjustment to the Contract Price available for Delivered Energy during the first five (5) Contract Years, as specified in Section 3.6.1 above, from a Facility where the applicant and/or prime contractor has applied for and been approved as meeting the requirements for being a local business pursuant to the requirements and process specified in the Feed-in Tariff. For purposes of this Agreement, the amount of the Local Business Incentive is equal to \$0.005 per kWh of Delivered Energy.

“Losses” means, with respect to any Party, an amount equal to the present value of the economic loss to it, if any (exclusive of Costs), resulting from the termination of the Transaction, determined in a commercially reasonable manner, subject to Section 11.5. Factors used in determining the loss of economic benefit may include, without limitation, reference to information either available to it internally or supplied by one or more third parties including, without limitation, quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets, market price referent, market prices for a comparable transaction, forward price curves based on economic analysis of the relevant markets, settlement prices for a comparable transaction at liquid trading platforms (e.g. NYMEX), all of which should be calculated for the remaining term of the Transaction to determine the value of the Product.

“Manager” has the meaning set forth in Section 16.2.

“Mechanical Completion” means that all equipment and systems that are necessary to generate the effective capacity of the Facility are installed. The Facility is mechanically, electrically, and structurally constructed with all control systems installed and connected. The Facility is functionally complete to the extent necessary to begin commissioning and testing of the Facility, though commissioning and testing need not have commenced.”

“MW” means megawatt (AC).

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APPENDIX A - DEFINITIONS

“MWh” means megawatt-hour.

“Notice,” unless otherwise specified in the Agreement, means written communications by a Party to be delivered by hand delivery, United States mail, overnight courier service, facsimile or electronic messaging (e-mail).

“Party” means the Buyer or Seller individually, and “Parties” means both collectively. For purposes of Section 15 (Governing Law) the word “party” or “parties” shall have the meaning set forth in this definition.

“Photovoltaic Module” means the individual module or component that produces DC electric energy from sun light. *[for solar photovoltaic technology]*

“Photovoltaic Module DC Rating” means, for each Photovoltaic Module installed or to be installed at the Site, the number (expressed in kWp) stated on the nameplate affixed thereto representing the manufacturer’s maximum (at “peak” sunlight) DC power rating at the standard test condition (“Pmp” or Power maximum at peak). *[for solar photovoltaic technology]*

“Product” means all Energy produced by the Facility throughout the Delivery Term, net of Station Use and electrical losses from the Facility to the Delivery Point; all Green Attributes; all Capacity Attributes, if any; and all Resource Adequacy Benefits, if any; generated by, associated with or attributable to the Facility throughout the Delivery Term.

“Project” has the meaning set forth in Section 2. The terms “Facility” and “Project” as used in this Agreement are interchangeable.

“Prudent Electrical Practices” means those practices, methods and acts that would be implemented and followed by prudent operators of electric energy generating facilities in the Western United States, similar to the Facility, during the relevant time period, which practices, methods and acts, in the exercise of prudent and responsible professional judgment in the light of the facts known at the time the decision was made, could reasonably have been expected to accomplish the desired result consistent with good business practices, reliability and safety. Prudent Electrical Practices shall include, at a minimum, those professionally responsible practices, methods and acts described in the preceding sentence that comply with manufacturers’ warranties, restrictions in this Agreement, and the requirements of Governmental Authorities, WECC standards, the CAISO and Laws. Prudent Electrical Practices also includes taking reasonable steps to ensure that:

(a) Equipment, materials, resources, and supplies, including spare parts inventories, are available to meet the Facility’s needs;

(b) Sufficient operating personnel are available at all times and are adequately experienced and trained and licensed as necessary to operate the Facility properly and efficiently, and are capable of responding to reasonably foreseeable

FEED-IN TARIFF POWER PURCHASE AGREEMENT

APPENDIX A - DEFINITIONS

emergency conditions at the Facility and Emergencies whether caused by events on or off the Site;

(c) Preventive, routine, and non-routine maintenance and repairs are performed on a basis that ensures reliable, long term and safe operation of the Facility, and are performed by knowledgeable, trained, and experienced personnel utilizing proper equipment and tools;

(d) Appropriate monitoring and testing are performed to ensure equipment is functioning as designed;

(e) Equipment is not operated in a reckless manner, in violation of manufacturer's guidelines or in a manner unsafe to workers, the general public, or the Transmission/Distribution Owner's electric system or contrary to environmental laws, permits or regulations or without regard to defined limitations such as, flood conditions, safety inspection requirements, operating voltage, current, volt ampere reactive (VAR) loading, frequency, rotational speed, polarity, synchronization, and control system limits; and

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

"Renewable Energy Credit" has the meaning set forth in Public Utilities Code Section 399.12(h), as may be amended from time to time or as further defined or supplemented by Law.

"Reservation Deposit" means the deposit submitted by Seller to Buyer at the time Seller submitted its application for a feed-in tariff contract, which amount shall equal four dollars (\$4.00) for each kilowatt of proposed alternating current (AC) generator capacity. Buyer shall return the Reservation Deposit to Seller once the Project achieves Commercial Operation by crediting Seller the full amount of the Reservation Deposit on Buyer's first payment for delivered Product. Buyer shall retain the full amount of the Reservation Deposit in the event the Project does not achieve Commercial Operation by the Commercial Operation Date.

"Resource Adequacy" means the procurement obligation of load serving entities, including Buyer, as such obligations are described in CPUC Decisions D.04-10-035 and D.05-10-042 and subsequent CPUC decisions addressing Resource Adequacy issues, as those obligations may be altered from time to time in the CPUC Resource Adequacy Rulemakings (R.) 04-04-003 and (R.) 05-12-013 or by any successor proceeding, and all other Resource Adequacy obligations established by any other entity, including the CAISO.

**FEED-IN TARIFF
POWER PURCHASE AGREEMENT
APPENDIX A - DEFINITIONS**

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

“Resource Adequacy Requirements” has the meaning set forth in Section 4.4.1.

“Resource Adequacy Rulings” means CPUC Decisions 04-01-050, 04-10-035, 05-10-042, 06-06-064, 06-07-031, 07-06-029, 08-06-031, 09-06-028, 10-06-036, 11-06-022, 12-06-025, 13-06-024, 15-06-063, 16-06-045, 17-06-027, 18-06-030, 18-06-031, and any subsequent CPUC ruling or decision, or any other resource adequacy laws, rules or regulations enacted, adopted or promulgated by any applicable Governmental Authority, as such decisions, rulings, Laws, rules or regulations may be amended or modified from time-to-time during the Delivery Term.

“Restricted Period” has the meaning set forth in Section 11.8.1.

“Settlement Amount” has the meaning set forth in Section 11.5.

“Site” means the real property on which the Facility is, or will be, located, as further described in Appendix D.

“Site Control” means the Seller: (a) owns the Site, (b) leases the Site, (c) is the holder of a right-of-way grant or similar instrument with respect to the Site, or (d) prior to the Commercial Operation Date, has the unilaterally exercisable contractual right to acquire or cause to be acquired on its behalf any of (a), (b), or (c).

“Station Use” means energy consumed within the Facility’s electric energy distribution system as losses, as well as energy used to operate the Facility’s auxiliary equipment. The auxiliary equipment may include, but is not limited to, forced and induced draft fans, cooling towers, boiler feeds pumps, lubricating oil systems, plant lighting, fuel handling systems, control systems, and sump pumps. This use is not to exceed 1% of average annual output.

“Term” has the meaning set forth in Section 3.4.1.

“Transaction” means the particular transaction described in Section 3.3.

“Transmission/Distribution Owner” means any entity or entities responsible for operating the electric distribution system or transmission system, as applicable, at and beyond the Interconnection Point.

“WECC” means the Western Electricity Coordinating Council, the regional reliability council for the Western United States, Northwestern Mexico and Southwestern Canada.

FEED-IN TARIFF POWER PURCHASE AGREEMENT

APPENDIX A - DEFINITIONS

“Wind Turbines” means the wind turbine generators installed on the Site as part of the Facility including any replacements or substitutes therefore. *[for wind technology]* “WREGIS” means the Western Renewable Energy Generating Information System or any successor renewable energy tracking program.

“WREGIS Certificate Deficit” has the meaning set forth in Section 4.3.5. *[for Facilities (1) 500 kW or greater and (2) eligible for a CAISO revenue meter.]*

“WREGIS Certificates” has the same meaning as “Certificate” as defined by WREGIS in the WREGIS Operating Rules and are designated as eligible for complying with the California Renewables Portfolio Standard. *[for Facilities (1) 500 kW or greater and (2) eligible for a CAISO revenue meter.]*

“WREGIS Operating Rules” means those operating rules and requirements adopted by WREGIS as of December 2010, as subsequently amended, supplemented or replaced (in whole or in part) from time to time. *[for Facilities (1) 500 kW or greater and (2) eligible for a CAISO revenue meter.]*

*** End of Appendix A ***

**FEED-IN TARIFF
POWER PURCHASE AGREEMENT
APPENDIX B - COMMERCIAL OPERATION DATE
CONFIRMATION LETTER**

Appendix B – Commercial Operation Date Confirmation Letter

In accordance with the terms of that certain Small Renewable Generator Power Purchase Agreement dated [REDACTED] ("Agreement") for the Facility named [REDACTED] by and between REDWOOD COAST ENERGY AUTHORITY "Buyer") and [REDACTED] ("Seller"), this letter serves to document the Parties further agreement that (i) the conditions precedent to the occurrence of the Commercial Operation Date have been satisfied as of this ____ day of _____, _____. This letter shall confirm the Commercial Operation Date, as defined in the Agreement, as the date referenced in the preceding sentence.

IN WITNESS WHEREOF, each Party has caused this Agreement to be duly executed by its authorized representative as of the date of last signature provided below:

By:

By:

(Seller)

**REDWOOD COAST ENERGY
AUTHORITY**

(Buyer)

(Signature)

(Signature)

(Type/Print Name)

(Type/Print Name)

(Title)

(Title)

(Date)

(Date)

*** End of Appendix B ***

**FEED-IN TARIFF
POWER PURCHASE AGREEMENT
APPENDIX C - FORECASTING REQUIREMENTS**

Appendix C – Forecasting Requirements

A. AVAILABLE CAPACITY FORECASTING.

Seller shall provide the Available Capacity forecasts described below. ***[The following bracketed language applies to As-Available solar or wind Projects only]*** [Seller's availability forecasts below shall include Project availability and updated status of ***[The following bracketed language applies to solar Projects only]*** [photovoltaic panels, inverters, transformers, and any other equipment that may impact availability] or ***[The following bracketed language applies to wind Projects only]*** [transformers, wind turbine unit status, and any other equipment that may impact availability].] ***[The following bracketed language applies to As-Available Product only]*** Seller shall use commercially reasonable efforts to forecast the Available Capacity of the Project accurately and to transmit such information in a format reasonably acceptable to Buyer. Buyer and Seller shall agree upon reasonable changes to the requirements and procedures set forth below from time-to-time, as necessary.

1. Annual Forecast of Available Capacity. No later than (I) the earlier of July 1 of the first calendar year following the Execution Date or one hundred and eighty (180) days before the first day of the first Contract Year of the Delivery Term ("First Annual Forecast Date"), and (II) on or before July 1 for each calendar year from the First Annual Forecast Date for every subsequent Contract Year during the Delivery Term, Seller shall provide to Buyer a non-binding forecast of the hourly Available Capacity for each day in each month of the following calendar year in a form reasonably acceptable to Buyer.

2. Monthly Forecast of Available Capacity. Ten (10) Business Days before the beginning of each month during the Delivery Term, Seller shall provide to Buyer a non-binding forecast of the hourly Available Capacity for each day of the following month in a form reasonably acceptable to Buyer.

*** End of Appendix C ***

**FEED-IN TARIFF
POWER PURCHASE AGREEMENT
APPENDIX D - DESCRIPTION OF THE FACILITY**

Appendix D – Description of the Facility

Seller should complete the information below and attach a description of the Facility, including a summary of its significant components, a drawing showing the general arrangements of the Facility, and a single line diagram illustrating the interconnection of the Facility and loads with Buyer's electric distribution system.

Name of the Facility: Hatchery Road Solar C

Address of the Facility: 1195 Hatchery Road, Arcata, CA 95521

Description of the Facility, including a summary of its significant components, such as for solar photovoltaic [Photovoltaic Modules, DC Collection System, Current Inverters], meteorological station, instrumentation and any other related electrical equipment:

**FEED-IN TARIFF
POWER PURCHASE AGREEMENT
APPENDIX D - DESCRIPTION OF THE FACILITY**

A legal description of the Site, including a Site map:

That real property in Unincorporated Humboldt County located at 1195 Hatchery Road, totaling approximately +/-31.91 acres and +/-6.27 acres, known as Assessor's Parcel Numbers 313-091-019-000 & 313-091-020-000, respectively.



Longitude and latitude of the centroid of the Site:

123°59'35.48"W

40°51'28.55"N

*** End of Appendix D ***

FEED-IN TARIFF POWER PURCHASE AGREEMENT

APPENDIX E – SELLER’S MILESTONE SCHEDULE

APPENDIX E – FEED-IN TARIFF MILESTONES AND EXAMPLE ACTION STEPS FOR RPCA SOLAR 5, LLC

Action Steps	Time Allowance		Due On	Date Completed	Responsible Party
STEP 1. Submit FIT Application				8/5/2020	Developer
STEP 2. Approve FIT Application	30 BD	after Step 1		9/15/2020	RCEA
STEP 3. Sign conditional PPA	30 BD	after Step 2	10/27/2020	10/1/2020	Both
STEP 4. Acquire Full Interconnection Agreement	30 BD	after Step 3	11/12/2020		Developer
4A. Submit Interconnection Agreement within 10 days of receipt	10 BD	after Step 4	11/26/2020		Developer
STEP 5. Submit confirmation of RPS request receipt by CEC and copy of CEC-RPS 1	30 BD	after Step 4	11/26/2020		Developer
STEP 6. File project with WREGIS & submit proof to RCEA	60 BD	after Step 5	2/4/2021		Developer
STEP 7. Pay Interconnection Fees. & submit proof to RCEA	180 BD	after Step 4	7/22/2021		Developer
STEP 8. Acquire conditional use and construction permits	250 BD	after Step 3	9/16/2021		Developer
8A. Submit proof of permits to RCEA	10 BD	after Step 8	9/30/2021		Developer
STEP 9. Notify RCEA 10 business days in advance of ground breaking	10 BD	prior to groundbreaking			Developer
9A. Submit Proof of Insurance	10 BD	prior to groundbreaking			Developer
STEP 10. Mechanical Completion	120 BD	after Step 8	3/3/2022		Developer
STEP 11. Notify RCEA 30 business days in advance of commercial operation	30 BD	prior to Step 12	2/21/2022		Developer
STEP 12. Start of Commercial Operation	18 months	after Step 3	4/1/2022		Developer
STEP 13. Submit CEC Certification	90 BD	after Step 12	6/27/2022		Developer

¹ For clarification, the tendered interconnection agreement is the final draft from PG&E's Wholesale interconnection Services prior to execution of that agreement.

BD= Business Day, CD = Calendar Days

*** End of Appendix E ***

**FEED-IN TARIFF
POWER PURCHASE AGREEMENT**

APPENDIX F – NOTICES LIST

Appendix F – Notices List

Name: RPCA Solar 5, LLC, a California
Limited Liability Company (“Seller”)

Name: REDWOOD COAST ENERGY
AUTHORITY, a California Joint Powers
Authority
 (“Buyer” or “RCEA”)

All Notices:

All Notices:

RPCA Solar 5, LLC
879 Sanchez Street
San Francisco, CA 94114

Redwood Coast Energy Authority
Attn: FIT Program
633 3rd Street
Eureka, CA 95501

With a copy to:

████████████████████

With a copy to:

feedintariff@redwoodenergy.org

Delivery Address:
879 Sanchez Street
San Francisco, CA 94114

Delivery Address:
633 3rd St
Eureka, CA 95501

Mail Address: (if different from above)

Mail Address:

Attn:
Phone:
Facsimile:

Attn: FIT Program
Phone: (707) 269-1700
Facsimile: (707) 269-1777

DUNS: None
Federal Tax ID Number: ██████████

DUNS: ██████████
Federal Tax ID Number: ██████████

Invoices:

Attn: James Brady
Phone: ██████████
Email: ██████████

Invoices:

Attn: Accounting
Phone: 707-269-1700, ext. ██████
Facsimile: 707-269-1777

Payments:

Attn: James Brady
Phone: ██████████
Facsimile: ██████████

Payments:

Attn: Accounting
Phone: 707-269-1700, ext. ██████
Facsimile: 707-269-1777

Wire Transfer:

BNK: ██████████
ABA: ██████████
ACCT: ██████████

Wire Transfer:

BNK: ██████████
ABA: ██████████
ACCT: ██████████

**FEED-IN TARIFF
POWER PURCHASE AGREEMENT
APPENDIX F – NOTICES LIST**

Credit and Collections:

Attn: James Brady

Phone: [REDACTED]

Email: [REDACTED]

Credit and Collections:

Attn: Lori Biondini

Phone: 707-269-1700, ext. [REDACTED]

Facsimile: 707-269-1777

Email: Accounting@redwoodenergy.org

Notices of an Event of Default to:

Attn: Brian von Moos

Phone: [REDACTED]

Email: [REDACTED]

Facsimile:

Notices of an Event of Default to:

Attn: Lori Biondini

Phone: 707-269-1700, ext. [REDACTED]

Email: Accounting@redwoodenergy.org

With additional Notices of an Event of Default to:

RCEA General Counsel

Nancy Diamond, Law Offices of Nancy
Diamond

822 G Street, Suite 3

Arcata, CA 95521

Phone: (707) 826-8540

Facsimile: (707) 826-8541

*** End of Appendix F***

**FEED-IN TARIFF
POWER PURCHASE AGREEMENT
APPENDIX G – FORM OF LETTER OF CREDIT**

Appendix G – FORM OF LETTER OF CREDIT

Issuing Bank Letterhead and Address

STANDBY LETTER OF CREDIT NO. XXXXXXXX

Date: [insert issue date]

Beneficiary: Redwood Coast Energy Authority

633 3rd St,
Eureka, CA 95501

Attention:

Applicant: [Insert name and address of Applicant]

Letter of Credit Amount: [insert amount]

Expiry Date: [insert expiry date]

Ladies and Gentlemen:

By order of **[insert name of Applicant]** (“Applicant”), we hereby issue in favor of Redwood Coast Energy Authority (the “Beneficiary”) our irrevocable standby letter of credit No. **[insert number of letter of credit]** (“Letter of Credit”), for the account of Applicant, for drawings up to but not to exceed the aggregate sum of U.S. \$ **[insert amount in figures followed by (amount in words)]** (“Letter of Credit Amount”). This Letter of Credit is available with **[insert name of issuing bank, and the city and state in which it is located]** by sight payment, at our offices located at the address stated below, effective immediately, and it will expire at our close of business on **[insert expiry date]** (the “Expiry Date”).

Funds under this Letter of Credit are available to the Beneficiary against presentation of the following documents:

1. Beneficiary’s signed and dated sight draft in the form of Exhibit A hereto, referencing this Letter of Credit No. **[insert number]** and stating the amount of the demand; and
2. One of the following statements signed by an authorized representative or officer of Beneficiary:

**FEED-IN TARIFF
POWER PURCHASE AGREEMENT
APPENDIX G – FORM OF LETTER OF CREDIT**

A. "Pursuant to the terms of that certain **[insert name of the agreement]** (the "Agreement"), dated **[insert date of the Agreement]**, between Beneficiary and **[insert name of Seller under the Agreement]**, Beneficiary is entitled to draw under Letter of Credit No. **[insert number]** amounts owed by **[insert name of Seller under the Agreement]** under the Agreement; or

B. "Letter of Credit No. **[insert number]** will expire in thirty (30) days or less and **[insert name of Seller under the Agreement]** has not provided replacement security acceptable to Beneficiary.

Special Conditions:

1. Partial and multiple drawings under this Letter of Credit are allowed;
2. All banking charges associated with this Letter of Credit are for the account of the Applicant;
3. This Letter of Credit is not transferable; and
4. The Expiry Date of this Letter of Credit shall be automatically extended without a written amendment for a period of one year and on each successive Expiry Date, unless at least sixty (60) days before the then current Expiry Date, we notify you by registered mail or courier that we elect not to extend the Expiry Date of this Letter of Credit for such additional period.

We engage with you that drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation, on or before the Expiry Date (or after the Expiry Date as provided below), at our offices at **[insert issuing bank's address for drawings]**.

All demands for payment shall be made by presentation of originals or copies of documents; or by facsimile transmission of documents to **[insert fax number]**, Attention: **[insert name of issuing bank's receiving department]**, with originals or copies of documents to follow by overnight mail. If presentation is made by facsimile transmission, you may contact us at **[insert phone number]** to confirm our receipt of the transmission. Your failure to seek such a telephone confirmation does not affect our obligation to honor such a presentation.

Our payments against complying presentations under this Letter of Credit will be made no later than on the sixth (6th) banking day following a complying presentation.

Except as stated herein, this Letter of Credit is not subject to any condition or qualification. It is our individual obligation, which is not contingent upon reimbursement and is not affected by any agreement, document, or instrument between us and the Applicant or between the Beneficiary and the Applicant or any other party.

Except as otherwise specifically stated herein, this Letter of Credit is subject to and governed by the *Uniform Customs and Practice for Documentary Credits, 2007 Revision*, International Chamber of Commerce (ICC) Publication No. 600 (the "UCP

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600”); provided that, if this Letter of Credit expires during an interruption of our business as described in Article 36 of the UCP 600, we will honor drafts presented in compliance with this Letter of Credit within thirty (30) days after the resumption of our business and effect payment accordingly.

The law of the State of California shall apply to any matters not covered by the UCP 600.

For telephone assistance regarding this Letter of Credit, please contact us at **[insert number and any other necessary details]**.

Very truly yours,

[insert name of issuing bank]

By: _____
Authorized Signature

Name: **[print or type name]** _____

Title: _____

*** *End of Appendix G* ***

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Appendix H – FORM OF CONSENT TO ASSIGNMENT

CONSENT AND AGREEMENT

This CONSENT AND AGREEMENT (“Consent and Agreement”) is entered into as of [_____, 2____], between REDWOOD COAST ENERGY AUTHORITY (“RCEA”), and [_____] , as collateral agent (in such capacity, “Financing Provider”), for the benefit of various financial institutions (collectively, the “Secured Parties”) providing financing to [_____] (“Seller”). RCEA, Seller, and the Financing Provider shall each individually be referred to as a “Party” and collectively as the “Parties”.

Recitals

A. Pursuant to that certain Power Purchase Agreement dated as of _____, 2____ (as amended, modified, supplemented or restated from time to time, as including all related agreements, instruments and documents, collectively, the “Assigned Agreement”) between RCEA and Seller, RCEA has agreed to purchase energy from Seller.

B. The Secured Parties have provided, or have agreed to provide, to Seller financing (including a financing lease) pursuant to one or more agreements (the “Financing Documents”), and require that Financing Provider be provided certain rights with respect to the “Assigned Agreement” and the “Assigned Agreement Accounts,” each as defined below, in connection with such financing.

C. In consideration for the execution and delivery of the Assigned Agreement, RCEA has agreed to enter into this Consent and Agreement for the benefit of Seller.

Agreement

1. Definitions. Any capitalized term used but not defined herein shall have the meaning specified for such term in the Assigned Agreement.
2. Consent. Subject to the terms and conditions below, RCEA consents to and approves the pledge and assignment by Seller to Financing Provider pursuant to the Loan Agreement and/or Security Agreement of (a) the Assigned Agreement, and (b) the accounts, revenues and proceeds of the Assigned Agreement (collectively, the “Assigned Agreement Accounts”).
3. Limitations on Assignment. Financing Provider acknowledges and confirms that, notwithstanding any provision to the contrary under applicable law or in any Financing Document executed by Seller, Financing Provider shall not assume, sell or otherwise dispose of the Assigned Agreement (whether by foreclosure sale, conveyance in lieu of

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foreclosure or otherwise) unless, on or before the date of any such assumption, sale or disposition, Financing Provider or any third party, as the case may be, assuming, purchasing or otherwise acquiring the Assigned Agreement (a) cures any and all defaults of Seller under the Assigned Agreement which are capable of being cured and which are not personal to the Seller, (b) executes and delivers to RCEA a written assumption of all of Seller's rights and obligations under the Assigned Agreement in form and substance reasonably satisfactory to RCEA, (c) otherwise satisfies and complies with all requirements of the Assigned Agreement, (d) provides such tax and enforceability assurance as RCEA may reasonably request, and (e) is a Permitted Transferee (as defined below). Financing Provider further acknowledges that the assignment of the Assigned Agreement and the Assigned Agreement Accounts is for security purposes only and that Financing Provider has no rights under the Assigned Agreement or the Assigned Agreement Accounts to enforce the provisions of the Assigned Agreement or the Assigned Agreement Accounts unless and until an event of default has occurred and is continuing under the Financing Documents between Seller and Financing Provider (a "Financing Default"), in which case Financing Provider shall be entitled to all of the rights and benefits and subject to all of the obligations which Seller then has or may have under the Assigned Agreement to the same extent and in the same manner as if Financing Provider were an original party to the Assigned Agreement.

"Permitted Transferee" means any person or entity who is reasonably acceptable to RCEA. Financing Provider may from time to time, following the occurrence of a Financing Default, notify RCEA in writing of the identity of a proposed transferee of the Assigned Agreement, which proposed transferee may include Financing Provider, in connection with the enforcement of Financing Provider's rights under the Financing Documents, and RCEA shall, within thirty (30) business days of its receipt of such written notice, confirm to Financing Provider whether or not such proposed transferee is a "Permitted Transferee" (together with a written statement of the reason(s) for any negative determination) it being understood that if RCEA shall fail to so respond within such thirty (30) business day period such proposed transferee shall be deemed to be a "Permitted Transferee".

4. Cure Rights.

(a) Notice to Financing Provider by RCEA. RCEA shall, concurrently with the delivery of any notice of an event of default under the Assigned Agreement (each, an "Event of Default") to Seller (a "Default Notice"), provide a copy of such Default Notice to Financing Provider pursuant to Section 9(a) of this Consent and Agreement. In addition, Seller shall provide a copy of the Default Notice to Financing Provider the next business day after receipt from RCEA, independent of any agreement of RCEA to deliver such Default Notice.

(b) Cure Period Available to Financing Provider Prior to Any Termination by RCEA. Upon the occurrence of an Event of Default, subject to (i) the expiration of the

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relevant cure periods provided to Seller under the Assigned Agreement, and (ii) Section 4(a) above, RCEA shall not terminate the Assigned Agreement unless it or Seller provides Financing Provider with notice of the Event of Default and affords Financing Provider an Additional Cure Period (as defined below) to cure such Event of Default. For purposes of this Agreement “Additional Cure Period” means (i) with respect to a monetary default, ten (10) days in addition to the cure period (if any) provided to Seller in the Assigned Agreement, and (ii) with respect to a non-monetary default, thirty (30) days in addition to the cure period (if any) provided to Seller in the Assigned Agreement.

(c) Failure by RCEA to Deliver Default Notice. If neither RCEA nor Seller delivers a Default Notice to Financing Provider as provided in Section 4(a), the Financing Provider’s applicable cure period shall begin on the date on which notice of an Event of Default is delivered to Financing Provider by either RCEA or Seller. Except for a delay in the commencement of the cure period for Financing Provider and a delay in RCEA’s ability to terminate the Assigned Agreement (in each case only if both RCEA and Seller fail to deliver notice of an Event of Default to Financing Provider), failure of RCEA to deliver any Default Notice shall not waive RCEA’s right to take any action under the Assigned Agreement and will not subject RCEA to any damages or liability for failure to provide such notice.

(d) Extension for Foreclosure Proceedings. If possession of the Project (as defined in the Assigned Agreement) is necessary for Financing Provider to cure an Event of Default and Financing Provider commences foreclosure proceedings against Seller within thirty (30) days of receiving notice of an Event of Default from RCEA or Seller, whichever is received first, Financing Provider shall be allowed a reasonable additional period to complete such foreclosure proceedings, such period not to exceed ninety (90) days; provided, however, that Financing Provider shall provide a written notice to RCEA that it intends to commence foreclosure proceedings with respect to Seller within ten (10) business days of receiving a notice of such Event of Default from RCEA or Seller, whichever is received first. In the event Financing Provider succeeds to Seller’s interest in the Project as a result of foreclosure proceedings, the Financing Provider or a purchaser or grantee pursuant to such foreclosure shall be subject to the requirements of Section 3 of this Consent and Agreement.

5. Setoffs and Deductions. Each of Seller and Financing Provider agrees that RCEA shall have the right to set off or deduct from payments due to Seller each and every amount due RCEA from Seller whether or not arising out of or in connection with the Assigned Agreement. Financing Provider further agrees that it takes the assignment for security purposes of the Assigned Agreement and the Assigned Agreement Accounts subject to any defenses or causes of action RCEA may have against Seller.

6. No Representation or Warranty. Seller and Financing Provider each recognizes and acknowledges that RCEA makes no representation or warranty, express or implied, that Seller has any right, title, or interest in the Assigned Agreement or as to the priority

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of the assignment for security purposes of the Assigned Agreement or the Assigned Agreement Accounts. Financing Provider is responsible for satisfying itself as to the existence and extent of Seller's right, title, and interest in the Assigned Agreement, and Financing Provider releases RCEA from any liability resulting from the assignment for security purposes of the Assigned Agreement and the Assigned Agreement Accounts.

7. Amendment to Assigned Agreement. Financing Provider acknowledges and agrees that RCEA may agree with Seller to modify or amend the Assigned Agreement, and that RCEA is not obligated to notify Financing Provider of any such amendment or modification to the Assigned Agreement. Financing Provider hereby releases RCEA from all liability arising out of or in connection with the making of any amendment or modification to the Assigned Agreement.

8. Payments under Assigned Agreement. RCEA shall make all payments due to Seller under the Assigned Agreement from and after the date hereof to [____], as depositary agent, to ABA No. [____], Account No. [____], and Seller hereby irrevocably consents to any and all such payments being made in such manner. Each of Seller, RCEA and Financing Provider agrees that each such payment by RCEA to such depositary agent of amounts due to Seller from RCEA under the Assigned Agreement shall satisfy RCEA's corresponding payment obligation under the Assigned Agreement.

9. Miscellaneous.

(a) Notices. All notices hereunder shall be in writing and shall be deemed received (i) at the close of business of the date of receipt, if delivered by hand or by facsimile or other electronic means, or (ii) when signed for by recipient, if sent registered or certified mail, postage prepaid, provided such notice was properly addressed to the appropriate address indicated on the signature page hereof or to such other address as a party may designate by prior written notice to the other parties, at the address set forth below:

If to Financing Provider:	
Name:	
Address:	
Attn:	
Telephone:	
Facsimile:	
Email:	

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If to RCEA:	
Name:	
Address:	
Attn:	
Telephone:	
Facsimile:	
Email:	

(b) No Assignment. This Consent and Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of RCEA, and shall be binding on and inure to the benefit of the Financing Provider, the Secured Parties and their respective successors and permitted transferees and assigns under the loan agreement and/or security agreement.

(c) No Modification. This Consent and Agreement is neither a modification of nor an amendment to the Assigned Agreement.

(d) Choice of Law. The parties hereto agree that this Consent and Agreement shall be construed and interpreted in accordance with the laws of the State of California, excluding any choice of law rules which may direct the application of the laws of another jurisdiction.

(e) No Waiver. No term, covenant or condition hereof shall be deemed waived and no breach excused unless such waiver or excuse shall be in writing and signed by the party claimed to have so waived or excused.

(f) Counterparts. This Consent and Agreement may be executed in one or more duplicate counterparts, and when executed and delivered by all the parties listed below, shall constitute a single binding agreement.

(g) No Third Party Beneficiaries. There are no third party beneficiaries to this Consent and Agreement.

(h) Severability. The invalidity or unenforceability of any provision of this Consent and Agreement shall not affect the validity or enforceability of any other provision of this Consent and Agreement, which shall remain in full force and effect.

(i) Amendments. This Consent and Agreement may be modified, amended, or rescinded only by writing expressly referring to this Consent and Agreement and signed by all parties hereto.

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IN WITNESS WHEREOF, each of RCEA and Financing Provider has duly executed this Consent and Agreement as of the date first written above.

Redwood Coast Energy Authority (RCEA)

By: _____
Name: _____
Title: _____

[_____]
(Financing Provider), as collateral agent

By: _____
Name: _____
Title: _____

ACKNOWLEDGEMENT

The undersigned hereby acknowledges the Consent and Agreement set forth above, makes the agreements set forth therein as applicable to Seller, including the obligation of Seller to provide a copy of any Default Notice it receives from RCEA to Financing Provider the next business day after receipt by Seller, and confirms that the Financing Provider identified above and the Secured Parties have provided or are providing financing to the undersigned.

[_____] [name of Seller]

By: _____
Name: _____
Title: _____

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**** End of Appendix H****



REDWOOD COAST Energy Authority

STAFF REPORT Agenda Item # 9.1

AGENDA DATE:	October 28, 2021
TO:	Board of Directors
FROM:	Matthew Marshall, Executive Director
SUBJECT:	Consideration of Potential New RCEA JPA Members

SUMMARY

In recent months there have been inquiries about the possibility of Del Norte and/or Trinity Counties joining RCEA as joint powers agreement signatories/members. The process of a neighboring County or eligible jurisdiction within those counties joining RCEA is straightforward, as defined in section 1.4 of the joint power agreement:

1.4. Membership. In addition to the original forming Members, any public agency as defined in Government Code Section 6500 which is located wholly or partly within the boundaries of Humboldt County or any adjacent county is eligible for membership in the RCEA. Upon approval by a simple majority vote of the full Board, any such public agency may become a Member if:

- (a) its governing body duly approves membership and agrees to all of the terms of this Joint Powers Agreement, and
- (b) an authorized officer of such agency executes this Agreement on its behalf.

Staff requests the Board provide input and guidance on whether the Board is open to considering new RCEA members along with any direction for staff when engaging in discussions with any interested potential member jurisdictions.

RECOMMENDED ACTION

Discuss and give direction to staff regarding the potential addition of new RCEA members.

ATTACHMENTS

None.



REDWOOD COAST **Energy**Authority

STAFF REPORT Agenda Item # 10.1

AGENDA DATE:	October 28, 2021
TO:	Board of Directors
FROM:	Matthew Marshall, Executive Director
SUBJECT:	Executive Director's Staff Report

SUMMARY

Executive Director Matthew Marshall will provide a brief update on:

- local and national offshore wind related activities,
- RCEA activities over the last month, and
- other topics as needed.

RECOMMENDED ACTION

None. (Information only)



REDWOOD COAST Energy Authority

RCEA news and updates October 2021

RedwoodEnergy.org (707) 269-1700 info@RedwoodEnergy.org



Lee Valenzuela & Dana Boudreau
RCEA's Transportation Team

Transportation

- The California Energy Commission authorized a Medium/Heavy Duty Zero Emission Vehicle Planning grant, pending RCEA Board approval
- We launched new branding for all RCEA charging stations

Social Media

Please join us in engaging our community



Job Openings

Demand-Side Management
Outreach Associate

Website

New Supplier Diversity page

Mailers/Emails

Power Content Label - Sent to all our 2020 customers

Joint Rate Mailer - Going out Oct. 29 & Nov. 5 to all current customers

Events

Redwood Coast Economic Summit - Oct. 21 & 22: Matthew Marshall is on the *Carbon Negative by 2030* panel and Stephen Kullmann will host a booth

Certify & Amplify Workshop - Promoting Supplier Diversity, Nov. 2, 10 a.m.
<https://redwoodenergy.org/supplier-diversity/>

Small Hydro Projects - Michael Furniss presents his findings this fall/winter to the Board, developers, and the community

Current
Rebates

Residential EV Charging Equipment

4

applications received



Electric Vehicles

14

applications received



Heat Pumps

35

applications received



Renewable Energy | Community Choice Energy



Offshore Wind

The Bureau of Ocean Energy Management is currently conducting initial environmental assessments of the Humboldt and Central Coast Wind Energy Areas lease process. The lease auction is anticipated in late summer 2022.



Redwood Coast Airport Microgrid

- Senator McGuire visited the microgrid for a tour on October 21 along with Supervisors Bass and Bushnell.
- A Japanese delegation will visit on November 15 and meet with Matthew Marshall.
- RCAM is fully constructed and has temporary permission to operate from PG&E.
- The project is in the testing phase, during which RCEA, the Schatz Energy Research Center and The Energy Authority are working closely together to optimize participation in the CA Independent System Operator's (CAISO) wholesale markets.



Sandrini Solar Project

- The project is moving forward with permitting and pre-construction activities.
- The Draft Environmental Impact Report was released on September 17 and public hearings with the Kern County Planning Commission and Board of Supervisors are scheduled for December.
- Construction is anticipated to start in February 2022.



Tierra Buena battery energy storage project

The project is being constructed in Sutter County and is on track to be commercially operable in April 2022.



Feed In Tariff

- The Hatchery Road Solar Project in Blue Lake is experiencing significant delays and costs associated with interconnecting to PG&E's distribution grid. The project is anticipated to be commercially operable in April 2023.
- The North Coast Highway Solar Project is delayed due to a change in ownership. The project is anticipated to be commercially operable in October 2022.



Biomass

- The Memorandum of Understanding between Humboldt Sawmill Company and RCEA has been executed and staff are developing an MOU implementation framework.
- The framework will consist of a process for HSC to share new alternative biomass uses information with RCEA and for the parties to confer annually regarding such information.



Net Energy Metering

The legislation (AB 1139) that the RCEA Board voted to oppose in May is no longer active; however, NEM tariffs and rates can still be changed in the California Public Utilities Commission's (CPUC) regulatory process. The CPUC is expected to arrive at a decision detailing the NEM successor tariff in January 2022. This CPUC decision poses potential major changes to the incentives provided to existing and future NEM customers.

Customer Energy Services

Current Projects & Programs

Non-residential services: 15 assessments and customized referrals to services.

Residential services: 46 residential assessments and customized referrals to services.

Community Grid Program with Swell Energy

- Swell announced their partnership with RCEA and Grid Alternatives in mid-October
- Mike Avcollie and Swell will be interviewed on KMUD on Oct. 26, 5:30-6 p.m.

Contractor and Vendor Network: We are creating a list of contractors and vendors that customers can refer to for energy projects.

Workforce education and training: In development

Rural Regional Energy Network: In development

Mobile Home Solar: We developed a plan set, in conjunction with Schatz Energy Research Center, for pole-mounted solar PV systems for mobile home installations. We're now working with partners for pilot installations.



Agency Projects - September & October

County of Humboldt - Lighting and Demand Reduction strategies

City of Arcata - Demand Reduction strategies

City of Eureka - Feasibility assessments and reports for solar arrays

City of Ferndale - Solar and lighting projects

City of Rio Dell - Solar, battery storage and generator projects

Bear River Band of the Rohnerville Rancheria - Assessment of solar array, energy efficiency, and ongoing technical support for energy projects

Yurok Tribe - Energy finance consultation

Arcata Elementary School District - School Energy Efficiency Stimulus application (SEES)

Eureka City Schools - Solar, battery storage and EV bus infrastructure

Fortuna Union High School District - Prop 39 energy services

Loleta Elementary School District - SEES application

Mattole Unified School District - Prop 39 energy services

So. Humboldt Unified School District - Solar array at South Fork High

No. Humboldt Union High School District - Prop 39 energy services

Fieldbrook Elementary School - Prop 39 energy services

Freshwater School - Assisting with battery backup

Coastal Grove Charter School - SEES application

Laurel Tree Charter School - Construction finance assistance

Six Rivers Charter School - Prop 39 energy services

Redwood Coast Montessori - SEES application

Orleans Volunteer Fire Dept. - Solar, storage, & EV charging projects

USPS - Enrollment in a resource program

