December 17, 2024

[Company]  
Attention: [Contact]  
[Department]  
[Address]

Subject: Contract Negotiation Exclusivity Agreement for [Project name]

To Whom it May Concern,

Redwood Coast Energy Authority (“**RCEA**”) is pleased to confirm that the offer (the “**Offer**”) submitted by [Company] (“**Respondent**”) for the [Project name] (“**Project**”) in the recent Request for Offers for Local Distributed Energy Storage Resources (“**RFO**”) has been placed on the shortlist for further negotiations. If you wish to proceed with negotiations for a power purchase agreement, energy storage services agreement, or resource adequacy contract (**“Contract”**) under the terms and conditions set forth in this agreement (the “**Exclusivity Agreement**”), please countersign where provided below no later than [Date] (the “**Effective Date**”).

**Representations and Warranties**

In accepting a position on the shortlist, Respondent hereby makes the following representations and warranties:

1. Respondent has not engaged and will not engage in oral, written, or any other form of communication with any other entity submitting an Offer to RCEA’s RFO with respect to the terms of Respondent’s Offer or such other entities’ offer(s) in the RFO; and
2. Respondent will promptly notify RCEA of any material change in circumstances that may affect Respondent’s ability to fulfill the terms of its Offer or Respondent’s withdrawal of the Offer from the RFO.

Respondent understands and agrees that any breach by Respondent of the above representations and warranties is grounds for immediate disqualification of Respondent from the RFO and forfeiture of the Shortlist Deposit.

**Exclusivity Terms**

1. Respondent hereby grants RCEA exclusivity with respect to the Offer beginning on the Effective Date and continuing until the earlier of the following events (the “**Exclusivity Deadline**”):
   1. RCEA’s written notice to Respondent terminating Contract negotiations or the RFO;
   2. Ninety (90) calendar days after the Effective Date.
2. By mutual agreement, the Exclusivity Deadline may be extended by Respondent and RCEA pursuant to a written addendum to this Exclusivity Agreement.
3. Respondent agrees prior to the Exclusivity Deadline it shall not enter into any agreements nor otherwise discuss the sale of products from the Project, or portion thereof, associated with the Offer with any third party.

**Shortlist Deposit**

As a condition of RCEA’s obligations under this Exclusivity Agreement, Respondent agrees to provide RCEA with a deposit in the form of cash in the amount of [amount] dollars ($\_\_\_\_\_) (the “**Shortlist Deposit**”) within five (5) business days of the Effective Date. The Shortlist Deposit can be provided as a check mailed to the address below, or sent electronically (instructions to be provided by RCEA via email):

Redwood Coast Energy Authority  
Attn: Lexie Perez  
633 3rd St.  
Eureka, CA 95501

The Shortlist Deposit will be promptly returned to Respondent in its entirety upon the occurrence of one or more of the following conditions:

1. Execution of the Contract and Respondent’s provision of the required security in accordance with the terms of such Contract;
2. RCEA’s written notice rejecting Respondent’s Offer following shortlist selection;
3. RCEA’s written notice to that successful conclusion of Contract negotiation is not achievable, as determined by RCEA;
4. RCEA’s termination of the RFO process.

Notwithstanding the foregoing, Respondent hereby acknowledges and agrees that Respondent will forfeit its Shortlist Deposit and RCEA shall have the right to draw on the Shortlist Deposit in its entirety upon any of the following occurrences:

1. It is determined by RCEA that Respondent made any material misrepresentations in the Offer;
2. Respondent fails to comply with the terms and conditions of this Exclusivity Agreement or the RFO;
3. Respondent unilaterally withdraws the Offer or attempts to materially modify the terms of its Offer following the Respondent’s acceptance of shortlist status and submittal of the Shortlist Deposit, unless such material modifications are agreed to by RCEA in writing;
4. Prior to the Exclusivity Deadline, Respondent enters into discussions with any third party under which such third party, or any of such third party’s affiliates may agree, conditionally or unconditionally, to enter into a purchase contract for the capacity of the Project associated with the Offer. Respondent and RCEA agree that for purposes of this Exclusivity Agreement, the terms and conditions of the Offer are set forth in the Offer Form provided to RCEA by Respondent.

Respondent agrees that RCEA will not be obligated to enter into any transaction with Respondent until a final negotiated Contract has received approval from the RCEA Board of Directors, and been fully executed by the parties thereto.

The terms of this Exclusivity Agreement may be modified or waived only by a separate writing signed by each of the parties that expressly modifies or waives any such term.

**IN NO EVENT SHALL EITHER PARTY, ITS AFFILIATES AND/OR REPRESENTATIVES BE LIABLE FOR ANY LOST OR PROSPECTIVE PROFITS OR ANY OTHER CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE, INDIRECT OR EXEMPLARY DAMAGES UNDER OR IN RESPECT TO THIS AGREEMENT.**

Acknowledged and Agreed:

**REDWOOD COAST ENERGY AUTHORITY**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**[COMPANY]**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_