AGENDA

Regular Meeting
Board of Directors

Thursday, June 25, 2026
5:00 p.m.

Don L. Nay Port Administration Boardroom
3165 Pacific Hwy.
San Diego, CA 92101

The meeting will be held in person at the above date, time and location(s). Members of the Board of Directors and members of the public may attend in person. Under certain circumstances, Board members may also attend and participate virtually in the meeting, pursuant to the Brown Act (Gov. Code § 54953). As a convenience to the public, San Diego Community Power provides a Zoom teleconference option for members of the public to virtually observe and provide public comments at its meetings. Additional details on in-person and virtual public participation are below. Please note that in the event of a technical issue causing a disruption in the call-in option or internet-based option, the meeting will continue unless otherwise required by law (such as when a Board member is virtually attending the meeting), pursuant to certain provisions of the Brown Act.

Note: Any member of the public may provide comments to the Board of Directors on any agenda item. When providing comments to the Board, it is requested that members of the public include their name and city of residence for the record. Commenters are requested to address their comments to the Board of Directors as a whole through the chairperson. Comments may be provided in one of the following ways:

1. Oral comments during a meeting. Anyone attending in person who wishes to address the Board of Directors is asked to fill out a speaker's slip and present it to the clerk of the Board. To provide remote comments during the meeting, join the Zoom meeting by computer, mobile phone or dial-in number. When participating in a Zoom video conference by computer or mobile phone, use the "Raise Hand" feature. This will notify the moderator that a member of the public wishes to speak during a specific item on the agenda or during the non-agenda public comment period. Members of the public will not be shown on video but will be able to speak when called upon. When participating in the meeting using the Zoom dial-in number, press *9 to request to speak. Comments will be limited to three minutes.

2. Written Comments. Written public comments must be submitted prior to the start of the meeting to ClerkOfTheBoard@SDCommunityPower.org. Members of the public are asked to indicate a specific agenda item when submitting comments. All written comments received prior to the meeting will be provided to members of the Board. At the discretion of the chairperson, the first 10 submitted comments shall be stated into the record of the meeting. Comments read at the meeting will be limited to the first 400 words. Comments received after the start of the meeting will be collected, sent to the members of Board and become part of the public record.

If members of the public have any materials to be distributed to the Board, they should be sent to ClerkOfTheBoard@SDCommunityPower.org, who will distribute the information to Board members.

The public may participate using the following remote options:

Teleconference Meeting

sdcommunitypower-org.zoom.us/j/94274587066

Telephone (audio only) 669-900-6833 or 346-248-7799 | Webinar ID: 94274587066

WELCOME

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

LAND ACKNOWLEDGMENT

SPECIAL PRESENTATIONS AND INTRODUCTIONS

- **Presentation of Proclamation to Matthew Vasilakis, David Harris, Tara Hammond, and Lawrence Emerson for their years of service to the Community Advisory Committee**

- **Introduction of New Community Power Staff**

ITEMS TO BE ADDED, WITHDRAWN OR REORDERED ON THE AGENDA

PUBLIC COMMENTS

Opportunity for members of the public to address the Board on any items not on the agenda but within the jurisdiction of the Board. Members of the public may provide a comment in either manner described above.

CONSENT CALENDAR

All matters are approved by one motion without discussion unless a member of the Board requests a specific item to be removed from the Consent Calendar for discussion. A member of the public may comment on any item on the Consent Calendar in either manner described above.

1. Approve May 28, 2026, and June 18, 2026, Meeting Minutes
2. Receive and File Programs Update
3. Receive and File Power Services Update
4. Receive and File Customer Operations Update
5. Receive and File IT and Data Analytics Update
6. Receive and File Human Resources Update
7. Receive and File Marketing, Public Relations, and Local Government Affairs Update
8. Receive and File Treasurer's Report for Nine-Month Period Ending March 31, 2026
9. Receive and File Regulatory and Legislative Affairs Update
10. Adoption of Resolution 2026-09, approving San Diego Community Power's 2026 Integrated Resource Plan (IRP)
11. Update on the California Energy Commission's Equitable Building Decarbonization Direct Install Program

REGULAR AGENDA

The following items call for discussion or action by the Board of Directors. The Board may discuss and/or take action on any item listed below.

12. Public Hearing on the Status of Vacancies, Recruitment and Retention Efforts

Recommendation: Hold a public hearing, receive comments, and accept report on the status of Community Power employee vacancy rates and recruitment and retention efforts.

13. Adoption of Resolution No. 2026-10, approving the FY 2026-2027 Operating Budget, the FY 2026-2027 Capital Budget, and the FY 2027-2031 Capital Investment Plan

Recommendation: Adoption of Resolution No. 2026-10, approving the FY 2026-2027 Operating Budget, the FY 2026-2027 Capital Budget, and the FY 2027-2031 Capital Investment Plan.

14. Approve 15-Year Renewable Power Purchase Agreements with SunZia Wind North LLC and SunZia Wind South LLC for 25 MW of wind products in substantially final form and authorize the Acting Chief Executive Officer to execute the agreement

Recommendation: Approve 15-Year Renewable Power Purchase Agreements with SunZia Wind North LLC and SunZia Wind South LLC for 25 MW of wind products in substantially final form and authorize the Acting Chief Executive Officer to execute the agreement.

15. Approve the proposed 9-Year Renewable Power Purchase Agreement ("PPA") with Kumeyaay Wind LLC for 50 MWs of wind product in substantially final form and authorize the Acting Chief Executive Officer to execute the agreement

Recommendation: Approve the proposed 9-Year Renewable Power Purchase Agreement ("PPA") with Kumeyaay Wind LLC for 50 MWs of wind product in substantially final form and authorize the Acting Chief Executive Officer to execute the agreement.

ACTING CHIEF EXECUTIVE OFFICER REPORT

Community Power management may briefly provide information to the Board and the public. The Board may engage in discussion if the specific subject matter of the report is identified below, but the Board may not take any action other than to place the matter on a future agenda. Otherwise, there is to be no discussion or action taken unless authorized by law.

DIRECTOR COMMENTS

Board Members may briefly provide information to other members of the Board and the public, ask questions of staff, request an item to be placed on a future agenda or report on conferences, events

or activities related to Community Power business. There is to be no discussion or action taken on comments made by Directors unless authorized by law.

CLOSED SESSION

1. **CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION**
   Government Code section 54956.9(d)(2): One matter

2. **CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54957.6**

Agency designated representative(s): Law Firm of Best, Best & Krieger
Unrepresented employee(s): General Counsel

3. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957**

Title: Chief Executive Officer

4. **PUBLIC EMPLOYEE APPOINTMENT PURSUANT TO GOVERNMENT CODE SECTION 54957**

Title: Acting Chief Executive Officer

CALL TO ORDER – OPEN SESSION

ROLL CALL

REPORT FROM CLOSED SESSION

16. **Approve Second Amendment to Employment Agreement for General Counsel**

Recommendation: Approve Second Amendment to General Counsel Employment Agreement.

ADJOURNMENT

The Board of Directors will adjourn until the next regular meeting scheduled for Thursday, August 27, 2026, at 5 p.m.

Compliance with the Americans with Disabilities Act

Community Power Board of Directors meetings comply with the Americans with Disabilities Act. Individuals with a disability who require a modification or accommodation, including auxiliary aids or services, to participate in the public meeting may contact 888-382-0169 or

ClerkOfTheBoard@SDCommunityPower.org. Requests for disability-related modifications or accommodations require varying lead times and should be provided at least 72 hours in advance of the public meeting.

Availability of Board Documents

Copies of the agenda and agenda packet are available at Meetings and Agendas - San Diego Community Power. Late-arriving documents related to a Board meeting item are distributed to Members prior to or during the Board meeting and are available for public review as required by law. Public records, including agenda-related documents, can be requested electronically from ClerkOfTheBoard@SDCommunityPower.org or by mailing San Diego Community Power, Attn: Clerk of the Board, P.O. Box 12716, San Diego, CA 92112. The documents may also be posted on Community Power's website. Such public records are also available for inspection by contacting ClerkOfTheBoard@SDCommunityPower.org to arrange an appointment.

SAN DIEGO COMMUNITY POWER

BOARD OF DIRECTORS
Regular Meeting Minutes
May 28, 2026

Don L. Nay Port Administration Boardroom
3165 Pacific Hwy.
San Diego, CA 92101

WELCOME

CALL TO ORDER

Vice Chair Yamane called the Community Power Board of Directors regular meeting to order at 5:00 p.m.

ROLL CALL

PRESENT: Vice Chair Yamane, City of National City; Director Elo-Rivera; City of San Diego; Director Inzunza, City of Chula Vista; Director Fisher, City of Imperial Beach; Director Suzuki, City of La Mesa; and Alternate Director Ehlers, City of Encinitas

ABSENT: Chair Lawson-Remer, County of San Diego

Staff Present: Chief Executive Officer Burns; General Counsel Tyagi; Chief Operating Officer Clark; Chief Commercial Officer Samuel; Senior Director of Data Analytics and Customer Operations Utouh; Senior Director of Finance and Risk Manglicmot; Senior Director of Public Affairs Lebron; Associate Director of Legislative Affairs Welch; Associate Director of Finance Capital Investment Plan Weissman; Senior Financial Analyst Do Clerk of the Board Hernandez; and Senior Executive Assistant Porras

CLOSED SESSION

1. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957**

Title: Chief Executive Officer

2. **CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54957.6**

Agency designated representative: General Counsel
Unrepresented employee: Chief Executive Officer

3. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957**

Title: General Counsel

4. **CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54957.6**

Agency designated representative: Assistant General Counsel
Unrepresented employee: General Counsel

There were no public comments on Closed Session Item Nos. 1-4.

The Board went into Closed Session at 5:03 p.m.

The Board reconvened to Open Session at 6:10 p.m.

PRESENT: Vice Chair Yamane, City of National City; Director Elo-Rivera; City of San Diego; Director Inzunza, City of Chula Vista; Director Fisher, City of Imperial Beach; and Director Suzuki, City of La Mesa; and Alternate Director Ehlers, City of Encinitas

ABSENT: Chair Lawson-Remer, County of San Diego

General Counsel Tyagi reported that the Board convened in Closed Session from 5:05 to 6:05 p.m., identified the members present, and stated there were no reportable actions.

PLEDGE OF ALLEGIANCE

Director Fisher led the Pledge of Allegiance.

LAND ACKNOWLEDGMENT

Vice Chair Yamane acknowledged the Kumeyaay Nation and all the original stewards of the land.

SPECIAL PRESENTATIONS AND INTRODUCTIONS

- Introduction of New Community Power Staff

Vice Chair Yamane welcomed new Chief Financial Officer Burlingame to introduce herself.

ITEMS TO BE ADDED, WITHDRAWN OR REORDERED ON THE AGENDA

There were no items added, withdrawn, or reordered on the agenda.

PUBLIC COMMENTS

There were no public comments.

CONSENT CALENDAR

1. **Approve April 23, 2026, Meeting Minutes**
2. **Receive and File Update on Programs**
3. **Receive and File Update on Power Services**
4. **Receive and File Update on Customer Operations**
5. **Receive and File Update on IT and Data Analytics**
6. **Receive and File Update on Human Resources**
7. **Receive and File Update on Marketing, Public Relations, and Local Government Affairs**
8. **Receive and File Treasurer's Report for Nine-Month Period Ending February 28, 2026**
9. **Adopt Resolution No. 2026-08, Appointing Chief Financial Officer, Jannies Burlingame as San Diego Community Power's Treasurer, and authorize execution of a bond in the amount of $1,000,000**

There were no public comments on Consent Item Nos. 1-9.

Motioned by Director Inzunza and seconded by Director Suzuki to approve Consent Calendar Item Nos. 1-9. The motion carried 6/0 as follows:

AYES: Vice Chair Yamane, Directors Elo-Rivera, Fisher, Inzunza, and Suzuki; and Alternate Director Ehlers
NOES: None

ABSTAINED: None
ABSENT: Chair Lawson-Remer and Director Elo-Rivera

REGULAR AGENDA

10. Presentation of Draft of FY 2026-2027 Operating Budget, FY 2026-2027 Capital Budget, and FY 2027-2031 Capital Investment Plan, and Quarterly Risk Oversight Committee Report

Ms. Burns introduced the item and turned it over to Messrs. Manglicmot, Weissman, Do, Samuel, Clark, Welch, Santulli and Ms. Lebron to complete the presentation.

There were no public comments on Item No. 10.

After Board member comments, questions and discussion the preliminary draft FY 2026-27 Operating Budget, FY 2026-27 Capital Budget, and FY 2027-2031 Capital Investment Plan, and Quarterly Risk Oversight Committee Report was received and filed.

11. Update on Regulatory and Legislative Affairs

Messrs. Welch and Gunther and Ms. Cisna provided an update on Regulatory and Legislative Affairs.

There were no public comments on Item No. 11.

After Board member comments and questions, the update on Regulatory and Legislative Affairs received and filed.

CHIEF EXECUTIVE OFFICER REPORT

None.

DIRECTOR COMMENTS

None.

ADJOURNMENT

The meeting was adjourned at 7:45 p.m. to the next regular meeting scheduled for Thursday, June 25, 2026, at 5 p.m.

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Maricela Hernandez, MMC, CPMC
Clerk of the Board

SAN DIEGO COMMUNITY POWER

BOARD OF DIRECTORS
Special Meeting Minutes
June 18, 2026

Chula Vista Council Chambers
276 Fourth Avenue
Chula Vista, CA 91910

WELCOME

CALL TO ORDER

Vice Chair Yamane called the Community Power Board of Directors special meeting to order at 5:43 p.m.

ROLL CALL

PRESENT: Vice Chair Yamane, City of National City; Director Inzunza, City of Chula Vista; Director San Antonio, City of Encinitas (Via Zoom Teleconference); Director Fisher, City of Imperial Beach; and Director Suzuki, City of La Mesa

ABSENT: Chair Lawson-Remer, County of San Diego; Director Elo-Rivera, City of San Diego

Staff Present: General Counsel Tyagi; Clerk of the Board Hernandez; and Executive Assistant Porras

PUBLIC COMMENT

Rob Johnson provided public comment.

CLOSED SESSION

1. PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957

Title: Chief Executive Officer

The Board went into Closed Session at 5:50 p.m.

CALL TO ORDER – OPEN SESSION

The Board reconvened the Open Session at 6:48 p.m.

ROLL CALL

PRESENT: Vice Chair Yamane, City of National City; Director Inzunza, City of Chula Vista; Director San Antonio, City of Encinitas (Via Zoom Teleconference); Director Fisher, City of Imperial Beach; and Director Suzuki, City of La Mesa

REPORT FROM CLOSED SESSION

Legal Counsel announced there were no reportable actions from the Closed Session.

ADJOURNMENT

The Board of Directors adjourned at 6:49 p.m. to their next regular meeting scheduled for Thursday, June 25, 2026, at 5 p.m.

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Maricela Hernandez, MMC, CPMC
Clerk of the Board

SAN DIEGO COMMUNITY POWER
Staff Report – Item 2

To:	Board of Directors
From:	Colin Santulli, Senior Director of Programs
Via:	Jack Clark, Acting Chief Executive Officer
Subject:	Update on Programs
Date:	June 25, 2026

Recommendation

Receive and file updates on customer energy programs.

Background

Staff will provide regular updates to the Board of Directors ("Board") regarding the following Community Power customer energy programs: Residential Programs, Flexible Load Programs, Solar and Energy Storage Programs, and the San Diego Regional Energy Network.

Analysis and Discussion

Updates on customer energy programs are detailed below.

Residential Programs

California Energy Commission ("CEC") Equitable Building Decarbonization Direct Install ("EBD DI") Program
Status: Staff executed eight out of ten contracts with community-based organizations (CBOs), which will conduct marketing, education, and outreach activities for the Equitable Building Decarbonization Program. The two remaining CBO contracts are expected to be executed once CEC approves the budget.

Next Steps: Initiate marketing, education, and outreach activities in the community in collaboration with CBO partners.

Flexible Load Programs

Smart Energy Rewards (formerly Smart Home Flex) Pilot Project
Status: Staff have renamed the program to Smart Energy Rewards in response to Board recommendations to improve community understanding of the program and its potential participation benefits.

Staff are extending the pilot to support data collection for pilot evaluation. The expanded pilot enrollment goal is 5,000 smart thermostats; incentive levels for enrollment and season participation will remain unchanged.

Additional data is required to complete the pilot evaluation, due to low air conditioning loads during summer of 2025 and uncertainty about customer equipment among the initial 2,000 enrollees.

Staff anticipates that the warmer temperatures projected for summer 2026, combined with enhanced applicant screening, will allow for a more robust impact assessment of the pilot, and a subsequent assessment of potential relaunch into a full program in Fiscal Year 2027-2028.

Next Steps: Staff will continue to work with Virtual Peaker to relaunch an expanded pilot for summer 2026. Staff will leverage the manufacturers' apps to send notifications promoting enrollment in the pilot. The Community Power webpage will be updated with more information and a link to the enrollment form.

EV Flex Connect Pilot Project
Status & Next Steps: Please refer to Item 2 of the March 2026 Board agenda packet for the most recent update on this program.

Solar and Energy Storage Programs

Solar Battery Savings ("SBS") Program
Status: Since full program launch in September 2025, the program has received over 1,100 applications, 783 which have been approved, and 395 of which have been installed and activated. Of the 54 contractors approved to participate in the program, 49 have submitted applications. Sixty-five percent of applicants are market rate customers. Seventy-two percent of projects are for new solar and storage systems (as compared to storage being added to existing solar systems).

Staff will be holding Contractor Sales and Engagement Trainings over the months of June and July for approved contractors and their customer-facing staff. These sessions are designed to help sales teams confidently explain the program and set customer expectations.

Next Steps: Community Power expects to start SBS customer workshops in Q3 2026.

Solar Advantage Program (previously DAC-GT)

Status: Staff have continued engagement with San Diego Gas & Electric ("SDG&E") and the California Public Utilities Commission ("CPUC") Energy Division regarding the Supervisory Control and Data Acquisition ("SCADA") requirements and associated interconnection costs under the Wholesale Distribution Access Tariff ("WDAT"), that are challenging the feasibility of Solar Advantage projects. Under CPUC program rules, Solar Advantage Program power procurement is subject to a "cost containment cap" that limits the maximum price Community Power can pay for project output; as a result, the significant interconnection and SCADA costs currently required under WDAT may challenge project eligibility, as the pricing required to recover these costs may exceed the allowable cap.

Next Steps: Staff will continue engagement with SDG&E and the CPUC Energy Division to pursue alternative solutions that reduce interconnection equipment costs and/or clarify interconnection requirements under WDAT to improve project viability. For shortlisted projects from the Solar Advantage Program's Second RFO, Staff will not file an executed Power Purchase Agreement ("PPA") Advice Letter for CPUC approval. Instead, developers that bid into the Solar Advantage Program's Second RFO will be invited to resubmit under RFO #3, set to release Q3 2026. Concurrently, Staff are incorporating lessons learned into RFO #3 solicitation materials, including updates intended to convey WDAT requirements to prospective bidders and to reference SDG&E's Rule 21 "Unit Cost Guide" for improved cost transparency.

San Diego Regional Energy Network ("SDREN")

Status: All SDREN contracts from the phased solicitations for third-party implementers have now been executed. The final contract from Phase 3 has been executed with the selected vendor:

- Market Access Program
    - Vendor: Alternative Energy Systems Consulting, Inc.
    - Contract Total: $3,991,587 (direct implementation), $9,006,228 (incentives)

As programs begin enrollment, the SDREN Advisory Committee will be key in providing advisement on program implementation activities (i.e., effective outreach and engagement strategies to connect with underserved and hard-to-reach communities across the region), serving as an advocate for SDREN (i.e., providing letters of support if/when necessary) and spreading awareness of program benefits through community and regional networks. The SDREN Advisory Committee shall represent a diverse range of expertise and experience and be composed of up to 19 members from local and regional governments, non-profit organizations, public organizations, trade organizations and community-based organizations. The committee shall reflect a broad cross-section of the region and include representation of community interests in each of the five County of San Diego Supervisorial Districts. The second SDREN Advisory Committee meeting took place on June 18, 2026.

In compliance with the CPUC Rolling Portfolio process for reviewing and approving portfolio administrators' programs, SDREN submitted its 2028-2035 Strategic Business Plan and 2028-2031 Portfolio Plan Application on March 16, 2026, following approved CPUC templates and guidance. SDREN Application Materials can be found at sdren.org/regulatory-documents.

Next Steps: For all programs, staff continue to focus on pre-launch deliverables to begin participant enrollment. Future program launch updates will be published on the SDREN website at sdren.org, which went live on March 16, 2026.

SDREN funds are authorized by the CPUC and are disbursed to San Diego Community Power in accordance with the *San Diego Regional Energy Network Energy Efficiency Programs and Budget Agreement for Years 2024-2027* executed between Community Power and SDG&E (under Resolution No. 2025-01). Staff report program expenditures monthly to the CPUC and these amounts are publicly available on the California Energy Data and Reporting System (CEDARS) website at https://cedars.cpuc.ca.gov/.

Fiscal Impact

N/A

Attachments

N/A

SAN DIEGO COMMUNITY POWER
Staff Report - Item 3

To:	Board of Directors
From:	Gordon Samuel, Chief Commercial Officer
Via:	Jack Clark, Acting Chief Executive Officer
Subject:	Update on Power Services
Date:	June 25, 2026

Recommendation

Recommendation to receive and file update on Power Services.

Background

Staff provided the updates below to the Board of Directors regarding Community Power's energy procurement activities.

Analysis and Discussion

Commercial Operations

On June 1, 2026, two local storage projects began commercial operations. The North Johnson Energy Center and Chula Vista Energy Center projects, both developed by Wellhead, began providing local storage for energy arbitrage and resource adequacy. The projects combine nearly 100 MW of 4-hour battery storage.

Long-term Renewable Energy Solicitations

As Community Power strives to meet its environmental, financial, and regulatory compliance goals and requirements, long-term power purchase agreements (PPAs) provide developers with a certain revenue stream against which they can finance up-front capital requirements, so each long-term PPA that Community Power signs with a developing facility will underpin a new, incremental renewable energy and/or storage project. In addition, long-term PPAs lock in renewable energy supply around which Community Power can build its power supply portfolio while also hedging power supply costs. Moreover, the California Renewable Portfolio Standard (RPS), as modified in 2015 by Senate Bill 350, requires that Community Power

provide 65% of its RPS-required renewable energy from contracts of at least ten years in length. Finally, in California Public Utilities Commission (CPUC) Decision (D.) 21-06-025, the CPUC required each Load Serving Entity (LSE) in California to make significant long-term purchase commitments for resource adequacy from new, incremental generation facilities that will achieve commercial operation during 2023 through 2026 for purposes of "Mid Term Reliability" (MTR). These requirements have been augmented and extended into 2028 via CPUC D.23-02-040, where the CPUC additionally ordered procurement of long lead time resources by 2028, with the potential for extension through 2031. D.25-06-019 again ordered annual procurement of new resources from 2029-2032, with a quarter coming from long lead time resources.

In pursuit of long-term contracts for renewable energy and storage, staff have released several Requests for Offers (RFOs), including an RFO this year that targeted clean-firm resources that can provide 24/7 deliveries. Staff and the Energy Contracts Working Group (ECWG) evaluate submissions from solicitations as well as bilateral opportunities that staff recommend for shortlisting. Assuming that staff and shortlisted developers can agree to mutually agreeable contracts consistent with terms authorized by the ECWG, staff then review draft terms with Community Power Board of Directors for approval and authorization to execute the relevant documents. To date, staff have enabled the execution of over two dozen long-term contracts for energy, renewable energy credits and/or capacity from renewable and storage projects.

Going forward, staff expect to prioritize projects that increase the portfolio's diversity in terms of technology and innovative contract structures to achieve a pathway to 100% clean energy. Staff will also increasingly prioritize local distributed energy resources (DER) projects as described below.

Local Development

Local RFI

Community Power's rolling Local RFI remains open and has yielded eight Board-approved contracts for local generation and storage facilities. After consultation with the ECWG, Community Power's Board of Directors has approved a portfolio of PV PPAs and energy storage and service agreements and is actively negotiating with several local projects submitted to the Local RFI over the past several months. Community Power also released an RFO for distributed renewable energy resources (DERs), focusing on a broad range of distribution-level renewable projects within San Diego County. This solicitation has yielded nine Board-approved PPAs and energy storage agreements. Other ongoing local initiatives include continued collaboration with member agency staff and other local agencies to identify strategic opportunities to further infill development.

Community Power's Local RFI and Feed-in Tariff remain open. More information is available about each at the links below:

- https://sdcommunitypower.org/resources/solicitations/
- https://sdcommunitypower.org/programs/feed-in-tariff/

Solar Advantage Program *(previously DAC-GT)*

Status: Staff have continued engagement with SDG&E and the California Public Utilities Commission (CPUC) Energy Division regarding the Supervisory Control and Data Acquisition (SCADA) requirements and associated interconnection costs under the Wholesale Distribution Access Tariff (WDAT), that are challenging the feasibility of Solar Advantage projects. Under CPUC program rules, Solar Advantage Program power procurement is subject to a "cost containment cap" that limits the maximum price Community Power can pay for project output; as a result, the significant interconnection and SCADA costs currently required under WDAT may challenge project eligibility, as the pricing required to recover these costs may exceed the allowable cap.

Next Steps: Staff will continue engagement with SDG&E and the CPUC Energy Division to pursue alternative solutions that reduce interconnection equipment costs and/or clarify interconnection requirements under WDAT to improve project viability. For shortlisted projects from the Solar Advantage Program's Second RFO, Staff will not file executed Power Purchase Agreement ("PPA") Advice Letter for CPUC approval due to key interconnection-related challenges with the proposed projects. Instead, developers that bid into the Solar Advantage Program's Second RFO are invited to resubmit under RFO #3, set to release Q3 2026. Concurrently, Staff are incorporating lessons learned into RFO #3 solicitation materials, including updates intended to convey WDAT requirements to prospective bidders and to reference SDG&E's Rule 21 "Unit Cost Guide" for improved cost transparency.

Short-Term RPS Procurement

Community Power staff continue to actively manage its environmental position and closely monitor the market for opportunities to optimize the renewable and carbon-free portfolios. Community Power has been evaluating solicitation offers, bilateral offers, and products that meet needs for multiple portfolios – thereby creating greater value for its customers. Community Power will continue to prioritize environmental targets while also ensuring value for our customers.

Market Update

Due to resource availability in the broader Western Interconnection, lingering supply chain impacts and interconnection queues that have impacted development of new-build energy resources, and implementation of tariffs and duties on foreign imports, the market for renewable energy and resource adequacy (RA) continues to be uncertain. Staff are working with developers, industry groups, the CPUC, and CA Governor's Office and legislators to (i) develop near-term solutions while also actively procuring short-term energy and capacity

products and long-term energy resources to meet Community Power 's portfolio needs practically and cost-effectively, and (ii) to establish a portfolio of resources that will provide value to Community Power and California's clean, reliable energy needs into the future.

California's electric market achieved a milestone on May 1, 2026, as the California Independent System Operator (CAISO) launched the Extended Day-Ahead Market (EDAM), where Western utilities can join to coordinate utility-scale energy resource scheduling in the day-ahead timeframe for the first time. The increased West-wide coordination strengthens reliability and lowers costs by expanding regional coordination into the day-ahead timeframe, when most electricity deliveries are planned and scheduled, to leverage the West's diverse energy resource mix and connected transmission system and to better prepare the system to meet real-time demand. Larger scale energy resource planning allows for more optimized resource commitments and transmission usage across major supply and load centers. Wider electric coordination reduces solar curtailments and reduces price volatility. Additionally, the new Day-Ahead Market Enhancements introduced a new energy product "Imbalance Reserves", which pays dispatchable resources, like batteries, to be ready for dispatch for fluctuating renewable production or changes in demand.

Near-term California energy prices have been steady as markets are watching weather forecasts closely going into summer. There is potential for a highly variable summer season as markets remain sensitive to extreme weather events and unexpected supply shortages. At the same time, the increasing penetration of utility-scale storage resources connected to the grid is influencing daily load patterns and pushing down peak prices.

Summer 2026 Electric Grid Conditions

California's energy supply outlook continues to materially improve compared to recent years, driven largely by accelerated development of new utility-scale renewable generation and battery storage resources. Since September 2025, an additional 2,127 MWs of nameplate capacity has been added to the California Independent System Operator (CAISO) grid, with an additional 6,194 MW forecasted to be online by June 1st, 2026. This includes 3,167 MW of wind capacity committed to California from the SunZia Wind project in New Mexico, a share of which is contracted to Community Power. Also important to summer energy supply is hydro generation and related conditions. As of April 1, 2026, on a statewide basis, the snow water content is the second lowest (after 2015) on record at 18% of average. This is due to a combination of warm storms and unusually hot temperatures in March that led to melting of what remained of this year's already sparse snowpack. Overall, CAISO's summer analysis projects capacity margins exceed forecasted demand and reserve requirements, showing sufficient energy supply to meet a wide range of conditions.

CAISO's system peak demand for 2026 is forecasted in September, hour ending 19. September remains the most stressed month on the grid, driven by high loads and reduced solar availability, with risk concentrated in hours ending 19 and 20. July has a similar demand profile, but it benefits from approximately 3.6 GW of more solar generation during the evening

peak hours compared to September. For summer 2026, there is an additional 3,079 MW of emergency energy supply accessible through the state's Strategic Reliability Reserve (SRR) to support grid reliability in emergency conditions. Overall, total system peak demand forecasts remain moderate but rising with upside risk from extreme heat events.

The weather outlook for June-August show probability of above normal temperatures across the West, with the highest chances across the Intermountain West and Pacific Northwest. While the first half of summer could have higher magnitude of above normal temperatures, forecasts also show an increased chance of above-normal temperatures across the West in August and September. The greatest uncertainty in the forecast is the level of warmth along California's coast. While warmer sea surface temperatures are likely to increase overnight low temperatures, daytime highs will depend on how far westward and how persistently high pressure remains over the Intermountain West. Confidence is higher that interior California, the Pacific Northwest, and the Intermountain West have an increased chance of above-normal temperatures.

While weather is still the primary risk factor going into summer, even with the low hydro outlook, wholesale electric market prices remain on the lower side. There continues to be concern around price volatility in heatwaves and evening peak hours, if energy supply is unexpectedly constrained.

Community Power's contribution to new energy resources online since September 2025 is summarized in the table below. Each new long term PPA and energy storage service agreement (ESSA) that reaches commercial operations contributes to the overall reliability of the electric grid, and acts as a financial hedge, reducing Community Power's exposure to volatile electric prices. In addition to these Board approved long-term energy resource agreements, Power Services staff take additional action to prudently hedge portfolio supply costs as described in Community Power's Energy Risk Management Policy (ERMP). As the 2026 summer season begins, short-term transactions from Power Services have reduced this market exposure and Community Power is well positioned for summer operations.

Summer 2026	**Community Power**
New Solar + Storage	35 MW
New Wind	150 MW
New Stand-alone Storage	99.67 MW

Power Services Staffing

Building out a team of experienced, knowledgeable energy professionals has long been a top priority and allows Community Power not only to solicit, negotiate, and administer contracts for energy supply effectively, but also to monitor market activity, manage risk, bring in-house several activities that have historically been completed by consultants, and to dedicate

additional resources to local and distributed energy procurement and development efforts. The Power Services team is now sixteen people strong, and we recently hired a Compliance and Contract Management Analyst who started on June 17, 2026.

Fiscal Impact

N/A

Attachments

N/A

SAN DIEGO COMMUNITY POWER
Staff Report – Item 4

TO: Board of Directors

FROM: Lucas Utouh, Senior Director of Data Analytics and Customer Operations

VIA: Jack Clark, Acting Chief Executive Officer

SUBJECT: Update on Customer Operations

DATE: June 25, 2026

Recommendation

Receive and file an update on various customer operations initiatives.

Background

Staff will provide regular updates to the Board of Directors centered around tracking customer opt actions (i.e., opt outs, opt ups, opt downs, and re-enrollments) as well as customer engagement metrics. The following is a brief overview of items pertaining to customer operations.

Analysis and Discussion

A) Enrollment Update

As of May 26, 2026, Community Power is serving a cumulative total count of **969,794** active accounts.

Customers with newly established accounts or who have moved into a new service address within any and all of our member jurisdictions receive two post-enrollment notices through the mail at their mailing address on file within 60 days of their account start date, notifying them that they have defaulted to Community Power electric generation service.

B) Customer Participation Tracking

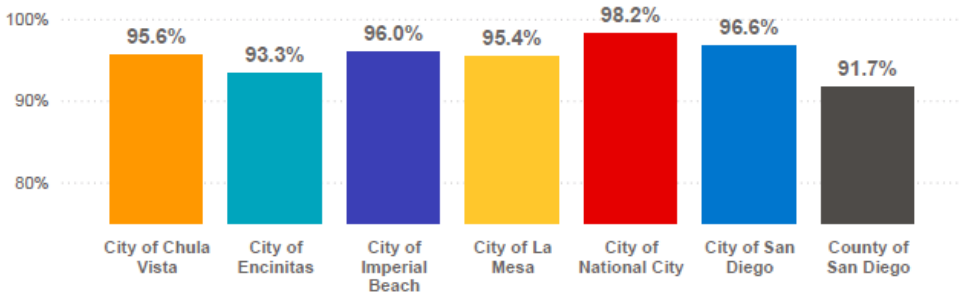
The below charts summarize customer participation by member agency as well as metrics for their elections into San Diego Community Power's four (4) available service options.

Please note that Re-Enrollment metrics are captured and displayed through April 30, 2026.

Enrolled Accounts	Participation Rate
969,794	95.5%

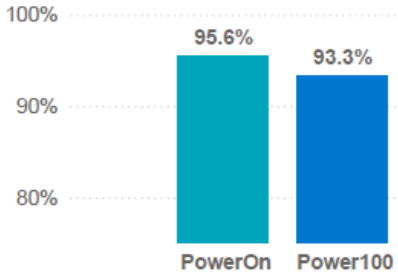
Participation

Participation by Jurisdiction

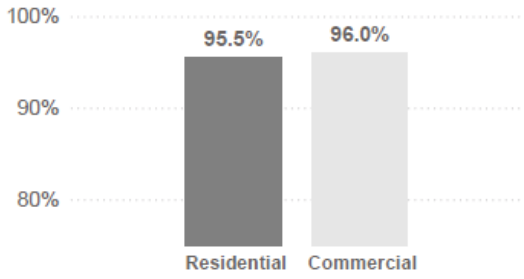


Jurisdiction	Service Option Default	Eligible Accounts	Enrolled Accounts	Participation Rate
City of Chula Vista	PowerOn	100,404	96,029	95.6%
City of Encinitas	Power100	29,071	27,130	93.3%
City of Imperial Beach	PowerOn	10,826	10,395	96.0%
City of La Mesa	PowerOn	29,620	28,245	95.4%
City of National City	PowerOn	19,681	19,334	98.2%
City of San Diego	PowerOn	634,403	613,139	96.6%
County of San Diego	PowerOn	191,436	175,522	91.7%
Total		**1,015,441**	**969,794**	**95.5%**

Participation by Default Service Option



Residential vs Commercial Participation

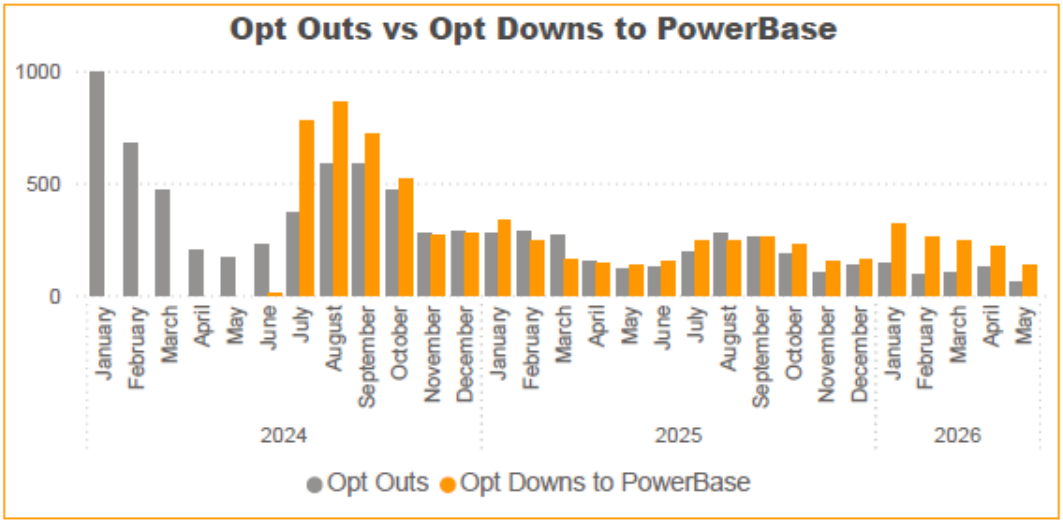


Service Option

PowerBase		PowerOn		Power100		Power100 Green+	
Enrolled	5,962	Enrolled	929,327	Enrolled	34,482	Enrolled	23
Participation	0.6%	Participation	95.8%	Participation	3.6%	Participation	0.0%

Service Option Enrollment Summary

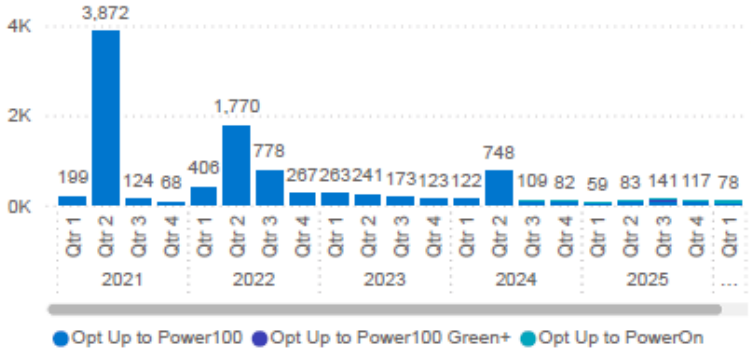
Jurisdiction	Service Option Default	Enrolled Accounts	Power Base Enrolled	Power Base %	PowerOn Enrolled	PowerOn %	Power 100 Enrolled	Power 100%	Power100 Green+ Enrolled	Power100 Green+%
City of Chula Vista	PowerOn	96,029	523	0.5%	94,597	98.5%	909	0.9%		
City of Encinitas	Power100	27,130	248	0.9%	386	1.4%	26,496	97.7%		
City of Imperial Beach	PowerOn	10,395	41	0.4%	10,273	98.8%	81	0.8%		
City of La Mesa	PowerOn	28,245	157	0.6%	27,824	98.5%	264	0.9%		
City of National City	PowerOn	19,334	72	0.4%	19,232	99.5%	30	0.2%		
City of San Diego	PowerOn	613,139	3,334	0.5%	603,899	98.5%	5,883	1.0%	23	0.0%
County of San Diego	PowerOn	175,522	1,587	0.9%	173,116	98.6%	819	0.5%		
Total		**969,794**	**5,962**	**0.6%**	**929,327**	**95.8%**	**34,482**	**3.6%**	**23**	**0.0%**



Opt Up History

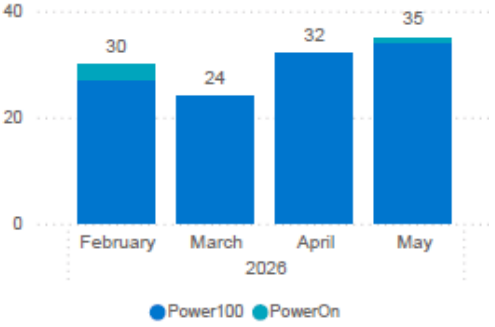
Total Opt Ups	Opt Ups Current*
9,890	8,078

Opt Ups Quarterly



Opt Ups Monthly

Last 4 Months



Opt Ups by Jurisdiction

Jurisdiction	2021	2022	2023	2024	2025	2026 YTD	Total
City of Chula Vista	710	175	61	49	31	5	1,031
City of Encinitas	18	1	1	3	1	2	26
City of Imperial Beach	60	29	11	6	6	21	133
City of La Mesa	155	120	19	12	8	1	315
City of National City			12	24	2	1	39
City of San Diego	3,316	2,896	489	340	309	90	7,440
County of San Diego	4		207	627	43	25	906
Total	**4,263**	**3,221**	**800**	**1,061**	**400**	**145**	**9,890**

Opt Ups by Customer Class

Customer Class	2021	2022	2023	2024	2025	2026 YTD	Total
Commercial	4,256	296	232	701	160	52	5,697
Residential	7	2,925	568	360	240	93	4,193
Total	**4,263**	**3,221**	**800**	**1,061**	**400**	**145**	**9,890**

Opt Ups by Method

Opt Method	2021	2022	2023	2024	2025	2026 YTD	Total
CSR	4,232	1,372	301	817	213	72	7,007
IVR	4	85	84	42	29	7	251
Web	27	1,764	415	202	158	66	2,632
Total	**4,263**	**3,221**	**800**	**1,061**	**400**	**145**	**9,890**

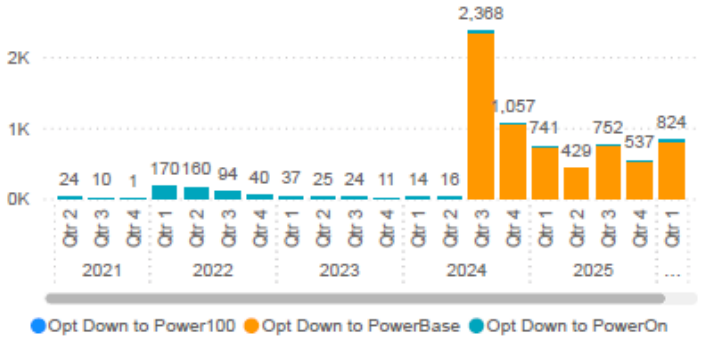
*Current indicates the account is open with SDG&E and this opt action is their latest opt action

2026 YTD as of May 24, 2026

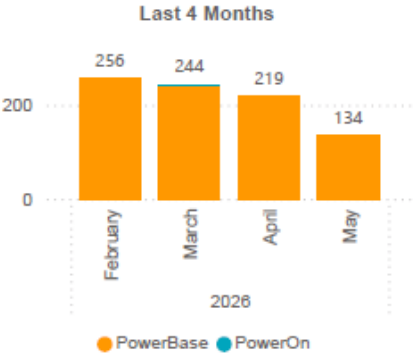
Opt Down History

Total Opt Downs	Opt Downs Current*
7,687	6,389

Opt Downs Quarterly



Opt Downs Monthly



Opt Downs by Jurisdiction

Jurisdiction	2021	2022	2023	2024	2025	2026 YTD	Total
City of Chula Vista		2	4	287	246	86	625
City of Encinitas	35	429	74	150	109	53	850
City of Imperial Beach		1		31	18	6	56
City of La Mesa		4		106	66	29	205
City of National City				36	39	19	94
City of San Diego		28	13	1,793	1,390	780	4,004
County of San Diego			6	1,052	591	204	1,853
Total	35	464	97	3,455	2,459	1,177	7,687

Opt Downs by Customer Class

Customer Class	2021	2022	2023	2024	2025	2026 YTD	Total
Commercial	34	23	9	508	172	63	809
Residential	1	441	88	2,947	2,287	1,114	6,878
Total	35	464	97	3,455	2,459	1,177	7,687

Opt Downs by Method

Opt Method	2021	2022	2023	2024	2025	2026 YTD	Total
CSR	31	311	65	2,562	1,531	574	5,074
IVR	4	26	3	309	274	100	716
Web		127	29	584	654	503	1,897
Total	35	464	97	3,455	2,459	1,177	7,687

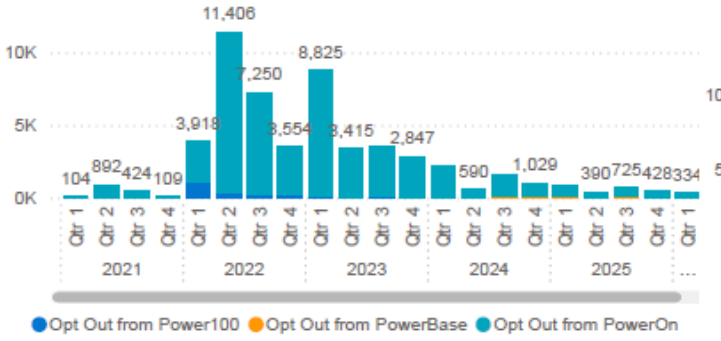
*Current indicates the account is open with SDG&E and this opt action is their latest opt action

2026 YTD as of May 24, 2026

Opt Out History

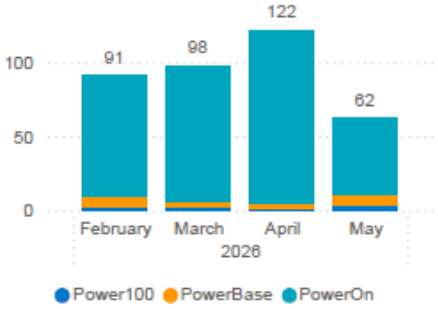
Total Opt Outs	Opt Outs Current*
54,526	44,317

Opt Outs Quarterly



Opt Outs Monthly

Last 4 Months



Opt Outs by Jurisdiction

Jurisdiction	2021	2022	2023	2024	2025	2026 YTD	Total
City of Chula Vista	267	3,466	747	411	200	58	5,149
City of Encinitas	66	1,869	230	118	56	12	2,351
City of Imperial Beach	32	343	99	60	17	11	562
City of La Mesa	84	1,269	235	128	59	11	1,786
City of National City			285	75	33	9	402
City of San Diego	1,078	19,180	3,185	1,836	1,065	252	26,596
County of San Diego	2	1	13,899	2,669	944	165	17,680
Total	1,529	26,128	18,680	5,297	2,374	518	54,526

Opt Outs by Customer Class

Customer Class	2021	2022	2023	2024	2025	2026 YTD	Total
Residential	37	25,593	16,996	4,953	2,233	491	50,303
Commercial	1,492	535	1,684	344	141	27	4,223
Total	1,529	26,128	18,680	5,297	2,374	518	54,526

Opt Outs by Method

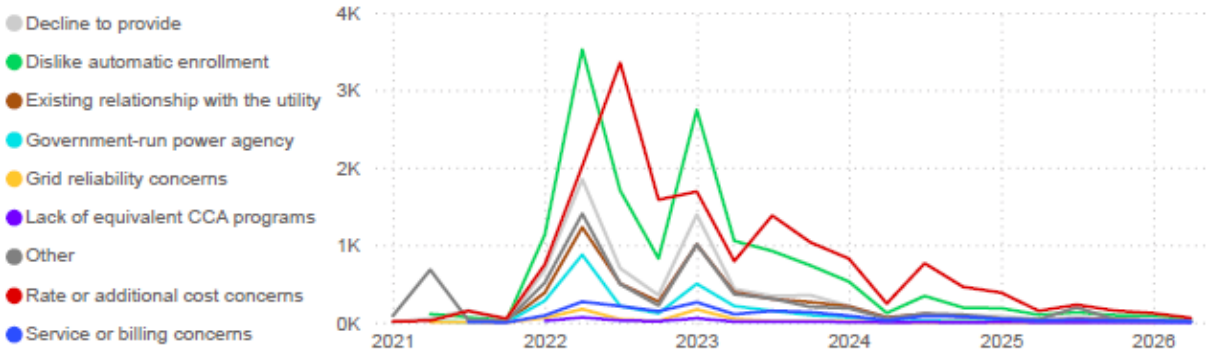
Opt Method	2021	2022	2023	2024	2025	2026 YTD	Total
CSR	1,104	6,963	4,706	1,653	703	186	15,315
IVR	102	4,885	3,788	1,284	445	76	10,580
Web	323	14,280	10,186	2,360	1,226	256	28,631
Total	1,529	26,128	18,680	5,297	2,374	518	54,526

*Current indicates the account is open with SDG&E and this opt action is their latest opt action

2026 YTD as of May 24, 2026

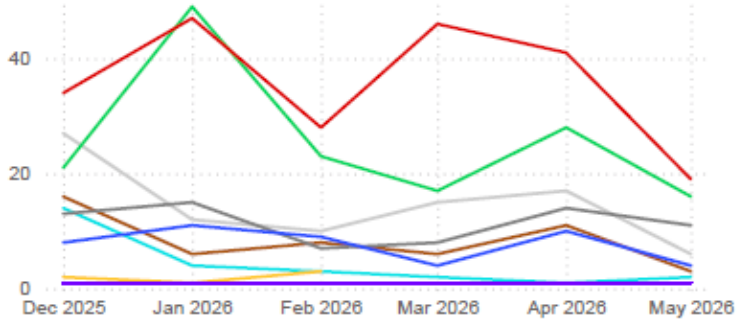
Opt Out Reason Summary

Opt Outs by Reason Quarterly



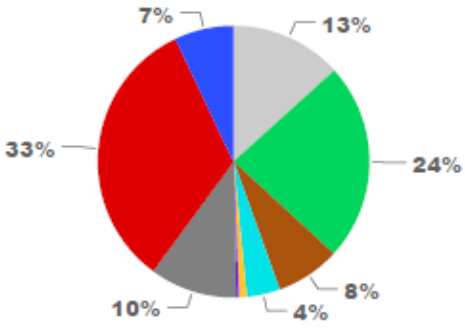
Opt Outs by Reason Monthly

Last 6 Calendar Months



Opt Out Reason Distribution

Last 6 Calendar Months



Opt Outs by Reason Table

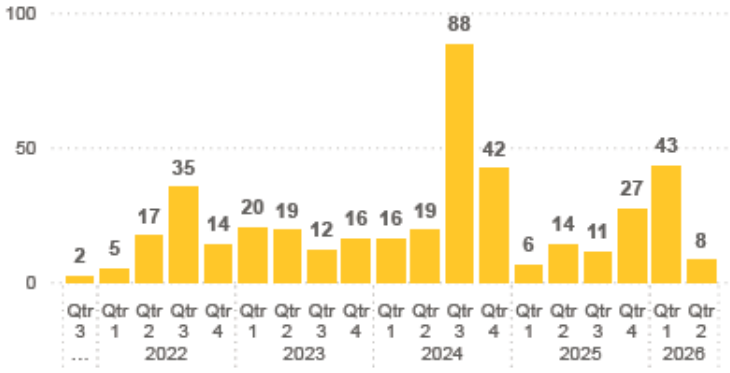
Opt Out Reason	2021	2022	2023	2024	2025	2026 YTD	Total
Decline to provide	228	3,581	2,518	465	256	60	7,108
Dislike automatic enrollment	203	7,187	5,458	1,188	511	133	14,680
Existing relationship with the utility	2	2,388	1,968	462	153	34	5,007
Government-run power agency	24	1,489	960	129	66	12	2,680
Grid reliability concerns	7	293	252	20	7	4	583
Lack of equivalent CCA programs		131	90	12	6	1	240
Other	819	2,636	1,883	453	325	55	6,171
Rate or additional cost concerns	240	7,705	4,897	2,296	918	181	16,237
Service or billing concerns	6	718	654	272	132	38	1,820
Total	1,529	26,128	18,680	5,297	2,374	518	54,526

2026 YTD as of May 23, 2026

Re-Enrollment Requests

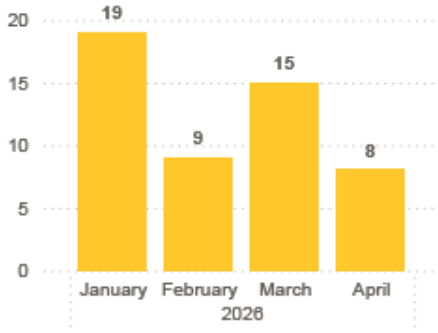
Excludes closed accounts

Re-Enrollments Quarterly



Re-Enrollments Monthly

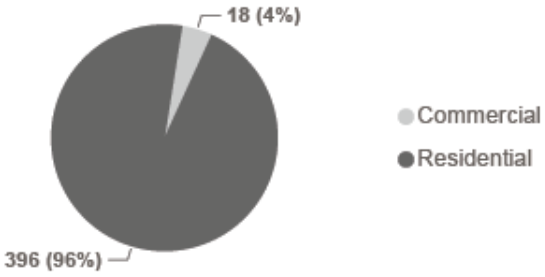
Last 4 Months



Re-Enrollments by Jurisdiction

Jurisdiction	Accounts
City of Chula Vista	28
City of Encinitas	35
City of Imperial Beach	5
City of La Mesa	8
City of National City	1
City of San Diego	252
County of San Diego	85
Total	**414**

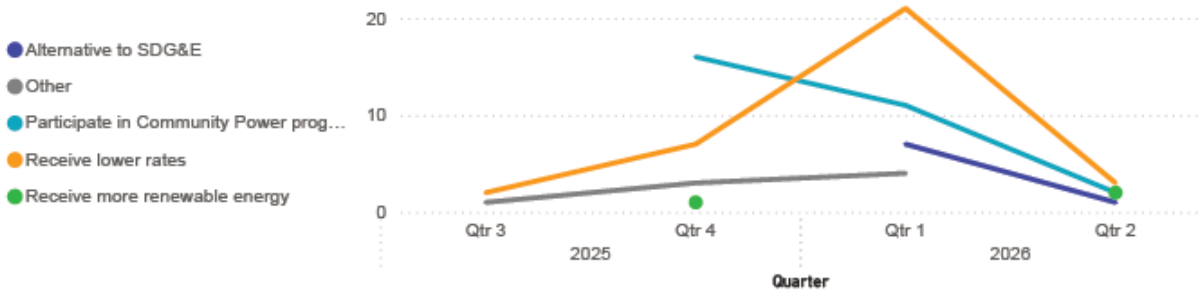
Re-Enrollments Residential vs Commercial



2026 YTD through the end of April, 2026

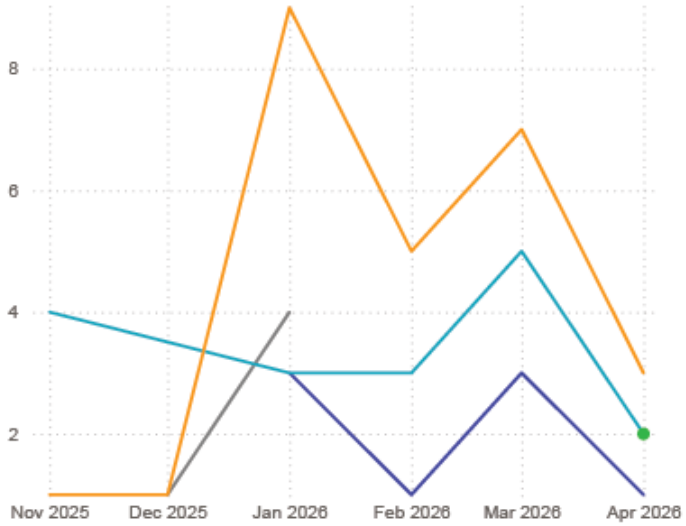
Re-Enrollment Reason Summary*

Re-Enrollments by Reason Quarterly



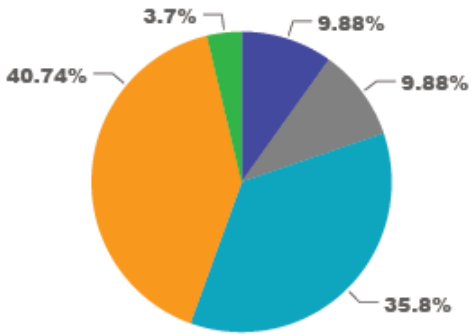
Re-Enrollments by Reason Monthly

Last 6 Calendar Months



Re-Enrollments Reason Distribution

Last 6 Calendar Months



Re-Enrollment by Reason Table

ReEnrollmentReason	2025	2026 YTD	Total
Alternative to SDG&E		8	8
Other	4	4	8
Participate in Community Power program	16	13	29
Receive lower rates	9	24	33
Receive more renewable energy	1	2	3
Total	30	51	81

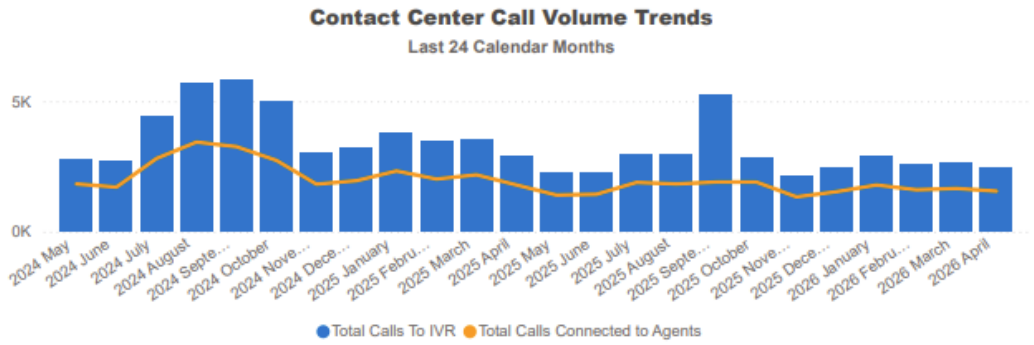
Re-Enrollment Reason Functionality Implemented 09/01/2025

C) Contact Center Metrics

As expected, calls to our Contact Center have decreased following the warm summer months that resulted in higher electric bills and have remained steady in the winter months.

The chart below summarizes contact made by customers into the Contact Center broken down by month. Contact Center Metrics are captured and displayed through April 30, 2026.

Contact Center Metrics



Interactive Voice Response (IVR) and Service Level Agreement (SLA) Metrics

	2021	2022	2023	2024	2025	2026 YTD	Total
Total Calls to IVR	2,289	47,118	52,977	48,073	36,829	10,574	**197,860**
Total Calls Connected to Agents	1,401	30,174	34,173	29,332	21,556	6,611	**123,247**
Avg Seconds to Answer	20.00	11.50	6.75	18.08	9.33	8.00	**12.46**
Avg Call Duration (Minutes)	8.5	9.8	9.6	9.6	9.0	8.8	**9.3**
Calls Answered Within 60 Seconds (75% SLA)	96.23%	95.50%	97.57%	91.74%	95.85%	97.09%	**95.45%**
Abandon Rate	0.57%	0.36%	0.19%	0.72%	0.43%	0.25%	**0.43%**



Customer Service Emails

	2021	2022	2023	2024	2025	2026 YTD	Total
Emails Received	272	2,894	2,116	1,271	1,170	366	**8,089**
Emails Answered or Escalated Within 24 Hours	257	2,821	2,107	1,270	1,170	364	**7,989**
Completion%	94%	96%	100%	100%	100%	100%	**98%**

2026 YTD through the end of April, 2026

San Diego Community Power anticipates that the trend of customers calling into the Contact Center's Interactive Voice Response (IVR) system tree and being able to self-serve their opt actions using the recorded prompts as well as utilizing Community Power's website for processing opt actions will continue to account for the majority of all instances. The remaining portion of customer calls are connected to Customer Service Representatives to answer additional questions, assist with account support, or process opt actions.

As of this latest reporting month, Community Power has nine (9) Dedicated Customer Service Representatives staffed at the Contact Center and one (1) Supervisor. Robust Quality Assurance (QA) procedures are firmly in place to ensure that customers are getting world-class customer experience when they contact Community Power.

Fiscal Impact

N/A

Attachments

N/A

SAN DIEGO COMMUNITY POWER
Staff Report – Item 5

To:	Board of Directors
From:	Stephen Yi, Associate Director of IT and Data Analytics
Via:	Jack Clark, Acting Chief Executive Officer
Subject:	Update on IT and Data Analytics
Date:	June 25, 2026

Recommendation

Receive and file an update on IT and Data Analytics.

Background

Community Power continues to invest in a strong in-house IT and data analytics function to support efficient, secure, and scalable operations. Recent efforts remain focused on improving business processes, strengthening core systems, and expanding the organization's ability to use data for decision-making in a practical and cost-effective way. Demand for IT services and data analytics continues to grow as the organization expands its systems, integrations, and data needs.

Analysis and Discussion

Information Technology

The IT team continues to provide reliable day-to-day support while advancing service improvements and standardizing core processes.

Key areas of focus include:

- Improving request intake and service delivery
- Supporting enterprise systems and cross-department workflows
- Strengthening system reliability and operational consistency

Overall service levels remain strong despite increasing demand.

Cybersecurity
The team continues to strengthen cybersecurity and governance practices, including enhancements to access management, records retention, and system controls.

These efforts support a growing technology footprint and help ensure that systems and data remain secure and well-managed.

Data Analytics

Enterprise Data Platform – Phase 2
The Data Analytics team continues to expand access to trusted, standardized data across the organization through the Enterprise Data Platform (EDP).

Phase 2 Release 1 has moved into Production, and the team is validating the move. This release included:

- A set of standardized, secure options for sharing data with external vendors.
- Automated external data feeds to support Load Flex, Vehicle Flex, and Day Ahead Load Forecasting.
- Infrastructure and networking to support connecting EDP and Community Power's CRM platform.
- Customer 360 Report that provides a centralized view of account billing, payments, and usage
- Adjustments to support the medium and large customer class split
- Database optimizations

The team will soon start on Phase 2 Release 2, which focuses on Power Services data pipeline automation and reports, building interval data tables, model pipeline automation, and geospatial data.

Fiscal Impact

N/A

Attachments

N/A

SAN DIEGO COMMUNITY POWER
Staff Report – Item 6

To:	Board of Directors
From:	Chandra Pugh, Senior Director of People Operations and Administration
Via:	Jack Clark, Acting Chief Executive Officer
Subject:	Update on Human Resources
Date:	June 25, 2026

RECOMMENDATION

Receive and file the Human Resources, Facilities, and Administration monthly report for June 25, 2026.

BACKGROUND

People Operations and Administration serve as a strategic partner to the organization, supporting workforce development, operational effectiveness, and safe, efficient workplace operations. These functions advance organizational priorities through talent management, employee engagement, administrative coordination, and facilities oversight. This report provides a summary of key activities and progress during May 2026.

Human Resources:

Recruitment efforts remain active, and onboarding processes were refined with HR/IT coordination. Performance management and compensation updates continue, and succession planning and internship development are also progressing to the implementation phase. The Facilities and Administration teams continue to work together on ongoing organizational priorities in support of our high-performing, safe, and efficient workplace.

We are excited to welcome several new team members this month, including four interns who will be assisting in various departments this summer.

Lun Hua:

Lun Hua joins us as our new Information Systems (IS) Manager. Lun brings more than 16 years of enterprise-level IT leadership experience having led IT strategy, operations, and service delivery in a complex, cloud-forward environment. He has a strong track record of partnering with leadership and cross-functional teams to design technology roadmaps, streamline business processes, and deliver solutions that support organizational goals.

Throughout his career, Lun has focused on building and mentoring high-performing teams, strengthening service delivery through IT Information Library based practices, and thoughtfully balancing security, reliability, and user experience. He is also known for being a collaborative partner who works closely with colleagues across departments to understand needs, connect systems and processes, and help teams succeed together.

Lauren Silver:

Lauren Silver is our new Compliance and Contract Management Analyst. Lauren recently graduated from UCSD with a master's degree in public policy, with a concentration in Environmental and Energy Policy. Last summer, she interned with the Public Utilities Commission (CPUC) on the Communications and Broadband Policy side. In Lauren's graduate work, she wrote an extensive research paper on Renewable Portfolio Standards (RPS) and the Geography of Utility-Scale Solar Deployment in the US.

Community Power Summer Interns

Jasmine Davis:

Jasmine is currently attending George Washington University as a Psychology and History major. Jasmine is driven to SDCP's commitment to equity, sustainability, and community impact. Some of Jasmine's accomplishments include being a finalist at the International Career Development Conference for her International Business Plan.

Rachel Noonan:

Rachel is a recent graduate of San Diego State University majoring in Human Resources. While at SDSU, she participated in the Society of Human Resources Management and has already participated in a Summer Internship program at House of Pancakes. Rachel brings a passion for making a difference in the San Diego community and is excited to grow as an HR professional.

Purnell Strom:

Purnell will be participating in the Summer Internship Program for the Regulatory and Legislative Affairs team. Purnell is a recent graduate of San Diego State University where he double majored in Political Science & International Security and Conflict Resolution (ISCOR). In addition to his studies, Purnell brings experience from internships with our friends at Calpine Community Energy and the California State Assembly as a District Office Intern. Purnell is committed to serving his community and home here in San Diego while looking to grow his career in the clean energy policy sector.

Heewon Yang:

Heewon Yang is joining San Diego Community Power today as our Public Affairs Intern. Heewon is a Psychology major at San Diego Miramar College and brings experience in community outreach, public engagement, and digital communications. Through her work, she has demonstrated a strong commitment to connecting organizations with the communities they serve, and we look forward to the contributions she'll make to Community Power.

Current Open Positions:

Marketing and Communications Associate
Data Engineer
Program Associate

FISCAL IMPACT

This is an informational report and does not have a direct fiscal impact.

ATTACHMENTS

N/A

SAN DIEGO COMMUNITY POWER
Staff Report – Item 7

To:	Board of Directors
From:	Jen Lebron, Senior Director of Public Affairs
Via:	Jack Clark, Acting Chief Executive Officer
Subject:	Update on Marketing, Public Relations, and Local Government Affairs
Date:	June 25, 2026

Recommendation

Receive and file an update on marketing, public relations, and local government affairs activities for San Diego Community Power (Community Power).

Background

Community Power has engaged in a variety of public relations, marketing, community outreach, and local government affairs activities to drive awareness, spark community engagement, and maintain high customer enrollment.

Analysis and Discussion

Community Power's Public Affairs Department has been participating in events across our member agencies as it aims to increase general awareness and answer questions in a friendly, helpful manner.

Recent and Upcoming Public Engagement Events

San Diego Regional Economic Development Corporation
South County Economic Development Corporation
Spring Valley Day
City of Chula Vista
City of Imperial Beach
National City Collaborative
Imperial Beach Collaborative
Spirit of the Barrio

Chula Vista Electrification Fair
Day at the Park: Barrio Logan
Cyclovia Encinitas
San Diego Padres
City of Encinitas
Nipaquay Elementary Family STEAM Night
National City District 2 Town Hall
Equality California
City of Imperial Beach Seniors and Veterans Resource Fair
EcoFest Encinitas
Olivewood Gardens Seedling Soiree
Rising Voices: Youth4Climate
Chula Vista Community Collaborative
19th Annual Native American Economic Development Conference
San Diego Regional Climate Collaborative June Network Meeting
Day at the Park: Bayfront Park
San Diego Pride Parade
Day of Play at Olivewood Gardens

Communications, Education, Outreach and Engagement

San Diego Community Power was honored as best brand by the American Marketing Association's San Diego Chapter at the annual "Sandie Awards." The panel of judges commended Community Power's 2025 website redesign and brand overhaul for being customer-driven, grounded in community and providing clarity and accessibility for a complicated subject.

The brand refresh supports Community Power on its other priorities, which include campaigns to help customers save money and electricity before heading into warmer months.

The Public Affairs team has been working diligently behind the scenes to support programmatic efforts, including the launch of the San Diego Regional Energy Network and the Solar Battery Savings Program. The Public Affairs team is working closely with internal and external stakeholders to encourage participation in these programs and leveraging relationships with community partners to amplify our marketing and outreach efforts.

Community Power has continued its efforts to connect with local leaders through meetings and community events.

The Public Affairs team will continue to develop new strategies, processes and capacity over the next several months to conduct more community outreach, expand marketing and brand awareness efforts, and provide timely, accurate information across multiple channels.

Local Government Affairs

Community Power continues to meet with and work with local governments and tribal nations throughout the greater San Diego region, with a focus on opportunities for local development, providing education about legislative and regulatory affairs, and sharing information about services and programs.

Fiscal Impact

N/A

Attachments

N/A

SAN DIEGO COMMUNITY POWER
Staff Report – Item 8

To:	Board of Directors
From:	Jannies Burlingame Chief Financial Officer and Treasurer
Via:	Jack Clark, Acting Chief Executive Officer
Subject:	Treasurer's Report for 9-Month Period Ending March 31, 2026
Date:	June 25, 2026

Recommendation

Receive and File Treasurer's Report for 9-Month Period Ending March 31, 2026.

Background

San Diego Community Power (Community Power) prepares its accounting records on a full accrual basis under GAAP for governmental enterprise funds. Year-to-date financial statements for the 9-month period ending March 31, 2026, include budget comparisons.

The Board adopted an Investment Policy on May 25, 2023, with subsequent revisions on June 27, 2024, and August 28, 2025, to ensure the safeguarding of principal, preservation of liquidity, generation of returns, and adherence to a high standard of fiduciary care. The policy requires regular reporting to the Finance and Risk Management Committee (FRMC) via the Treasurer's Report. As of March 31, 2026, the investment portfolio was compliant with the Community Power Investment Policy.

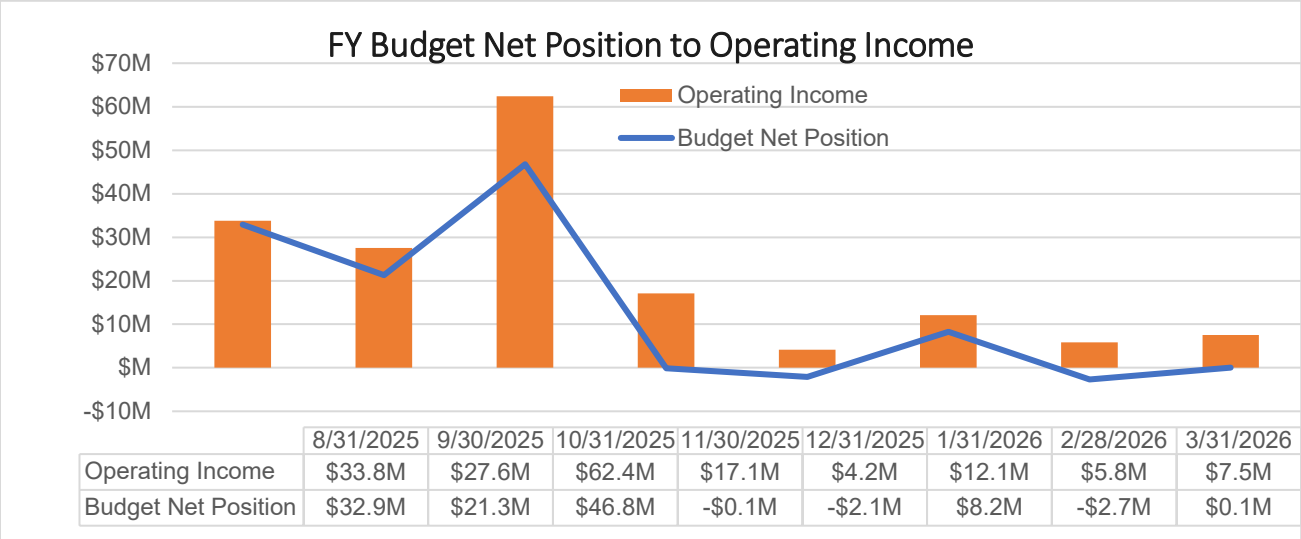
To enhance transparency, Community Power reports newly executed contracts between $50,000 and $150,000 in the Treasurer's Report, per the Delegated Contract Authority Policy. Monthly operational metrics are presented at Board meetings, and key risk metrics are shared during FRMC meetings as part of the Treasurer's Report.

On February 26, 2026, the Community Power Board of Directors (Board) approved the Amended Fiscal Year 2025-26 Operating Budget, which serves as the basis for comparison in this report.

Analysis and Discussion: Actual financial results for the period ending March 31, 2026: $981.2 million in net operating revenues were reported compared to $967.1 million budgeted for the period. Community Power's change in net position of $208.5 million was reported year-to-date for Fiscal Year 2025-26. The following is a summary of the actual results through March 31, 2026, compared to the Fiscal Year 2025-26 Amended Budget:

- Operating revenues are $14.2 million, or 1.5% above budget assumptions primarily due to higher retail sales resulting from warmer temperatures. Uncollectable customer accounts are lower relative to budget.
- Cost of energy is $37.4 million, or 5.0% under budget, primarily due to lower energy costs resulting from lower load serving costs and lower renewable costs.
- Professional Services and Consultants: $3.5 million below budget due to lower-than-expected utilization of outside professional services.
- Personnel Costs: $0.6 million under budget, driven by vacancies and accrued vacation.
- Non-Operating Revenues and Expenses:
    - Total investment income of $13.3 million vs the budgeted $13.7 million.
    - $1.4 million in year-to-date interest and related expenses versus $1.1 million budgeted, in line with expectations.

The chart below shows the Budgeted Net Position as compared to actual operating income through the first 9 months of FY26:



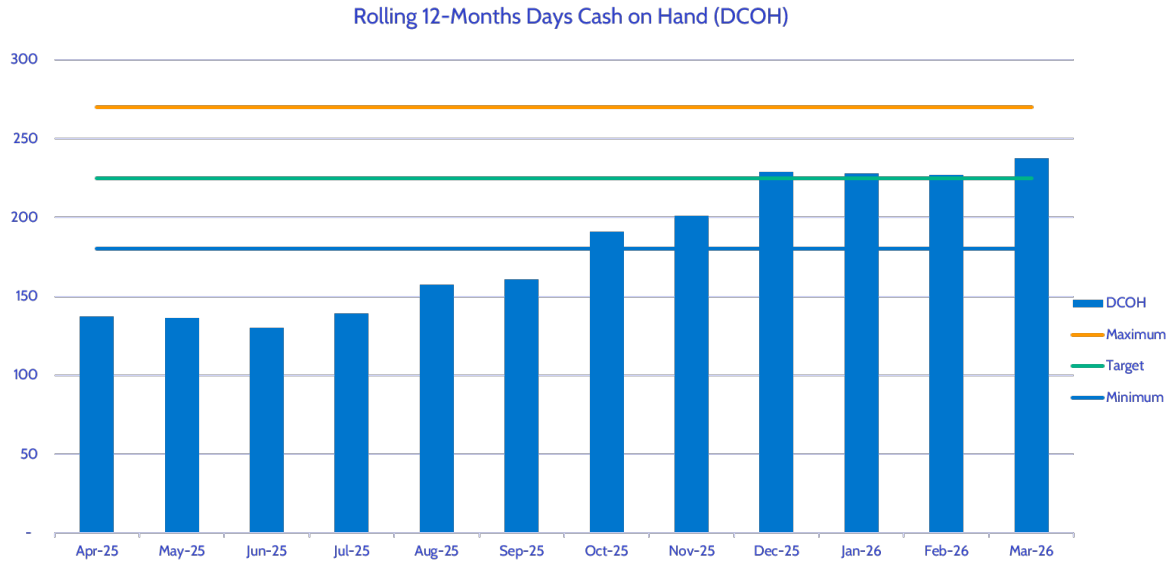
	8/31/2025	9/30/2025	10/31/2025	11/30/2025	12/31/2025	1/31/2026	2/28/2026	3/31/2026
Operating Income	$33.8M	$27.6M	$62.4M	$17.1M	$4.2M	$12.1M	$5.8M	$7.5M
Budget Net Position	$32.9M	$21.3M	$46.8M	-$0.1M	-$2.1M	$8.2M	-$2.7M	$0.1M

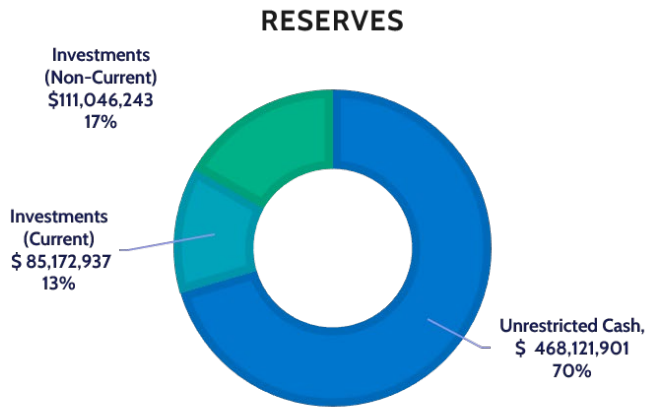
Financial Reserves:

Under Resolution 2025-23, Community Power's revised Financial Reserves Policy establishes a minimum reserve requirement of 180 days cash on hand and a reserve target of 225 days cash on hand. For Fiscal Year 2025-26, this target equates to approximately $623 million, based on projected operating expenses.

Community Power reserves at the end of the period totaled $664.3 million, or 238 days cash on hand, including $468.1 million in unrestricted cash and $196.2 million in investment holdings. Total available liquidity (including unrestricted cash, investment holdings, and available lines of credit) was $887.3 million.

Presented below are charts showing Community Power's rolling 12-month financial reserves relative to Reserve Policy thresholds, along with the composition of reserves between unrestricted cash and investments.





Presented below are the Budget to Actual results for the 9 months ending March 31, 2026.

SAN DIEGO COMMUNITY POWER
OPERATING FUND
BUDGETARY COMPARISON SCHEDULE
Nine Months Ended March 31, 2026

	Year-to-Date				Annual	
	Amended Budget	Actual	Amended Budget Variance (Under) Over	Actual/ Amended Budget %	Amended Budget	Amended Budget Remaining
REVENUES AND OTHER SOURCES						
Gross Ratepayer Revenues	$ 982,981,000	$ 993,081,502	$ 10,100,502	101%	$ 1,194,789,000	$ 201,707,498
Less: Uncollectible Customer Accounts	(15,924,000)	(14,896,223)	1,027,777	94%	(19,370,000)	(4,473,777)
Other Income	-	3,052,196	3,052,196	na	-	(3,052,196)
Total Revenues and Other Sources	967,057,000	981,237,475	14,180,475		1,175,419,000	194,181,525
OPERATING EXPENSES						
Cost of Energy	767,036,000	729,660,805	(37,375,195)	95%	969,917,000	240,256,195
Professional Services and Consultants	17,560,000	14,078,430	(3,481,570)	80%	23,414,000	9,335,570
Personnel Costs	14,709,000	14,071,273	(637,727)	96%	19,612,000	5,540,727
Marketing and Outreach	1,738,000	1,651,754	(86,246)	95%	2,317,000	665,246
General & Administrative	3,486,000	3,249,569	(236,431)	93%	4,648,000	1,398,431
Total Operating Expenses	804,529,000	762,711,831	(41,817,169)		1,019,908,000	257,196,169
Operating Income (Loss)	162,528,000	218,525,645	55,997,645		155,511,000	(63,014,645)
NON-OPERATING REVENUES (EXPENSES)						
Investment Income	13,721,000	13,253,348	(467,652)	97%	18,295,000	5,041,652
Interest and Related Expenses	(1,136,000)	(1,406,130)	(270,130)	124%	(1,515,000)	(108,870)
Transfer to Capital Investment Program	(21,881,000)	(21,881,000)	-	100%	(21,881,000)	-
Total Non-Operating Revenues (Expenses)	(9,296,000)	(10,033,782)	(737,782)		(5,101,000)	4,932,782
NET CHANGE	$ 153,232,000	$ 208,491,863	$ 55,259,863		$ 150,410,000	$ (58,081,863)

Investment Portfolio Report

Chandler Asset Management manages Community Power's investment portfolio. As of March 31, 2026, the market value of the portfolio was $124.9M and in compliance with Community Power's Investment Policy. Presented below is a summary of the investment portfolio's overall characteristics.

PORTFOLIO SUMMARY

CHANDLER ASSET MANAGEMENT

San Diego Community Power | Account #11293 | As of March 31, 2026

Portfolio Characteristics

Average Modified Duration	2.51
Average Coupon	3.79%
Average Purchase YTM	4.09%
Average Market YTM	4.02%
Average Credit Quality*	AA+
Average Final Maturity	2.93
Average Life	2.74

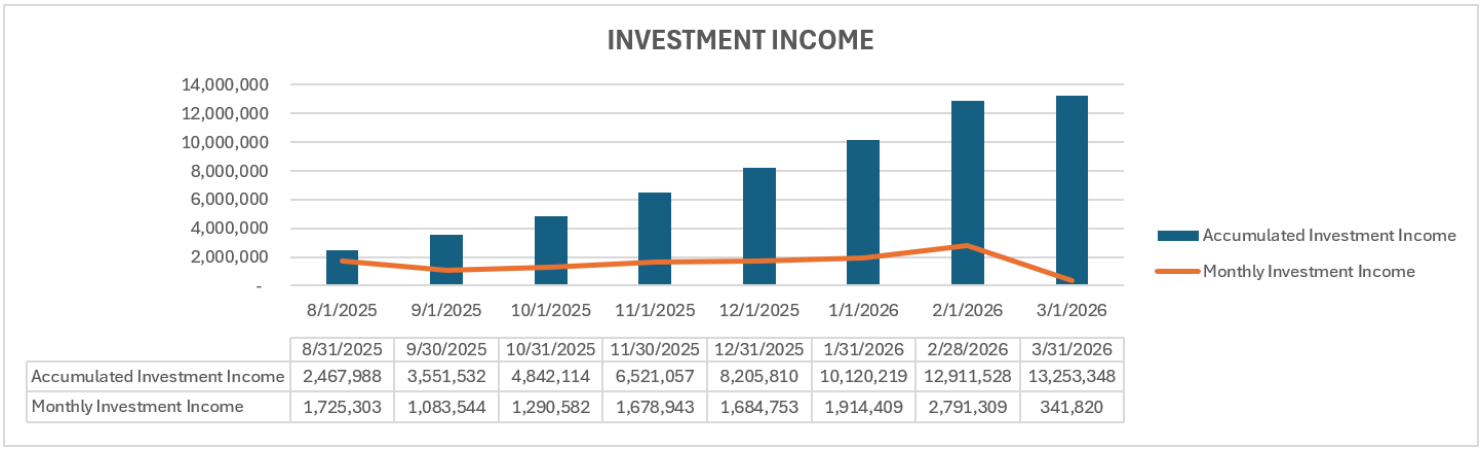
Account Summary

	End Values as of 02/28/2026	End Values as of 03/31/2026
Market Value	114,940,764.41	124,009,766.92
Accrued Interest	815,633.69	874,582.36
Total Market Value	**115,756,398.11**	**124,884,349.28**
Income Earned	393,048.06	538,028.63
Cont/WD	0.00	10,000,000.00
Par	114,625,903.53	125,077,189.27
Book Value	113,626,309.95	123,964,444.20
Cost Value	113,427,822.78	123,741,800.66

Top Issuers

United States	55.53%
Federal Home Loan Mortgage Corp	10.46%
First American Govt Oblig Fund	1.44%
Chase Issuance Trust	1.39%
Guardian Life Global Funding	1.20%
The Home Depot, Inc.	1.16%
Toyota Motor Corporation	1.11%
Caterpillar Inc.	1.05%

The chart below presents monthly and year-to-date investment income for the first nine months of FY26.



	8/31/2025	9/30/2025	10/31/2025	11/30/2025	12/31/2025	1/31/2026	2/28/2026	3/31/2026
Accumulated Investment Income	2,467,988	3,551,532	4,842,114	6,521,057	8,205,810	10,120,219	12,911,528	13,253,348
Monthly Investment Income	1,725,303	1,083,544	1,290,582	1,678,943	1,684,753	1,914,409	2,791,309	341,820

Contract Execution between $50,000 and $150,000

To ensure transparency and comply with Community Power's Non-Energy Procurement Policy, the table below lists contracts or amendments with not-to-exceed values between $50,000 and $150,000 that were executed under the CEO's authority for the month of May.

- Agreement 2026-27 - Keyes and Fox LLP
    - Engagement letter for legal services - Not-to-Exceed $50,000
- Agreement 2026-18 - The Urban Collective Project
    - Marketing, Education and Outreach for the Equitable Building Decarbonization Direct Install Program, Southern Region – Not-to-Exceed $85,000
- Agreement 2026-11 - Aurora Energy Research LLC
    - Subscription for Analytics Services, Advisory Services, and Software Solutions Not-to-Exceed $130,000

Capital Investment Program Fund

The FY 2026-30 Capital Investment Plan (CIP) contains all the individual capital projects, major equipment purchases, and major programs for the agency that are intended to span multiple years and that are considered one-time projects rather than recurring projects.

The first year of the FY 2026-30 CIP is Community Power's capital budget shown in the Budgetary Comparison Schedule. Unspent funds are kept within the CIP and carried forward to the subsequent fiscal year. The CIP includes funding for local development feasibility studies, customer program pilot projects, member agency grants, community grants, a customer education platform, and other community-focused areas.

CAPITAL INVESTMENT PROGRAM FUND
BUDGETARY COMPARISON SCHEDULE
Nine Months Ended March 31, 2026

	Annual Amended Budget	YTD Actual	Amended Budget Remaining
REVENUES AND OTHER SOURCES			
Transfer in from Operating Fund	$ 21,881,000	$ 21,881,000	$ -
Grant Revenue - SDREN	31,868,547	4,822,057	(27,046,490)
Grant Revenue - CDFA Efficient Refrigeration Pi	-	694,563	694,563
Grant Revenue - DAC	589,822	-	(589,822)
Total Revenue and Other Sources	54,339,369	26,703,057	(27,636,312)
EXPENDITURES AND OTHER USES			
Program Expenditures	54,628,369	9,566,206	$ (45,062,163)
Net increase (decrease) in fund balance	$ (289,000)	17,136,851	
Fund balance at beginning of period		10,340,567	
Fund balance at end of period		$ 27,477,418	

Customer Participation Rates

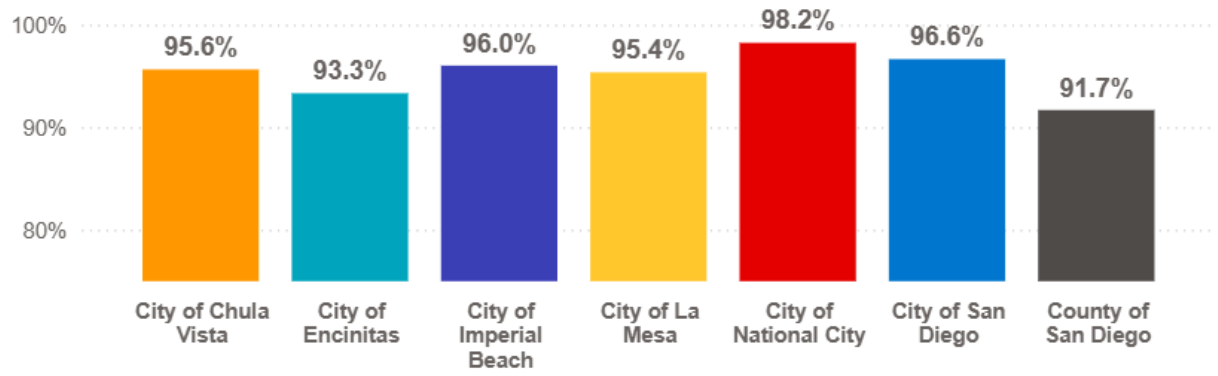
The participation rate for Community Power reflects full enrollment of current member agencies. We are reporting on the opt outs and eligible accounts associated with the enrollment phase based on those accounts that we have noticed for enrollment on a rolling basis as of the reporting month.

Presented below are the customer participation rates by jurisdiction as of May 1, 2026.

Enrolled Accounts	Participation Rate
969,794	95.5%

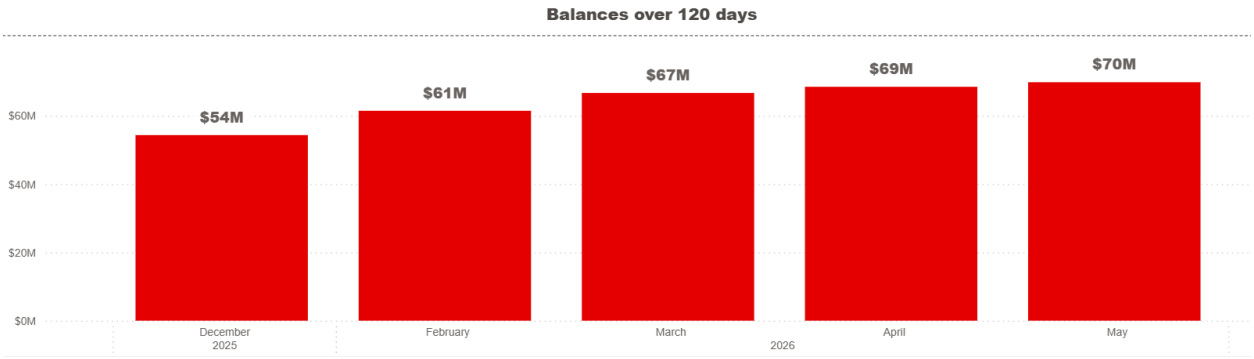
Participation

Participation by Jurisdiction

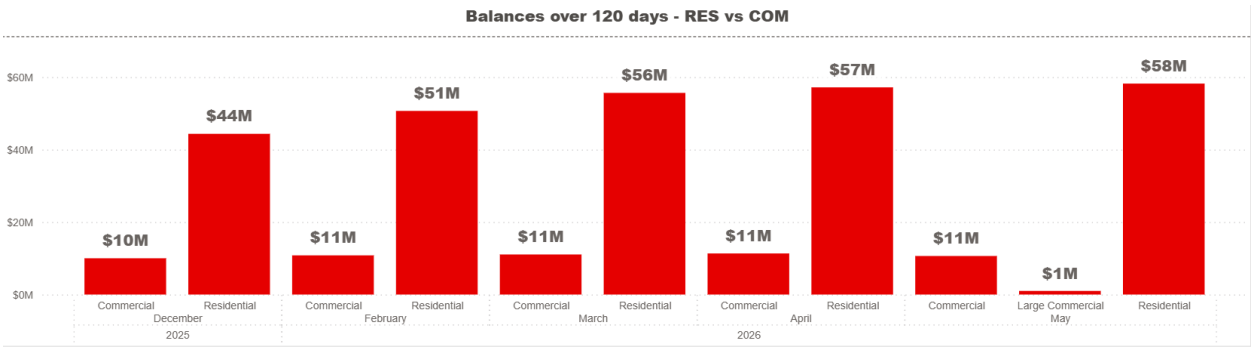


Jurisdiction	Service Option Default	Eligible Accounts	Enrolled Accounts	Participation Rate
City of Chula Vista	PowerOn	100,404	96,029	95.6%
City of Encinitas	Power100	29,071	27,130	93.3%
City of Imperial Beach	PowerOn	10,826	10,395	96.0%
City of La Mesa	PowerOn	29,620	28,245	95.4%
City of National City	PowerOn	19,681	19,334	98.2%
City of San Diego	PowerOn	634,403	613,139	96.6%
County of San Diego	PowerOn	191,436	175,522	91.7%
Total		**1,015,441**	**969,794**	**95.5%**

Presented below is the state of Community Power arrearages. The below arrearage data includes Community Power's receivables aged 120+ days as of May 1, 2026. Community Power's arrearages have increased since December 2025, consistent with the agency's typical arrearage cycle, as higher summer 2025 bills have matured into the 120-day aging category.



Presented below is a breakout of Community Power's arrearages data by residential and commercial customer class as of May 1, 2026. Additionally, on April 23, 2026, the Board approved a rate adjustment effective May 1, 2026, that included the creation of a new Medium Commercial customer class from the existing Small and Large Commercial and Industrial customer classes. As a result, starting in May, staff are reflecting only the Large Commercial customer class.



Fiscal Impact

N/A

Committee Review

The Treasurer's Report was received and filed by the Finance and Risk Management Committee at their meeting of June 18, 2026,

Strategic Plan

Consistent with the Strategic Plan objective of implementing prudent fiscal strategies to support long-term organizational sustainability.

Attachments

A: FY 2026 Year-to-Date Period Ended March 31, 2026, Financial Statements
B. Quarterly Investment Report for Period Ending March 31, 2026

ITEM 8
ATTACHMENT A

MAHER
ACCOUNTANCY

ACCOUNTANTS' COMPILATION REPORT

Management
San Diego Community Power

Management is responsible for the accompanying financial statements of San Diego Community Power (a California Joint Powers Authority) which comprise the statement of net position as of March 31, 2026, and the related statement of revenues, expenses, and changes in net position, and the statement of cash flows for the nine months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all of the note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. San Diego Community Power's annual audited financial statements include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to the Authority because we performed certain accounting services that impaired our independence.

Maher Accountancy
San Rafael, CA
May 8, 2026

SAN DIEGO COMMUNITY POWER
STATEMENT OF NET POSITION
As of March 31, 2026

ASSETS	
Current assets	
Cash and cash equivalents - unrestricted	$ 468,121,901
Cash and cash equivalents - restricted	33,257,761
Accounts receivable, net of allowance	95,036,245
Accrued revenue	41,669,537
Prepaid expenses	2,960,961
Other receivables	6,495,114
Deposits	981,712
Investments	85,172,937
Total current assets	733,696,168
Noncurrent assets	
Cash and cash equivalents - restricted	10,414,994
Investments	111,046,243
Capital assets, net of depreciation and amortization	1,185,626
Total noncurrent assets	122,646,863
Total assets	856,343,031
LIABILITIES	
Current liabilities	
Accrued cost of electricity	95,926,366
Accounts payable	5,442,533
Other accrued liabilities	3,749,428
State surcharges payable	580,448
Deposits - energy suppliers	383,731
Lease liability	820,500
Advances from grantors	43,025,755
Total current liabilities	149,928,761
Noncurrent liabilities	
Deposits - energy suppliers	3,867,810
Total noncurrent liabilities	3,867,810
Total liabilities	153,796,571
NET POSITION	
Net investment in capital assets	365,126
Restricted for security collateral	647,000
Unrestricted	701,534,334
Total net position	$ 702,546,460

SAN DIEGO COMMUNITY POWER
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Nine Months Ended March 31, 2026

OPERATING REVENUES	
Electricity sales, net	$ 978,185,279
Grant revenue	5,516,620
Liquidated damages revenue	2,348,023
Other income	704,173
Total operating revenues	986,754,095
OPERATING EXPENSES	
Cost of electricity	729,660,805
Contract services	18,317,479
Staff compensation	15,544,629
Other operating expenses	9,325,319
Depreciation and amortization	685,456
Total operating expenses	773,533,688
Operating income	213,220,407
NON-OPERATING REVENUES (EXPENSES)	
Investment income	13,253,348
Interest expense	(159,459)
Nonoperating revenues (expenses), net	13,093,889
CHANGE IN NET POSITION	226,314,296
Net position at beginning of year	476,232,164
Net position at end of year	$ 702,546,460

SAN DIEGO COMMUNITY POWER
STATEMENT OF CASH FLOWS
Nine Months Ended March 31, 2026

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 1,032,084,932
Receipts from grantors	23,213,460
Receipts of supplier security deposits	29,860,990
Receipts from wholesale sales and other operating activities	6,186,454
Payments to suppliers for electricity	(737,632,210)
Payments for other goods and services	(24,884,591)
Payments for deposits and collateral	(5,330,351)
Payments for staff compensation	(15,579,717)
Payments of state surcharges	(1,790,551)
Net cash provided by operating activities	306,128,416
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Proceeds from bank note	19,000,000
Principal payments - bank note	(19,000,000)
Interest payments	(89,171)
Net cash provided (used) by noncapital financing activities	(89,171)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Lease payments	(701,838)
Purchases of capital assets	(553,539)
Net cash used by capital and related financing activities	(1,255,377)
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income received	13,382,686
Proceeds from investment sales and maturities of investments	5,201,815
Purchase of investments	(130,747,959)
Net cash provided (used) by investing activities	(112,163,458)
Net change in cash and cash equivalent	192,620,410
Cash and cash equivalents at beginning of year	319,174,246
Cash and cash equivalents at end of year	$ 511,794,656
Reconciliation to the Statement of Net Positio	
Unrestricted cash and cash equivalents - current	$ 468,121,901
Restricted cash and cash equivalents - current	33,257,761
Restricted cash and cash equivalents - noncurrent	10,414,994
Cash and cash equivalents	$ 511,794,656
NONCASH INVESTING ACTIVITIES	
Change in fair value of investments	$ (389,604)
Change in interest income receivable	$ 260,266

SAN DIEGO COMMUNITY POWER
STATEMENT OF CASH FLOWS (continued)
Nine Months Ended March 31, 2026

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating income	$	213,220,407
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization expense		685,456
(Increase) decrease in:		
Accounts receivable, net		20,990,978
Accrued revenue		31,072,822
Prepaid expenses		20,841,174
Other receivables		(2,134,857)
Deposits		10,112,499
Increase (decrease) in:		
Accrued cost of electricity		(6,275,800)
Accounts payable		1,631,561
Advances from grantors		17,770,041
Other accrued liabilities		1,589,473
State surcharges payable		45,302
Deposits - energy suppliers		(3,420,640)
Net cash provided by operating activities	$	306,128,416

MAHER
ACCOUNTANCY

ACCOUNTANTS' COMPILATION REPORT

Board of Directors
San Diego Community Power

Management is responsible for the accompanying operating fund and capital investment program fund budgetary comparison schedules of San Diego Community Power (SDCP), a California Joint Powers Authority, for the nine months ended March 31, 2026 and for determining that the budgetary basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any assurance on this special purpose budgetary comparison statement.

These special purpose statements are prepared in accordance with the budgetary basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. This report is intended for the information of the Board of Directors of SDCP.

Management has elected to omit substantially all of the note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. SDCP's annual audited financial statements will include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to SDCP because we performed certain accounting services that impaired our independence.

Maher Accountancy
San Rafael, CA
May 8, 2026

SAN DIEGO COMMUNITY POWER
OPERATING FUND
BUDGETARY COMPARISON SCHEDULE
Nine Months Ended March 31, 2026

	Year-to-Date				Annual	
	Amended Budget	Actual	Amended Budget Variance (Under) Over	Actual/ Amended Budget %	Amended Budget	Amended Budget Remaining
REVENUES AND OTHER SOURCES						
Gross Ratepayer Revenues	$ 982,981,000	$ 993,081,502	$ 10,100,502	101%	$ 1,194,789,000	$ 201,707,498
Less: Uncollectible Customer Accounts	(15,924,000)	(14,896,223)	1,027,777	94%	(19,370,000)	(4,473,777)
Other Income	-	3,052,196	3,052,196	na	-	(3,052,196)
Total Revenues and Other Sources	967,057,000	981,237,475	14,180,475		1,175,419,000	194,181,525
OPERATING EXPENSES						
Cost of Energy	767,036,000	729,660,805	(37,375,195)	95%	969,917,000	240,256,195
Professional Services and Consultants	17,560,000	14,078,430	(3,481,570)	80%	23,414,000	9,335,570
Personnel Costs	14,709,000	14,071,273	(637,727)	96%	19,612,000	5,540,727
Marketing and Outreach	1,738,000	1,651,754	(86,246)	95%	2,317,000	665,246
General & Administrative	3,486,000	3,249,569	(236,431)	93%	4,648,000	1,398,431
Total Operating Expenses	804,529,000	762,711,831	(41,817,169)		1,019,908,000	257,196,169
Operating Income (Loss)	162,528,000	218,525,645	55,997,645		155,511,000	(63,014,645)
NON-OPERATING REVENUES (EXPENSES)						
Investment Income	13,721,000	13,253,348	(467,652)	97%	18,295,000	5,041,652
Interest and Related Expenses	(1,136,000)	(1,406,130)	(270,130)	124%	(1,515,000)	(108,870)
Transfer to Capital Investment Program	(21,881,000)	(21,881,000)	-	100%	(21,881,000)	-
Total Non-Operating Revenues (Expenses)	(9,296,000)	(10,033,782)	(737,782)		(5,101,000)	4,932,782
NET CHANGE	$ 153,232,000	$ 208,491,863	$ 55,259,863		$ 150,410,000	$ (58,081,863)

See accountants' compilation report.

CAPITAL INVESTMENT PROGRAM FUND
BUDGETARY COMPARISON SCHEDULE
Nine Months Ended March 31, 2026

	Annual Amended Budget	YTD Actual	Amended Budget Remaining
REVENUES AND OTHER SOURCES			
Transfer in from Operating Fund	$ 21,881,000	$ 21,881,000	$ -
Grant Revenue - SDREN	31,868,547	4,822,057	(27,046,490)
Grant Revenue - CDFA Efficient Refrigeration Pi	-	694,563	694,563
Grant Revenue - DAC	589,822	-	(589,822)
Total Revenue and Other Sources	54,339,369	26,703,057	(27,636,312)
EXPENDITURES AND OTHER USES			
Program Expenditures	54,628,369	9,566,206	$ (45,062,163)
Net increase (decrease) in fund balance	$ (289,000)	17,136,851	
Fund balance at beginning of period		10,340,567	
Fund balance at end of period		$ 27,477,418	

ITEM 8
ATTACHMENT B

INVESTMENT REPORT

San Diego Community Power | As of March 31, 2026

CHANDLER ASSET MANAGEMENT | chandlerasset.com

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact clientservice@chandlerasset.com

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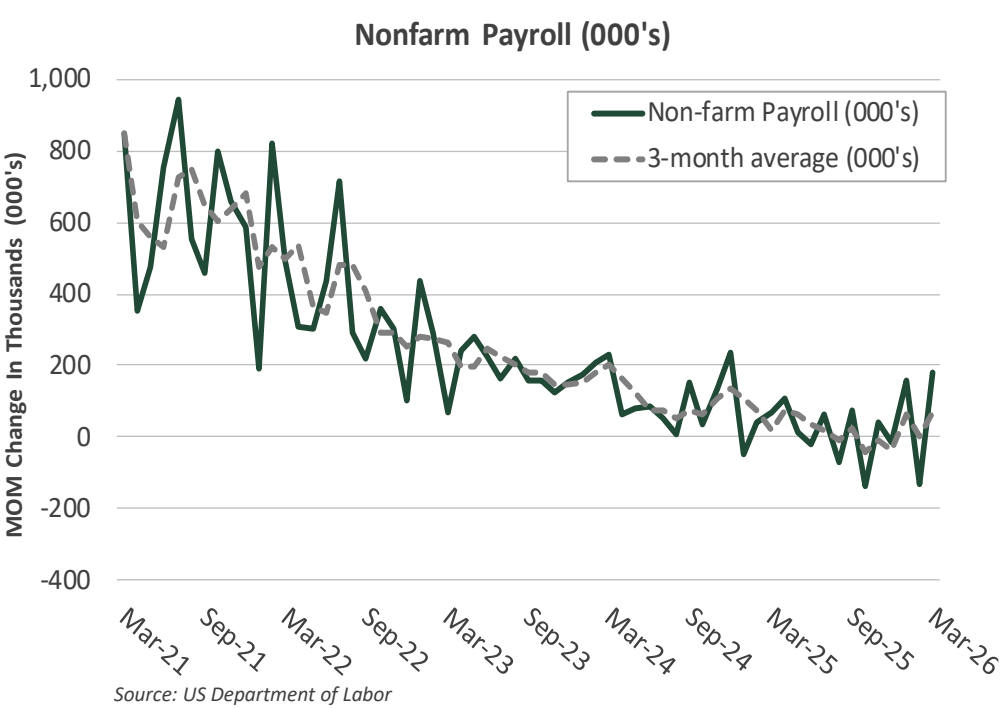
CHANDLER ASSET MANAGEMENT

ECONOMIC UPDATE

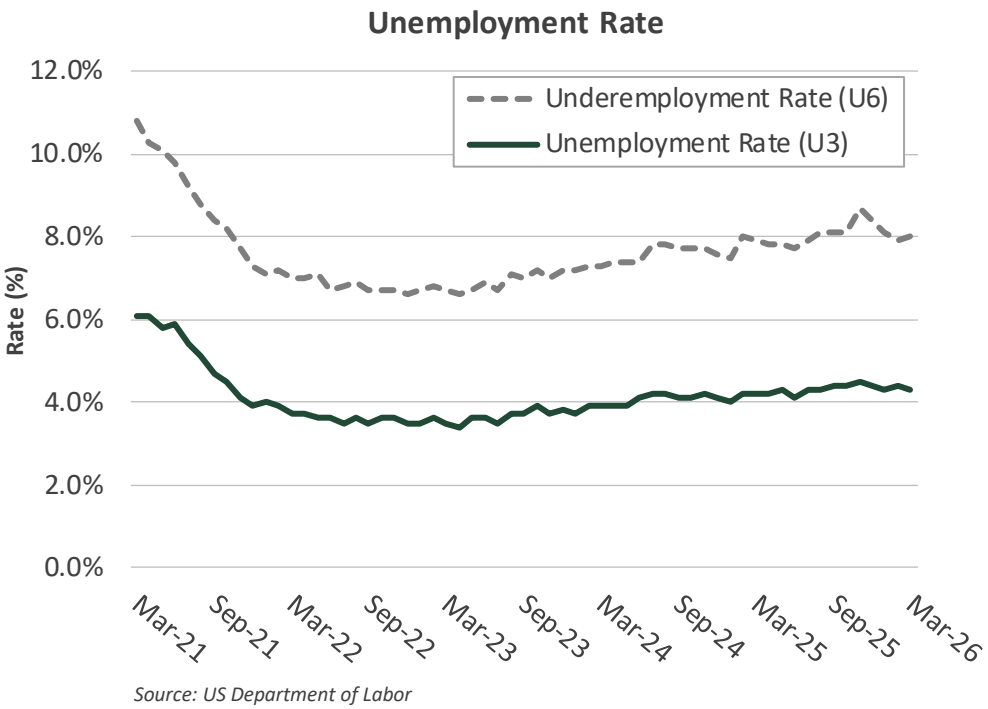
- March payrolls rebounded by 178,000 after February's revised 133,000 decline, but the war in Iran and its disruption of the Strait of Hormuz have pushed crude oil above $112, injecting a potential inflationary shock into an economy contending with sticky core prices above 3%. The Federal Reserve has held the funds rate at 3.50–3.75% and is signaling a cautionary stance, keeping open the option of delaying cuts if oil-related inflation proves persistent rather than transitory. As the data flow normalizes, the Chandler team anticipates additional yield curve steepening as the Federal Reserve gradually guides the policy rate toward a more neutral range. The Federal Reserve's March dot plot still projects one cut this year, yet the Iran-driven energy shock has narrowed the path toward easing.

- The Federal Reserve's March 2026 FOMC meeting ended with policymakers again holding the target range at 3.50%–3.75%, as the Committee maintained its pause following three late-2025 rate cuts. Governor Stephen Miran dissented in favor of an additional quarter-point reduction, while Christopher Waller joined the majority, tipping the vote 11–1 to leave the benchmark rate unchanged. Meanwhile, President Trump's nomination of Kevin Warsh to succeed Jerome Powell as chair has hit a roadblock after a Republican senator vowed to block Warsh's confirmation amid the Justice Department's ongoing probe of the central bank.

- Treasury yields exhibited considerable first-quarter volatility as the Iran conflict injected energy-driven inflation fears into a market grappling with sticky core prices. At March month-end, the 2-year yield stood at 3.79%, up 32 basis points year-to-date, the 10-year at 4.32%, and the 30-year at 4.86%. The 2-year to 10-year spread narrowed to 52 basis points, reflecting pronounced flattening as short rates rose faster than longer maturities. One year ago, that spread stood near 32 basis points, providing context on normalization since the 2022 through 2024 yield curve inversion. The 3-month to 10-year spread was approximately 64 basis points at March month-end.

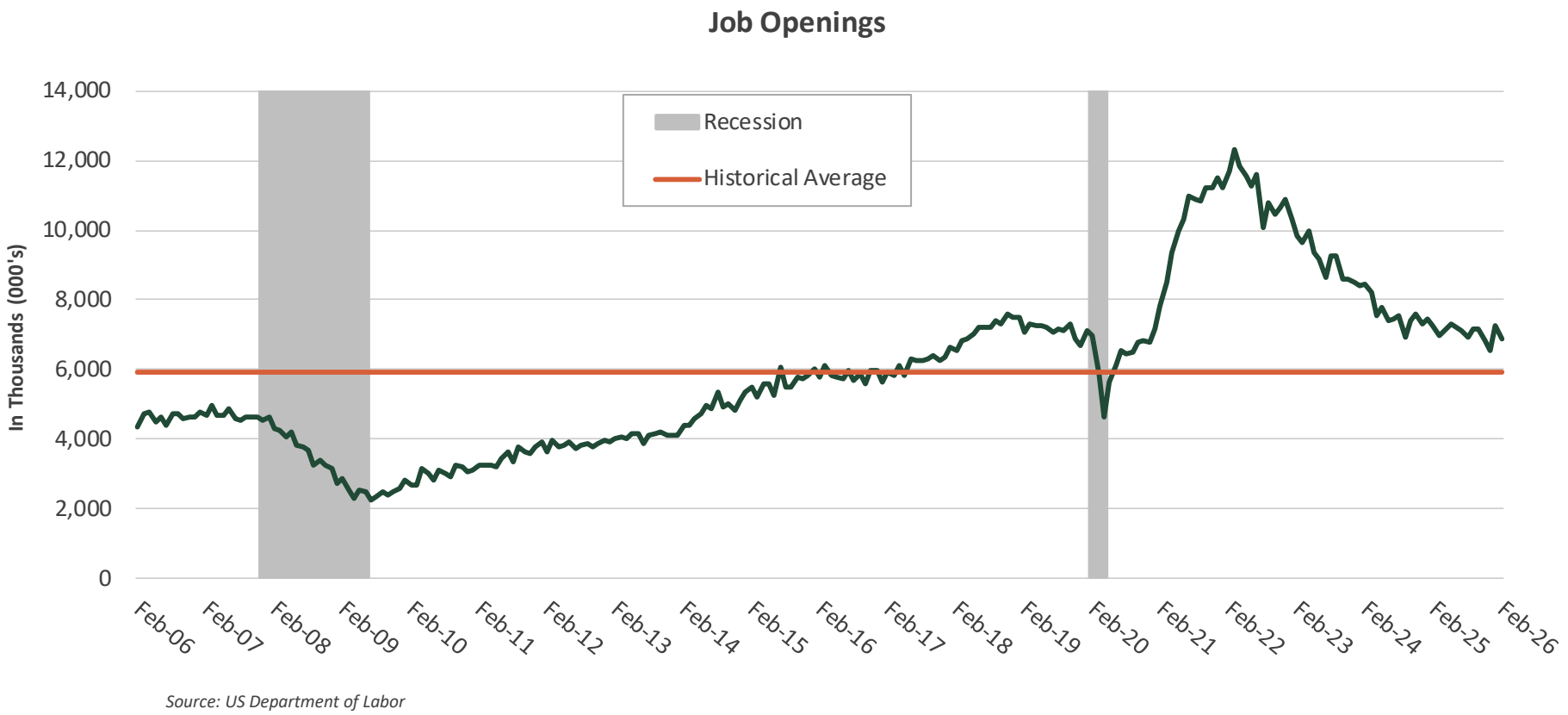


Source: US Department of Labor



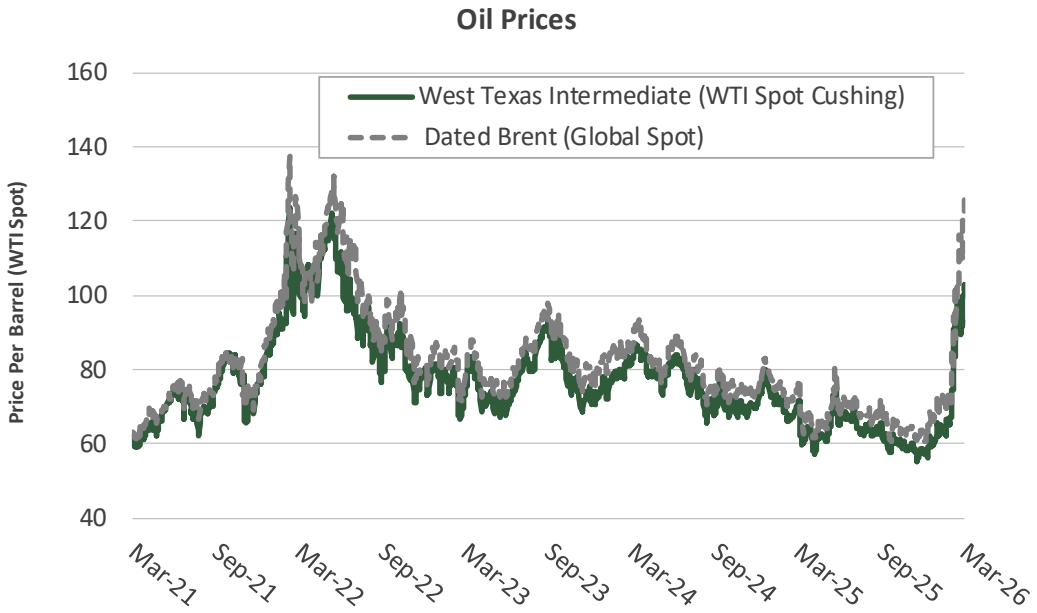
Source: US Department of Labor

March nonfarm payrolls rose by 178,000, a decisive reversal from February's revised 133,000 decline that had been distorted by a Kaiser Permanente strike affecting over 30,000 healthcare workers and severe winter weather. Healthcare contributed 76,000 positions as striking nurses returned, while construction and leisure rebounded from weather-induced troughs. The unemployment rate edged lower to 4.3%, though partly from a labor force reduction rather than a hiring acceleration. Meanwhile, the underemployment rate edged up to 8.0% from 7.9% in February. Average hourly earnings rose 0.2% over the month and 3.5% year over year—the slowest annual pace since May 2021.

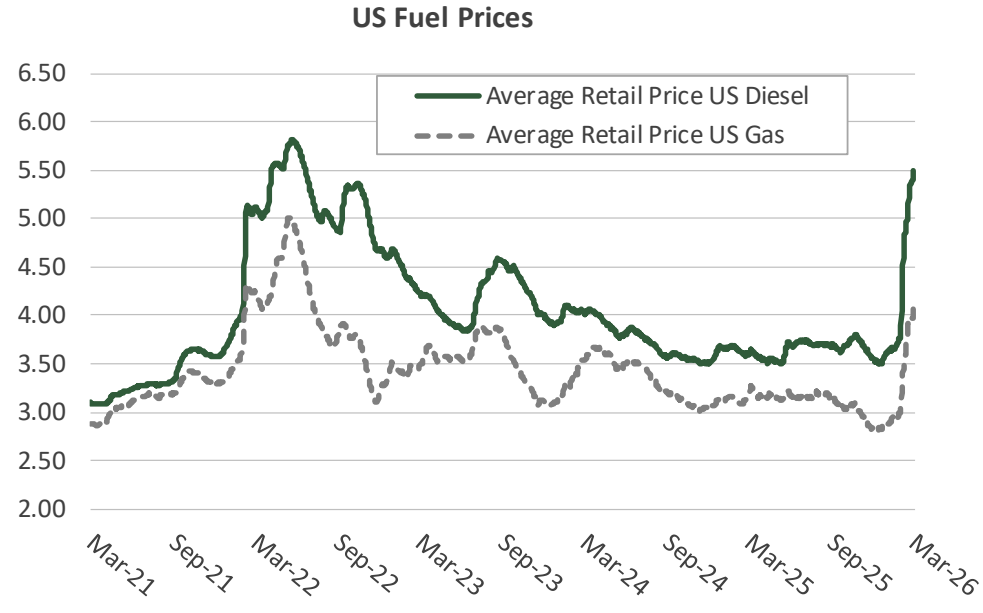


Source: US Department of Labor

Job openings fell to 6.9 million in February from a revised 7.2 million in January, according to the Bureau of Labor Statistics' Job Openings and Labor Turnover Survey. The ratio of openings to unemployed workers slipped to 0.9, reinforcing the gradual rebalancing of demand and supply. Hires decreased to 4.8 million, the lowest since April 2020, suggesting employers have grown selective about adding headcount. Quits were little changed at 3 million. The data reflects a labor market consistent with the Federal Reserve's characterization of a no-hire, no-fire environment.

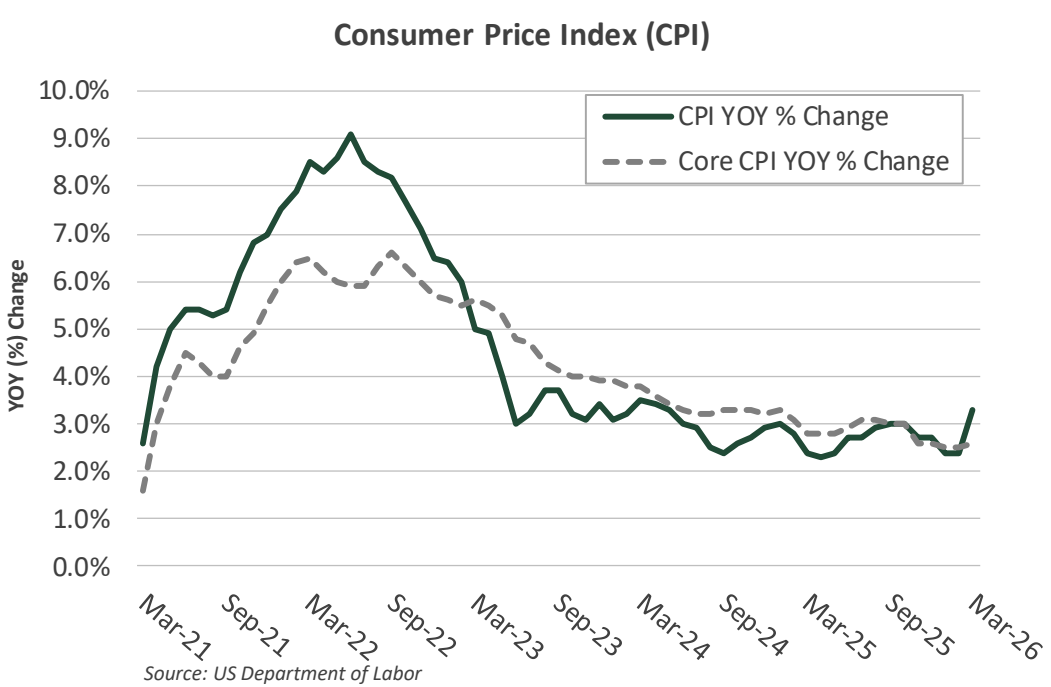


Source: Bloomberg Indices

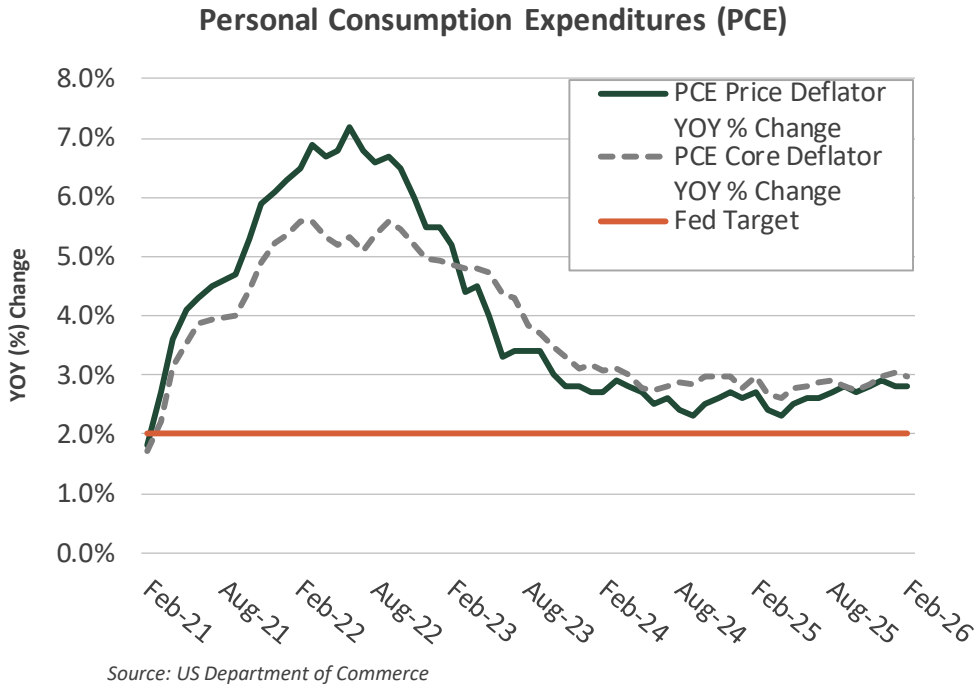


Source: Bloomberg Indices

Retail gasoline prices climbed steeply in March following the escalation of the U.S.-Iran conflict and the closure of the Strait of Hormuz. According to AAA, the national average reached $4.06 per gallon by month-end, an increase exceeding a dollar from $2.98 on February 26. Diesel prices reached $5.49 as tight global distillate supplies compounded the disruption. Cushing WTI crude settled at $101.38 per barrel on March 31, while Dated Brent closed at $126.97, producing a spread of roughly $25.60, the widest in more than five years. The gap reflects the disproportionate impact of shipping disruptions on internationally benchmarked crude relative to domestic supply bolstered by Strategic Petroleum Reserve releases.

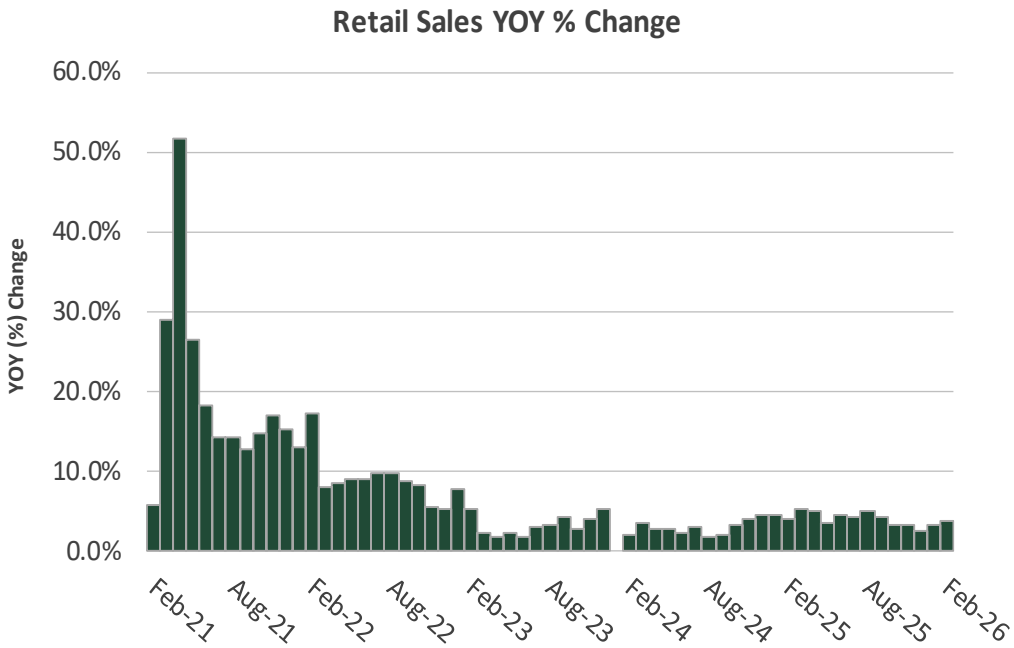


Source: US Department of Labor

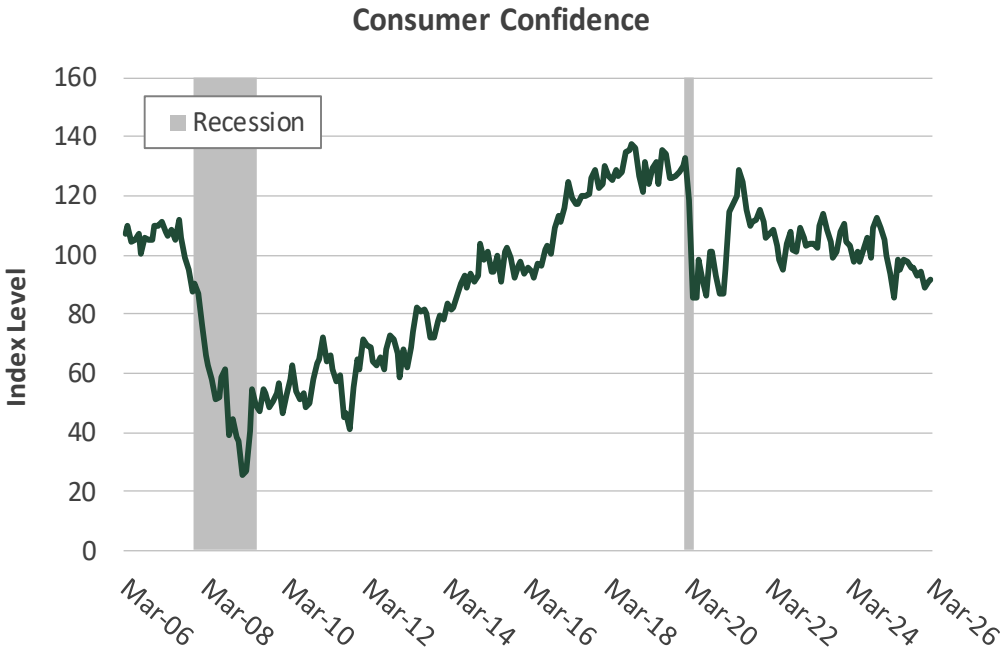


Source: US Department of Commerce

Consumer Price Index (CPI) for March surged 0.9%, the highest monthly rate since June 2022, and was up 3.3% on an annual basis primarily due to spikes in energy and airfare prices. Notably, Core CPI was little changed with a monthly increase of 0.2% and an annual rise of 2.6% as costs for services and other goods remained subdued. Personal Consumption Expenditures (PCE) were little changed in February, with the headline PCE Price Index up 0.4% month-over-month and 2.8% year-over-year. The Fed's preferred metric, Core PCE, which excludes food and energy, rose 0.4% during the month and 3.0% from February of 2025.

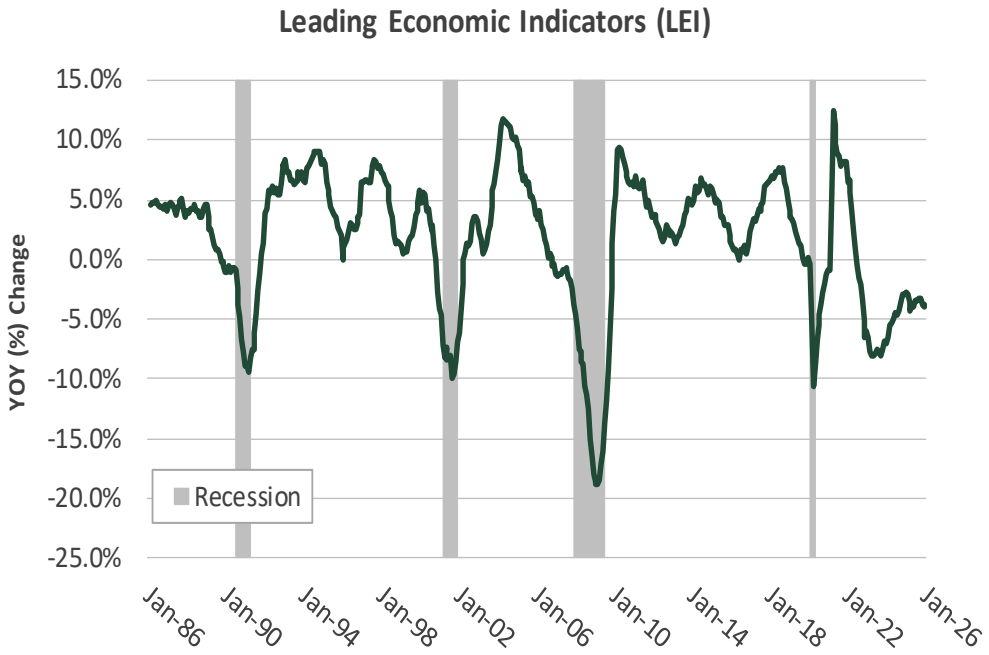


Source: US Department of Commerce

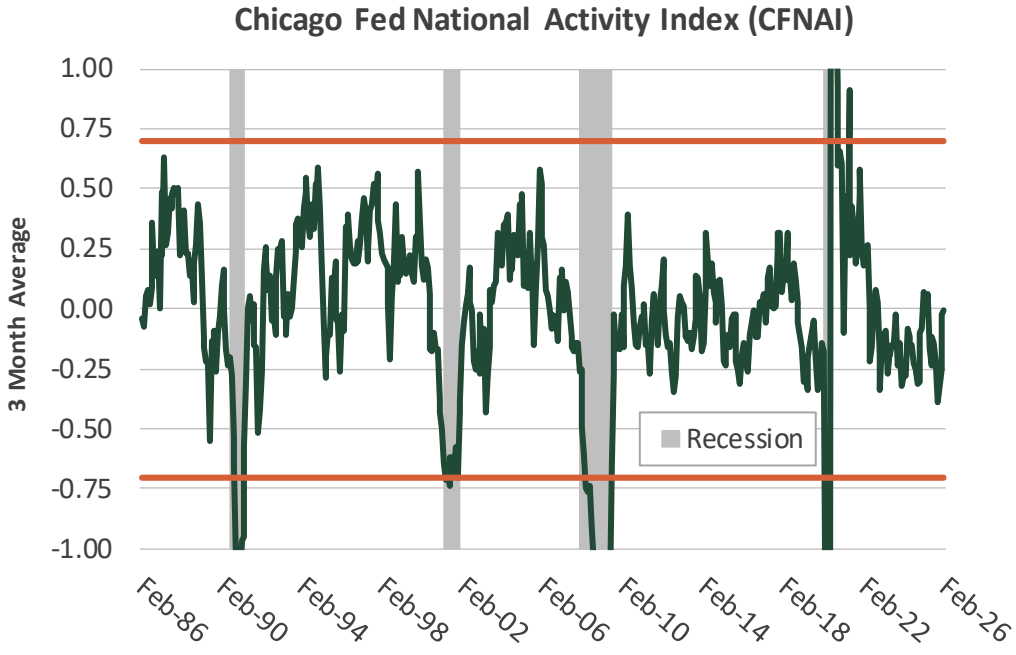


Source: The Conference Board
All time high is 144.70 (1/31/00); All time low is 25.30 (2/28/09)

The Conference Board's Consumer Confidence Index edged up to 91.8 in March from 91.0 in February, a second consecutive gain that nonetheless sits well below the all-time peak of 144.7 from early 2000. The Present Situation component rose 4.6 points to 123.3 on favorable assessments of business and labor conditions, while the Expectations Index slipped 1.7 points to 70.9. Inflation expectations climbed to their highest since August 2025, reflecting tariff passthrough and elevated gasoline prices. February retail sales rebounded 0.6% from January, with stronger auto and broad-based discretionary spending offsetting January's weather- and vehicle-related weakness; the control group also advanced 0.5%, signaling firmer underlying consumer demand.

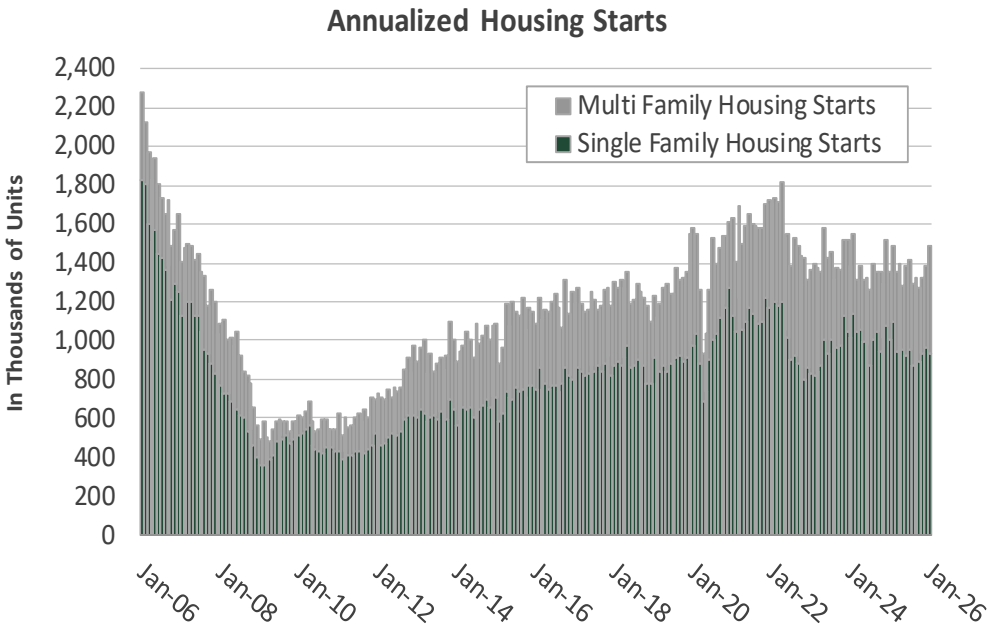


Source: The Conference Board

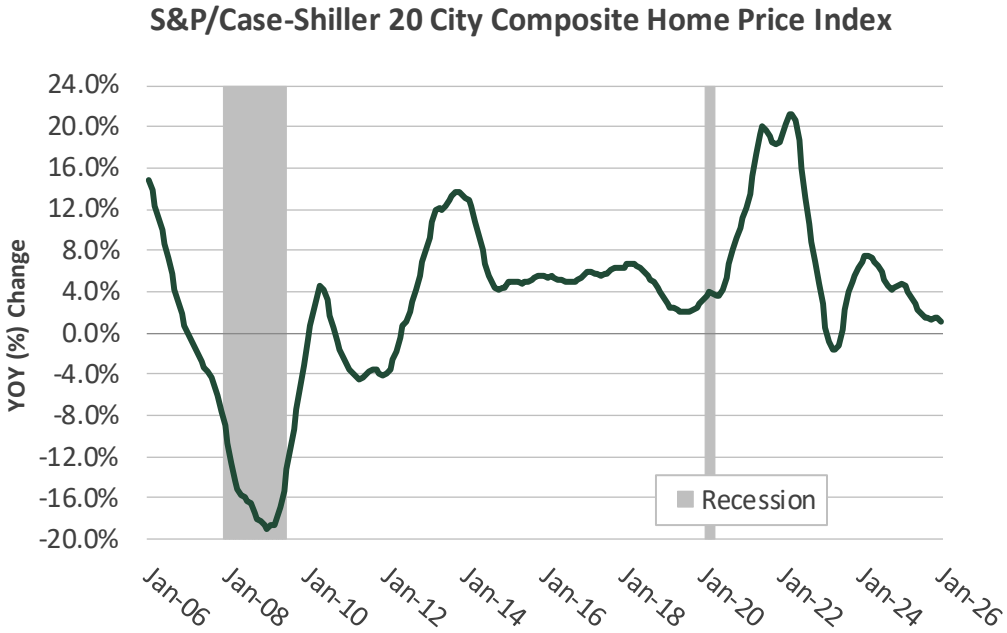


Source: Federal Reserve Bank of Chicago

The Chicago Fed National Activity Index (CFNAI) fell to -0.11 in February, following a positive revision to 0.20 in January. The index's three-month moving average edged up to -0.01 from -0.02 the prior month. Production and employment related indicators turned negative in February, while sales, orders, and inventories also remained in negative territory. The personal consumption and housing categories slipped modestly but stayed in positive territory. The Conference Board's Leading Economic Index (LEI) declined 0.1% in January, an improvement from -0.2% in December, with consumer expectations and building permits the largest drags on the index. On a year-over-year basis, the LEI fell 3.8%, continuing to signal slower economic growth heading into 2026. Notably, the latest LEI data do not yet reflect the impact of the war in Iran.

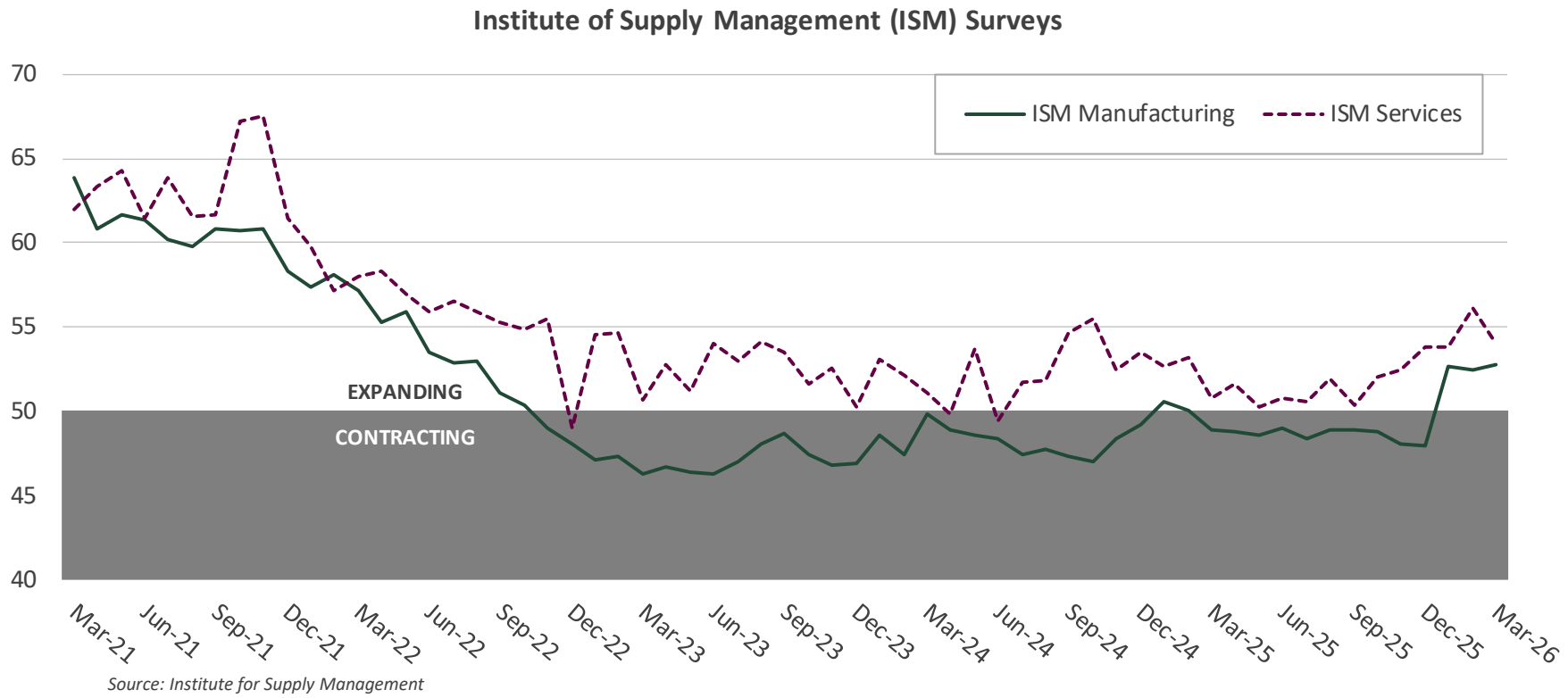


Source: US Department of Commerce



Source: S&P

Housing starts rose 7.2% in January to an annualized pace of 1.487 million units, including 935,000 single-family and 552,000 multifamily starts. The January S&P Cotality Case-Shiller 20-City Composite posted a 1.18% year-over-year gain, continuing deceleration from December's revised 1.43% annual increase. Inflation again outpaced home price appreciation, extending the erosion of real housing returns that began in the second half of 2025. The Freddie Mac 30-year fixed mortgage rate climbed to 6.46% as of April 2, its fifth consecutive weekly rise, reversing progress made when rates dipped below 6% in February. Higher borrowing costs and elevated prices continue to constrain affordability.



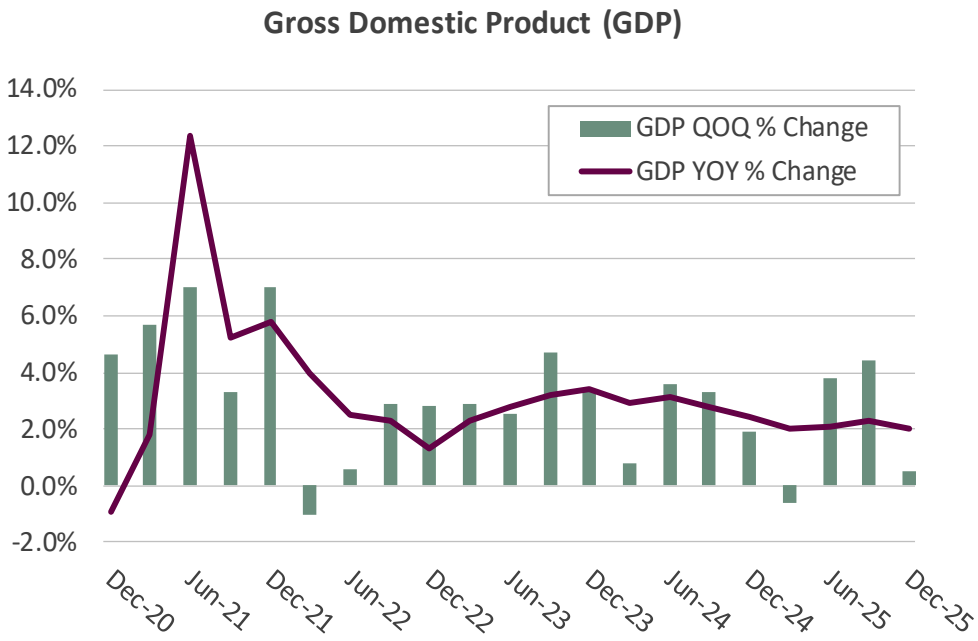
Source: Institute for Supply Management

The Institute for Supply Management's Manufacturing Index rose to 52.7 in March from 52.4, the fastest factory expansion since August 2022 and a third consecutive month above 50. Production accelerated to 55.1 from 53.5, though new orders decelerated to 53.5 from 55.8. The prices subindex leaped to 78.3 from 70.5, reflecting elevated energy costs, metals tariffs, and Iran-related supply disruptions. Employment remained in contraction at 48.7. The Services Index eased to 54.0 in March from 56.1 in February but still posted its 21st consecutive month of expansion. The expansion was mainly from an increase in prices, amid higher oil and fuel costs. With both measures above the 50 threshold, ISM data point toward a resilient if cost-pressured economy.

GROSS DOMESTIC PRODUCT (GDP)

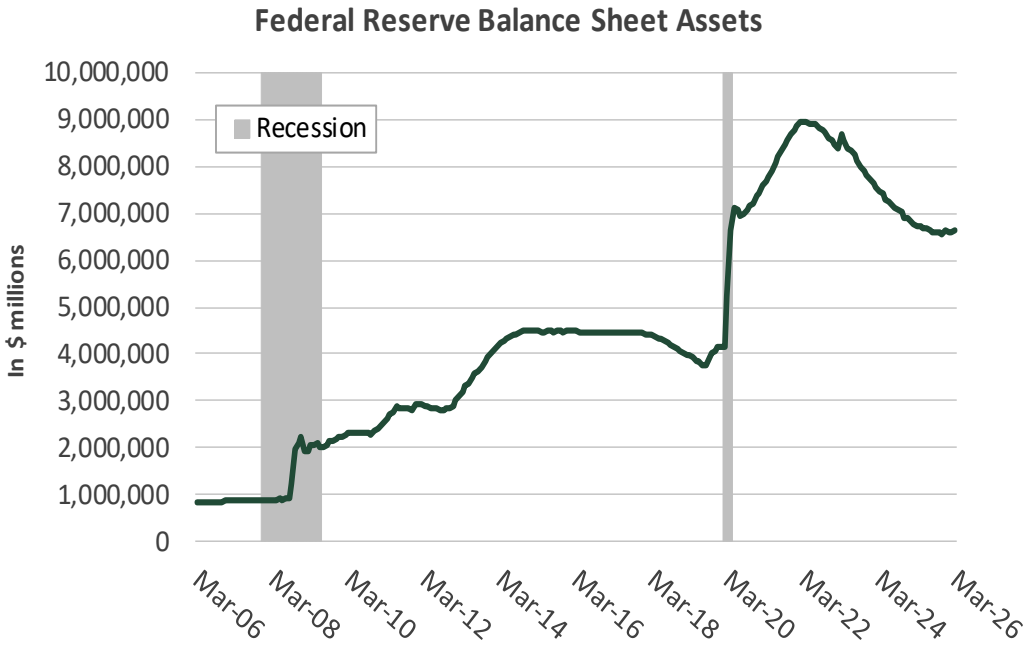
Components of GDP	3/25	6/25	9/25	12/25
Personal Consumption Expenditures	0.4%	1.7%	2.3%	1.3%
Gross Private Domestic Investment	3.8%	-2.7%	0.0%	0.4%
Net Exports and Imports	-4.7%	4.8%	1.6%	-0.2%
Federal Government Expenditures	-0.4%	-0.4%	0.2%	-1.2%
State and Local (Consumption and Gross Investment)	0.2%	0.3%	0.2%	0.2%
Total	**-0.6%**	**3.8%**	**4.4%**	**0.5%**

Source: US Department of Commerce

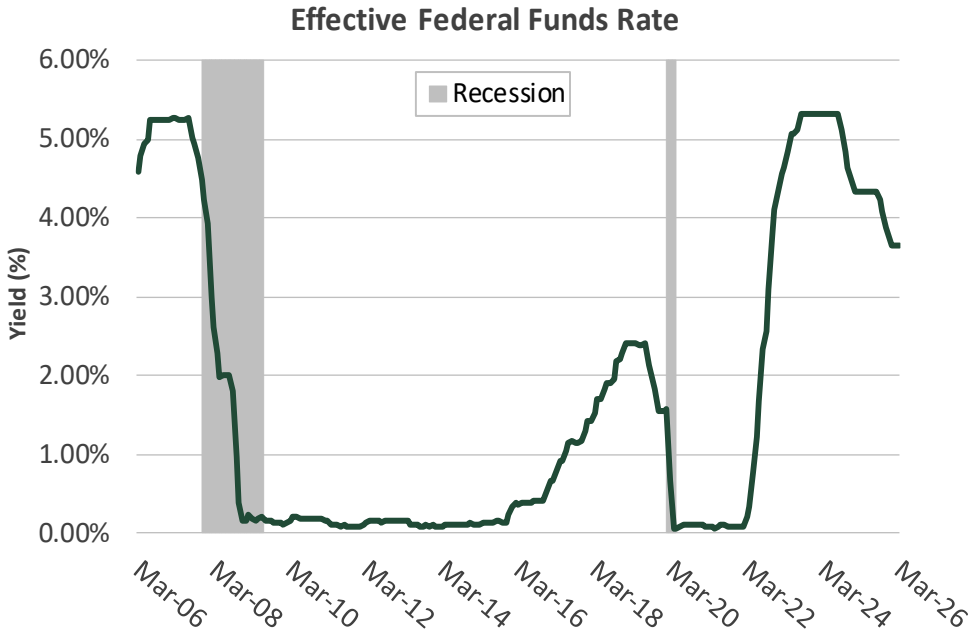


Source: US Department of Commerce

The third and final estimate of real gross domestic product (GDP) showed fourth-quarter growth revised down to 0.5% from the initial 1.4% estimate. The slowdown from 4.4% in the third quarter primarily reflected a sharp pullback in government spending, as the federal government shutdown weighed on activity. The Bureau of Labor Statistics expects statistical distortions will persist into the spring due to data collection disruptions. Personal Consumption Expenditures also declined across both goods and services.

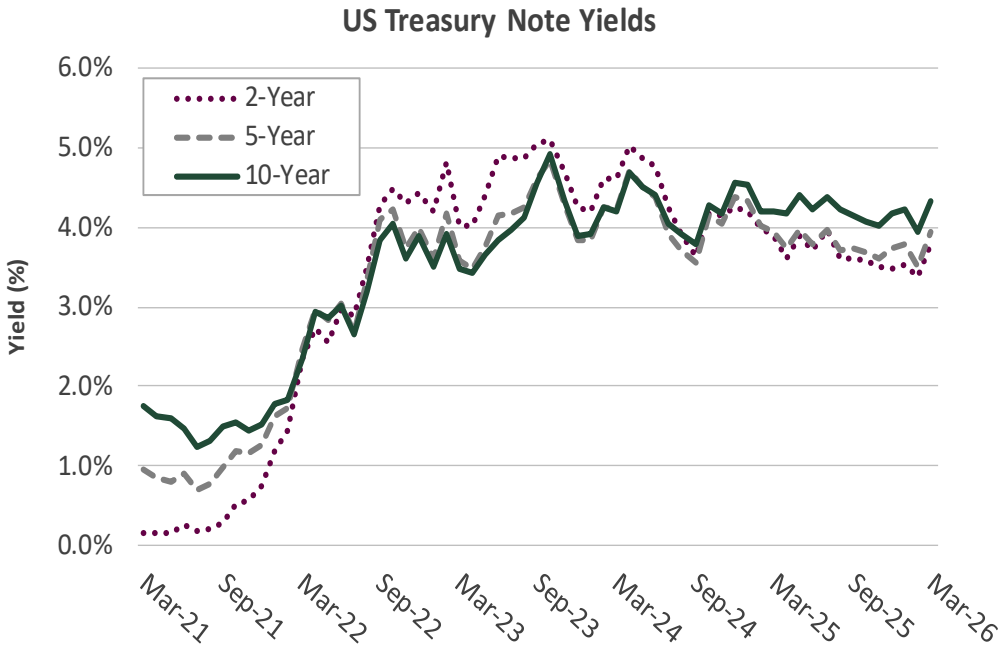


Source: Federal Reserve

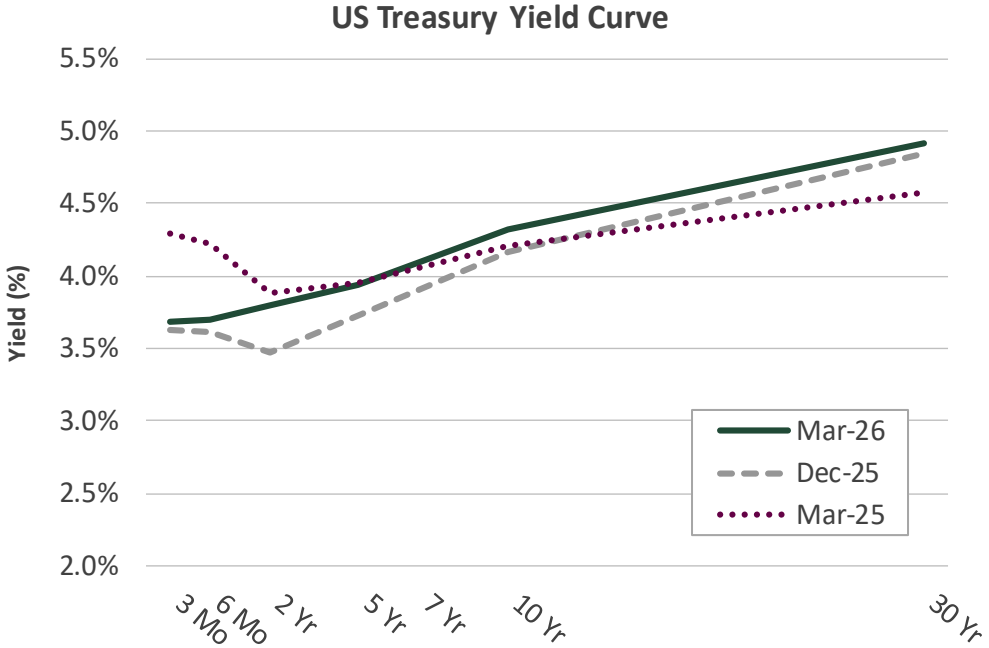


Source: Bloomberg

The Federal Reserve left its benchmark interest rate unchanged in March, keeping the target range at 3.50% to 3.75% following three late-2025 rate cuts that were justified by signs of softening in the labor market. The Federal Open Market Committee minutes showed some participants supported two-sided language on future rate direction given the upside risks to inflation and downside risks to employment being elevated. However, policymakers have grown wary of potential inflationary pressures stemming from tariffs, the war in Iran, and the ensuing spike in commodity prices. The Federal Reserve now projects just one rate cut in 2026, even as inflation expectations rise. The Committee also reaffirmed its December decision to halt balance sheet runoff and to reinvest principal and interest payments from its securities holdings, signaling a continued emphasis on maintaining ample reserves and supporting orderly market functioning.



Source: Bloomberg



Source: Bloomberg

At March month-end, the 2-year Treasury yield stood at 3.79%, down approximately 9 basis points from one year ago, while the 10-year finished at 4.32%, roughly 11 basis points higher year-over-year. The spread between the two narrowed to 52 basis points, wider by 20 basis points year-over-year. The prior 2-year to 10-year inversion from July 2022 through August 2024 was historically long. The average spread since 2005 is approximately 95 basis points, suggesting the current slope sits well below its long-run norm. The 3-month to 10-year spread stood near 64 basis points at March month-end.

CHANDLER ASSET MANAGEMENT

ACCOUNT PROFILE

Investment Objectives

The investment objectives of the San Diego Community Power are first, to provide safety of principal to ensure the preservation of capital in the overall portfolio; second, to provide sufficient liquidity to meet all disbursement requirements; and third, to earn an acceptable rate of return after first considering safety of principal and liquidity.

Chandler Asset Management Performance Objective

The performance objective for the portfolio is to earn a total rate of return through a market cycle that is equal to or above the return on the benchmark index.

Strategy

In order to achieve this objective, the portfolio invests in high-quality fixed income securities that comply with the investment policy and all regulations governing the funds.

PORTFOLIO CHARACTERISTICS

San Diego Community Power ConsAgg | Account #11452 | As of March 31, 2026

	3/31/2026 Portfolio	12/31/2025 Portfolio
Average Maturity (yrs)	0.55	0.46
Average Modified Duration	0.47	0.39
Average Purchase Yield	3.73%	3.47%
Average Market Yield	3.79%	3.41%
Average Quality**	AA+	AA+
Total Market Value	662,161,715	676,186,199

*Benchmark: NO BENCHMARK REQUIRED
**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

STATEMENT OF COMPLIANCE

San Diego Community Power ConsAgg | Account #11452 | As of March 31, 2026

Rules Name	Limit	Actual	Compliance Status	Notes
AGENCY MORTGAGE SECURITIES				
Max % (MV)	100.0	2.0	Compliant	
Max % Issuer (MV)	30.0	2.0	Compliant	
Max Maturity (Years)	5.0	4.8	Compliant	
Min Rating (A-1 by 1, A- by 1)	0.0	0.0	Compliant	
ASSET-BACKED SECURITIES (ABS)				
Max % (MV; ABS & MBS)	20.0	3.4	Compliant	
Max % Issuer (MV)	5.0	0.3	Compliant	
Max Maturity (Years)	5.0	4.1	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
BANKERS' ACCEPTANCES				
Max % (MV)	40.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Days)	180.0	0.0	Compliant	
Min Rating (A-1 by 1)	0.0	0.0	Compliant	
CERTIFICATE OF DEPOSIT PLACEMENT SERVICE				
Max % (MV)	50.0	26.8	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
Min Rating (A-1 by 1, A- by 1)	0.0	0.0	Compliant	
COLLATERALIZED BANK DEPOSITS				
Max % (MV)	100.0	35.2	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
COLLATERALIZED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
Min Rating (A-1 by 1)	0.0	0.0	Compliant	
COMMERCIAL PAPER				
Max % (MV)	25.0	0.0	Compliant	

STATEMENT OF COMPLIANCE

San Diego Community Power ConsAgg | Account #11452 | As of March 31, 2026

Rules Name	Limit	Actual	Compliance Status	Notes
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Days)	270.0	0.0	Compliant	
Min Rating (A-1 by 1, A- by 1)	0.0	0.0	Compliant	
CORPORATE MEDIUM TERM NOTES				
Max % (MV)	30.0	4.4	Compliant	
Max % Issuer (MV)	5.0	0.2	Compliant	
Max Maturity (Years)	5.0	5.0	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	
FDIC INSURED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
Min Rating (A-1 by 1, A- by 1)	0.0	0.0	Compliant	
FEDERAL AGENCIES				
Max % (MV)	100.0	0.1	Compliant	
Max % Issuer (MV)	30.0	0.1	Compliant	
Max Callables (MV)	20.0	0.0	Compliant	
Max Maturity (Years)	5.0	1.3	Compliant	
Min Rating (A-1 by 1, A- by 1)	0.0	0.0	Compliant	
JOINT POWERS AUTHORITY (JPA) / LOCAL GOVERNMENT INVESTMENT POOL (LGIP)				
Max % (MV)	100.0	1.5	Compliant	
LOCAL AGENCY INVESTMENT FUND (LAIF)				
Max % (MV)	100.0	11.3	Compliant	
MONEY MARKET MUTUAL FUNDS				
Max % (MV)	20.0	0.3	Compliant	
Max % Issuer (MV)	20.0	0.3	Compliant	
Min Rating (AAA by 2)	0.0	0.0	Compliant	
MORTGAGE-BACKED SECURITIES (NON-AGENCY)				

STATEMENT OF COMPLIANCE

San Diego Community Power ConsAgg | Account #11452 | As of March 31, 2026

Rules Name	Limit	Actual	Compliance Status	Notes
Max % (MV; ABS & MBS)	20.0	3.4	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
MUNICIPAL SECURITIES				
Max % (MV)	30.0	0.1	Compliant	
Max % Issuer (MV)	5.0	0.1	Compliant	
Max Maturity (Years)	5.0	3.5	Compliant	
Min Rating (A-1 by 1 or A- by 1)	0.0	0.0	Compliant	
NEGOTIABLE CERTIFICATES OF DEPOSIT (NCD)				
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
Min Rating (A-1 or A- by 1)	0.0	0.0	Compliant	
SRI PROHIBITED INVESTMENTS				
Prohibited Investment - Fossil Fuels	0.0	0.0	Compliant	
SUPRANATIONAL OBLIGATIONS				
Max % (MV)	30.0	0.1	Compliant	
Max % Issuer (MV)	10.0	0.1	Compliant	
Max Maturity (Years)	5.0	4.6	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
U.S. TREASURIES				
Max % (MV)	100.0	10.4	Compliant	
Max Maturity (Years)	5.0	4.9	Compliant	
Min Rating (A-1 by 1, A- by 1)	0.0	0.0	Compliant	

PORTFOLIO CHARACTERISTICS

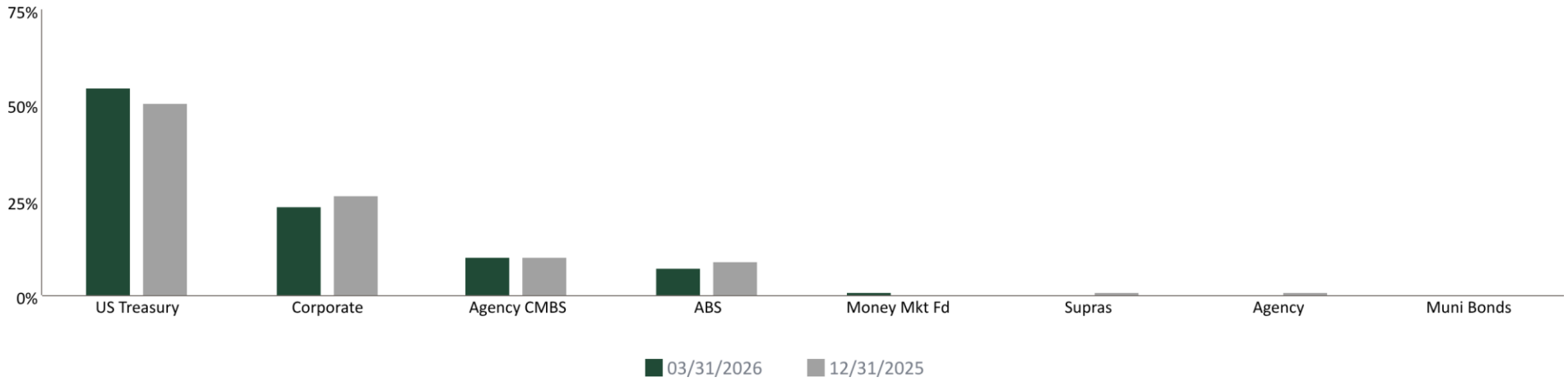
San Diego Community Power | Account #11293 | As of March 31, 2026

	Benchmark*	3/31/2026 Portfolio	12/31/2025 Portfolio
Average Maturity (yrs)	2.65	2.93	3.03
Average Modified Duration	2.47	2.51	2.55
Average Purchase Yield		4.09%	4.16%
Average Market Yield	3.84%	4.02%	3.77%
Average Quality**	AA+	AA+	AA
Total Market Value		124,884,349	104,590,213

*Benchmark: ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index
**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

SECTOR DISTRIBUTION

San Diego Community Power | Account #11293 | As of March 31, 2026



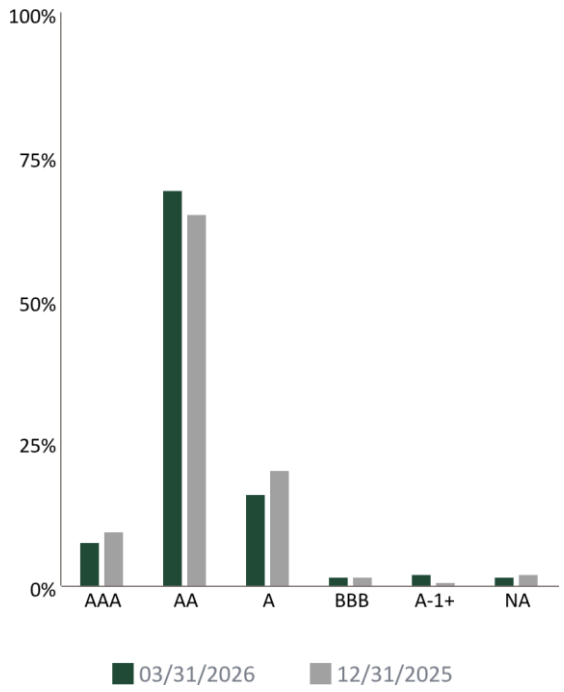
Sector as a Percentage of Market Value

Sector	03/31/2026	12/31/2025
US Treasury	55.09%	50.72%
Corporate	23.42%	26.66%
Agency CMBS	10.38%	10.19%
ABS	7.46%	9.38%
Money Mkt Fd	1.43%	0.38%
Supras	0.79%	0.95%
Agency	0.72%	0.87%
Muni Bonds	0.71%	0.86%

QUALITY DISTRIBUTION

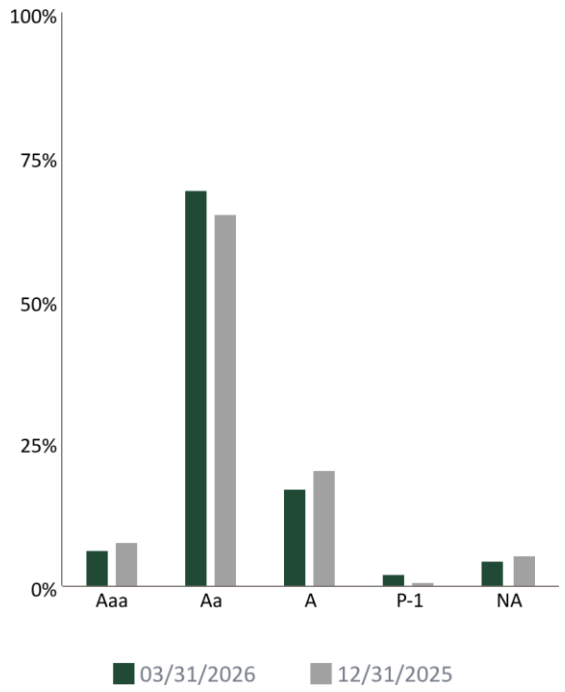
San Diego Community Power | Account #11293 | As of March 31, 2026

S&P Rating



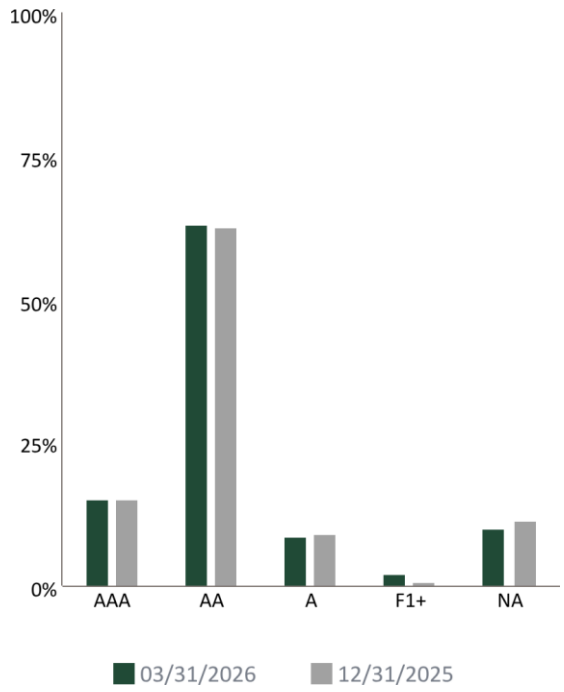
Rating	03/31/2026	12/31/2025
AAA	8.11%	9.64%
AA	69.51%	65.07%
A	16.12%	20.29%
BBB	2.06%	1.83%
A-1+	2.39%	0.95%
NA	1.81%	2.21%

Moody's Rating



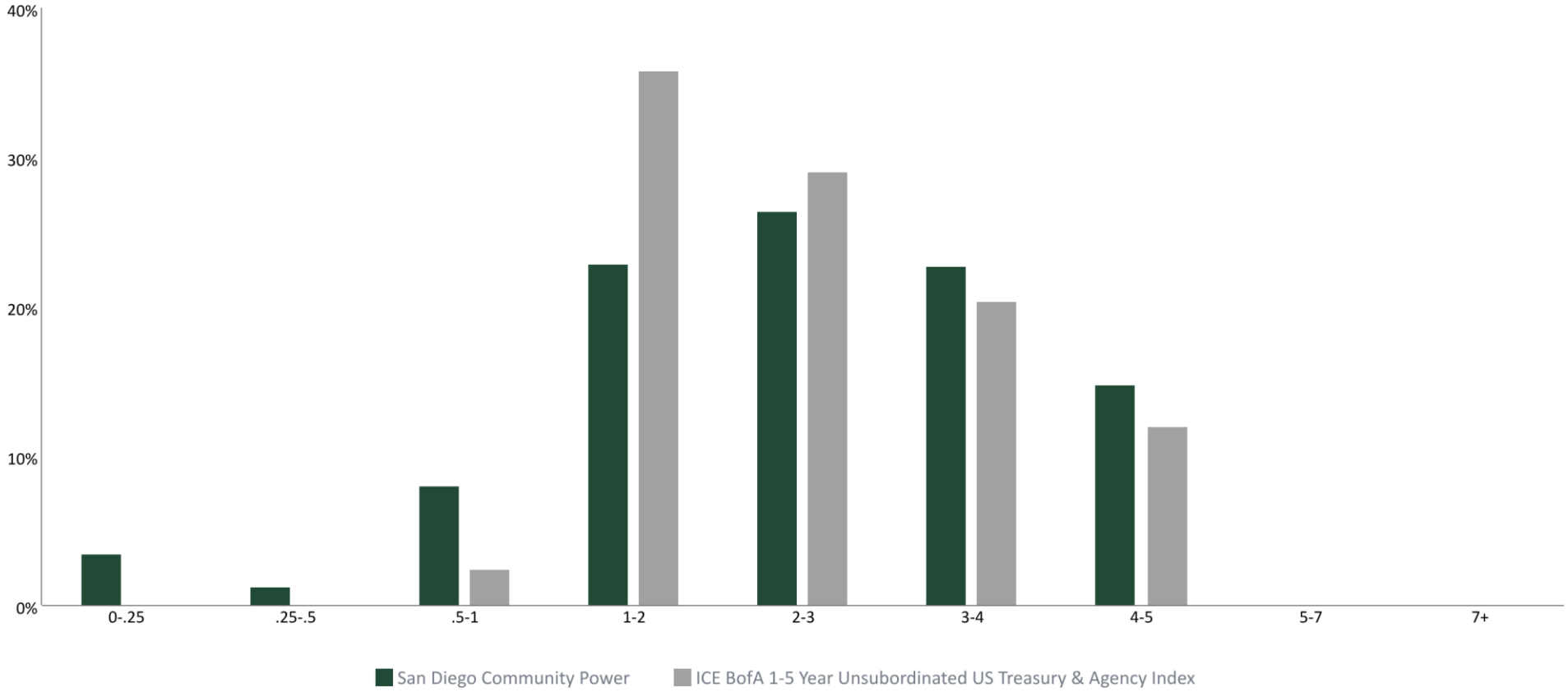
Rating	03/31/2026	12/31/2025
Aaa	6.65%	7.74%
Aa	69.16%	65.28%
A	17.28%	20.42%
P-1	2.39%	0.95%
NA	4.52%	5.61%

Fitch Rating



Rating	03/31/2026	12/31/2025
AAA	15.32%	15.19%
AA	63.22%	62.72%
A	8.73%	9.31%
F1+	2.39%	0.95%
NA	10.33%	11.82%

Portfolio Compared to the Benchmark

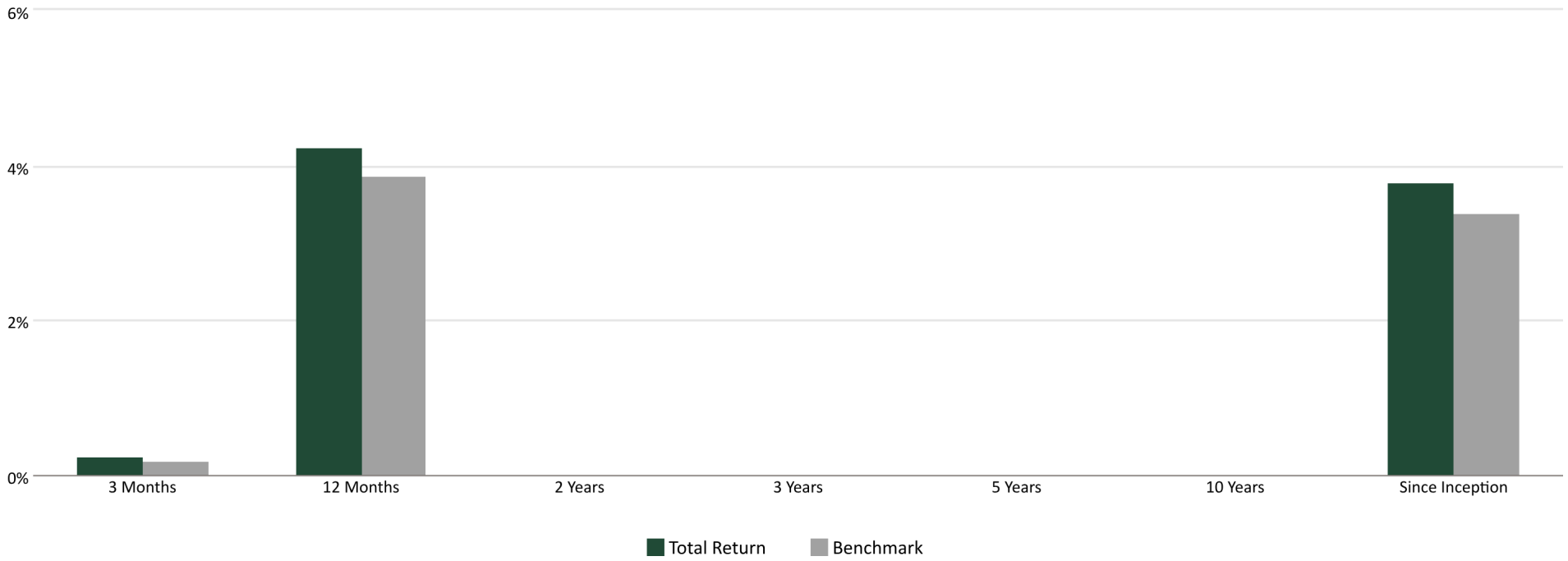


	0-.25	.25-.5	.5-1	1-2	2-3	3-4	4-5	5-7	7+
Portfolio	3.5%	1.4%	8.0%	22.9%	26.5%	22.8%	14.8%	0.0%	0.0%
ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index	0.0%	0.0%	2.5%	35.8%	29.1%	20.5%	12.1%	0.0%	0.0%

INVESTMENT PERFORMANCE

San Diego Community Power | Account #11293 | As of March 31, 2026

Total Rate of Return: Inception | 10/01/2024



TOTAL RATE OF RETURN*	3 Months	12 Months	2 Years	3 Years	5 Years	10 Years	Since Inception
San Diego Community Power	0.25%	4.25%					3.79%
Benchmark	*0.20%*	*3.87%*					*3.40%*

*Periods over 1 year are annualized.
Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending market value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.
Benchmark: ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index

PORTFOLIO CHARACTERISTICS

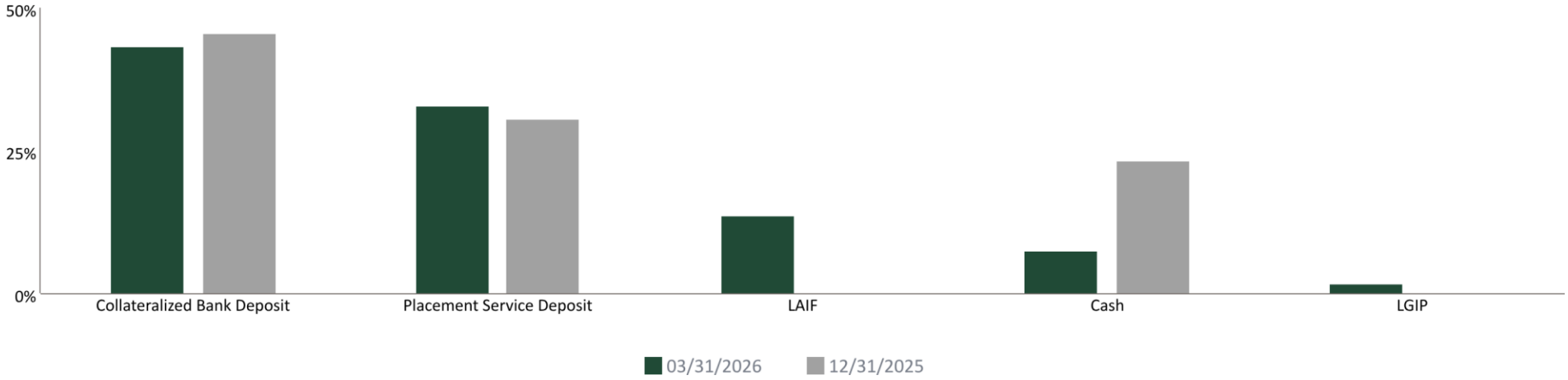
San Diego Community Power Reporting | Account #11451 | As of March 31, 2026

	3/31/2026 Portfolio	12/31/2025 Portfolio
Average Maturity (yrs)	0.00	0.00
Average Modified Duration	0.00	0.00
Average Purchase Yield	3.65%	3.34%
Average Market Yield	3.73%	3.34%
Average Quality**	AAA	AAA
Total Market Value	537,277,366	571,595,985

*Benchmark: NO BENCHMARK REQUIRED
**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

SECTOR DISTRIBUTION

San Diego Community Power Reporting | Account #11451 | As of March 31, 2026



Sector as a Percentage of Market Value

Sector	03/31/2026	12/31/2025
Collateralized Bank Deposit	43.36%	45.91%
Placement Service Deposit	32.97%	30.66%
LAIF	13.97%	0.02%
Cash	7.84%	23.42%
LGIP	1.86%	--

CHANDLER ASSET MANAGEMENT

PORTFOLIO HOLDINGS

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
ABS									
36269WAD1	GMALT 2024-2 A3 5.39 07/20/2027	233,006.72	-- 4.65%	235,852.91 233,531.36	100.23 4.22%	233,531.22 383.75	0.04% (0.14)	NA/AAA AAA	1.30 0.18
02582JJZ4	AMXCA 2023-1 A 4.87 05/15/2026	150,000.00	09/12/2024 4.24%	151,617.19 150,116.84	100.10 4.09%	150,149.25 324.67	0.02% 32.41	NA/AAA AAA	0.12 0.12
362962AD4	GMALT 2025-2 A3 4.58 05/22/2028	285,000.00	05/20/2025 4.84%	284,995.27 284,996.60	100.47 4.11%	286,352.61 398.84	0.04% 1,356.01	NA/AAA AAA	2.14 0.92
096912AD2	BMWLT 2025-1 A3 4.43 06/26/2028	630,000.00	11/14/2025 3.99%	633,912.89 633,095.18	100.33 4.16%	632,083.41 465.15	0.10% (1,011.77)	NA/AAA AAA	2.24 1.06
47800RAD5	JDOT 2024 A3 4.96 11/15/2028	163,135.44	07/30/2024 4.82%	163,772.69 163,451.20	100.58 4.15%	164,086.85 359.62	0.02% 635.65	Aaa/NA AAA	2.63 0.67
437930AC4	HAROT 2024-2 A3 5.27 11/20/2028	118,535.06	07/19/2024 4.94%	119,539.83 119,056.36	100.76 4.16%	119,438.89 225.58	0.02% 382.53	NA/AAA AAA	2.64 0.65
89237NAD9	TAOT 2024-B A3 5.33 01/16/2029	124,111.38	07/19/2024 4.94%	125,391.29 124,797.46	100.88 4.21%	125,202.32 294.01	0.02% 404.87	Aaa/AAA NA	2.80 0.75
161571HV9	CHAIT 241 A 4.6 01/16/2029	225,000.00	-- 4.61%	225,167.97 224,892.88	100.45 4.05%	226,019.48 460.00	0.03% 1,126.60	NA/AAA AAA	2.80 0.76
92970QAA3	WFCIT 2024-1 A 4.94 02/15/2029	500,000.00	07/30/2025 4.31%	504,980.47 502,829.61	100.81 4.03%	504,058.50 1,097.78	0.08% 1,228.89	Aaa/AAA AAA	2.88 0.84
096919AD7	BMWOT 2024-A A3 5.18 02/26/2029	119,228.32	07/19/2024 4.86%	120,043.35 119,666.35	100.66 4.30%	120,013.79 102.93	0.02% 347.44	Aaa/AAA NA	2.91 0.70
43813YAC6	HAROT 2024-3 A3 4.57 03/21/2029	149,437.78	08/09/2024 4.66%	149,414.30 149,422.55	100.36 4.13%	149,970.97 189.70	0.02% 548.42	Aaa/NA AAA	2.97 0.72
34531QAD1	FORDO 2024-B A3 5.1 04/15/2029	144,650.75	07/18/2024 4.79%	145,690.43 145,212.37	100.78 4.17%	145,774.25 327.88	0.02% 561.88	Aaa/AAA NA	3.04 0.79
587918AD5	MBART 2024-1 A3 4.8 04/16/2029	202,213.42	-- 4.58%	203,323.23 202,816.96	100.45 4.14%	203,129.65 431.39	0.03% 312.69	Aaa/AAA NA	3.04 0.64
58768YAD7	MBALT 2025-A A3 4.61 04/16/2029	310,000.00	05/14/2025 4.66%	309,962.21 309,970.56	100.72 4.21%	312,245.64 635.16	0.05% 2,275.08	NA/AAA AAA	3.04 1.61
05522RDJ4	BACCT 2024-1 A 4.93 05/15/2029	193,000.00	07/30/2024 4.58%	194,771.68 193,711.80	101.03 4.02%	194,996.39 422.88	0.03% 1,284.59	Aaa/AAA NA	3.12 1.07
477911AD3	JDOT 2024-C A3 4.06 06/15/2029	500,000.00	01/22/2025 4.72%	493,320.31 495,123.49	100.01 4.09%	500,026.00 902.22	0.08% 4,902.51	Aaa/NA AAA	3.21 1.09

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
02589BAE0	AMXCA 2024-3 A 4.65 07/15/2027	400,000.00	-- 2.88%	400,535.16 400,275.55	100.75 4.09%	402,991.20 826.67	0.06% 2,715.65	NA/AAA AAA	1.29 1.23
34535VAD6	FORDO 2024-D A3 4.61 08/15/2029	210,000.00	11/19/2024 4.66%	209,993.26 209,995.19	100.61 4.14%	211,290.24 430.27	0.03% 1,295.05	Aaa/NA AAA	3.38 1.19
89240JAD3	TAOT 2025-A A3 4.64 08/15/2029	300,000.00	01/22/2025 4.69%	299,987.97 299,991.07	100.65 4.10%	301,939.20 618.67	0.05% 1,948.13	Aaa/NA AAA	3.38 1.10
47800DAD6	JDOT 2025 A3 4.23 09/17/2029	245,000.00	03/04/2025 5.09%	244,984.59 244,988.19	100.28 4.08%	245,684.53 460.60	0.04% 696.34	Aaa/NA AAA	3.47 1.49
44935CAD3	HART 2025-A A3 4.32 10/15/2029	310,000.00	03/04/2025 4.84%	309,954.27 309,964.76	100.23 4.17%	310,724.78 595.20	0.05% 760.02	NA/AAA AAA	3.54 1.25
437921AD1	HAROT 252 A3 4.15 10/15/2029	190,000.00	04/29/2025 4.15%	189,978.78 189,983.07	100.07 4.14%	190,124.26 350.44	0.03% 141.19	Aaa/NA AAA	3.54 1.43
89231HAD8	TAOT 2025-B A3 4.34 11/15/2029	190,000.00	04/24/2025 4.82%	189,989.11 189,991.31	100.37 4.12%	190,710.79 366.49	0.03% 719.48	NA/AAA AAA	3.63 1.42
362955AD8	GMCAR 2025-1 A3 4.62 12/17/2029	200,000.00	01/09/2025 5.03%	199,985.14 199,988.79	100.55 4.09%	201,105.80 385.00	0.03% 1,117.01	Aaa/NA AAA	3.71 0.97
58773DAD6	MBART 2025-1 A3 4.78 12/17/2029	290,000.00	01/14/2025 4.84%	289,938.32 289,953.25	100.78 4.16%	292,258.23 616.09	0.04% 2,304.98	Aaa/NA AAA	3.71 1.17
02582JKP4	AMXCA 2025-2 A 4.28 04/15/2030	505,000.00	05/06/2025 4.28%	504,990.86 504,992.50	100.35 4.14%	506,748.31 960.62	0.08% 1,755.81	NA/AAA AAA	4.04 1.91
362549AD9	GMCAR 2025-2 A3 4.28 04/16/2030	150,000.00	05/06/2025 4.71%	149,977.92 149,981.87	100.19 4.17%	150,278.25 267.50	0.02% 296.38	Aaa/AAA NA	4.04 1.28
92970QAJ4	WFCIT 2025-1 A 4.34 05/15/2030	750,000.00	09/03/2025 3.90%	759,023.44 757,106.88	100.52 4.12%	753,895.50 1,446.67	0.11% (3,211.38)	NA/AAA AAA	4.12 1.99
161571HZ0	CHAIT 2025-1 A 4.16 07/15/2030	1,500,000.00	-- 3.83%	1,513,632.81 1,511,295.98	100.25 4.08%	1,503,816.00 2,773.33	0.23% (7,479.98)	NA/AAA AAA	4.29 2.14
Total ABS		**9,287,318.87**	**4.34%**	**9,324,727.64** **9,311,200.00**	**100.45** **4.12%**	**9,328,646.31** **17,119.10**	**1.41%** **17,446.31**		**3.23** **1.32**
AGENCY									
3133ERKR1	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.625 07/10/2026	200,000.00	07/23/2024 4.51%	200,424.00 200,059.22	100.23 3.74%	200,458.40 2,081.25	0.03% 399.18	Aa1/AA+ AA+	0.28 0.27

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
3130B2PJ8	FEDERAL HOME LOAN BANKS 3.625 09/04/2026	500,000.00	09/12/2024 3.70%	499,335.00 499,856.12	99.94 3.76%	499,688.00 1,359.38	0.08% (168.12)	Aa1/AA+ AA+	0.43 0.42
3133ERMB4	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.25 07/23/2027	200,000.00	07/18/2024 4.26%	199,938.00 199,972.94	100.63 3.75%	201,265.40 1,605.56	0.03% 1,292.46	Aa1/AA+ AA+	1.31 1.26
Total Agency		**900,000.00**	**4.00%**	**899,697.00 899,888.27**	**100.16 3.76%**	**901,411.80 5,046.18**	**0.14% 1,523.53**		**0.59 0.57**
AGENCY CMBS									
3137FJEH8	FHMS K-081 A2 3.9 08/25/2028	200,000.00	07/18/2024 4.54%	195,093.75 197,153.04	99.41 4.08%	198,824.60 650.00	0.03% 1,671.56	Aa1/AA+ AAA	2.40 2.22
3137FJKE8	FHMS K-082 A2 3.92 09/25/2028	413,000.00	08/29/2024 4.07%	410,096.09 411,239.33	99.45 4.08%	410,730.57 1,349.13	0.06% (508.77)	Aa1/AA+ AAA	2.49 2.25
3137FJZ93	FHMS K-084 A2 3.78 10/25/2028	400,000.00	-- 4.29%	391,750.00 395,049.42	99.11 4.08%	396,442.40 1,260.00	0.06% 1,392.98	Aaa/AA+ AA+	2.57 2.35
3137FK4M5	FHMS K-085 A2 4.06 10/25/2028	700,000.00	07/30/2025 4.17%	696,472.66 697,215.90	99.76 4.08%	698,293.40 2,368.33	0.11% 1,077.50	Aaa/AA+ AA+	2.57 2.36
3137FKSH0	FHMS K-086 A2 3.859 11/25/2028	400,000.00	-- 4.29%	392,882.81 395,675.27	99.27 4.09%	397,088.00 1,286.33	0.06% 1,412.73	Aaa/AA+ AA+	2.65 2.43
3137FKUP9	FHMS K-087 A2 3.771 12/25/2028	580,857.42	12/11/2024 4.39%	567,402.40 571,785.05	99.06 4.09%	575,406.65 1,825.34	0.09% 3,621.60	Aa1/AAA AA+	2.74 2.44
3137FKZZ2	FHMS K-088 A2 3.69 01/25/2029	303,000.00	-- 4.34%	294,821.25 297,916.47	98.82 4.09%	299,416.42 931.73	0.05% 1,499.95	Aaa/AA+ AA+	2.82 2.56
3137H5YC5	FHMS K-748 A2 2.26 01/25/2029	500,000.00	08/26/2024 4.07%	464,140.62 477,254.39	95.16 4.12%	475,778.50 941.67	0.07% (1,475.89)	Aa1/AA+ AAA	2.82 2.59
3137FLMV3	FHMS K-090 A2 3.422 02/25/2029	200,000.00	07/29/2024 4.46%	191,414.06 194,594.04	98.08 4.09%	196,158.00 570.33	0.03% 1,563.96	Aa1/AAA AA+	2.91 2.66
3137FLN91	FHMS K-091 A2 3.505 03/25/2029	486,000.00	01/14/2025 4.85%	461,889.84 468,927.31	98.28 4.09%	477,643.23 1,419.53	0.07% 8,715.92	Aa1/AAA AA+	2.98 2.68
3137FLYV0	FHMS K-092 A2 3.298 04/25/2029	500,000.00	08/07/2024 4.20%	480,722.66 487,520.40	97.64 4.09%	488,215.50 1,374.17	0.07% 695.10	Aa1/AA+ AAA	3.07 2.80
3137FMCR1	FHMS K-093 A2 2.982 05/25/2029	540,295.11	12/19/2024 4.70%	504,817.14 515,154.65	96.84 4.09%	523,196.93 1,342.63	0.08% 8,042.28	Aa1/AA+ AAA	3.15 2.76

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
3137FNAE0	FHMS K-095 A2 2.785 06/25/2029	200,000.00	07/17/2024 4.47%	185,398.44 190,503.65	96.08 4.10%	192,154.20 464.17	0.03% 1,650.55	Aa1/AA+ AAA	3.24 2.93
3137FNX54	FHMS K-097 A2 2.508 07/25/2029	425,000.00	12/19/2024 4.70%	386,982.42 397,650.38	95.03 4.11%	403,874.95 888.25	0.06% 6,224.57	Aaa/AA+ AA+	3.32 3.09
3137H9D71	FHMS K-750 A2 3.0 09/25/2029	600,000.00	11/05/2024 4.55%	562,218.75 573,157.69	96.62 4.14%	579,726.00 1,500.00	0.09% 6,568.31	Aa1/AA+ AAA	3.49 2.88
3137FQ3Z4	FHMS K-101 A2 2.524 10/25/2029	495,000.00	12/20/2024 4.69%	449,560.55 461,599.39	94.74 4.12%	468,974.39 1,041.15	0.07% 7,374.99	Aa1/AA+ AA+	3.57 3.28
3137FQKC6	FHMS K-102 A2 2.537 10/25/2029	750,000.00	09/03/2025 3.94%	710,537.11 715,988.52	94.83 4.12%	711,248.25 1,585.63	0.11% (4,740.27)	Aa1/AA+ AAA	3.57 3.25
3137FQKN2	FHMS K-103 A2 2.651 11/25/2029	453,000.00	12/20/2024 4.69%	413,344.81 423,667.25	95.05 4.13%	430,570.61 1,000.75	0.07% 6,903.36	Aa1/AA+ AAA	3.65 3.34
3137FRUT6	FHMS K-106 A2 2.069 01/25/2030	750,000.00	06/17/2025 4.27%	682,089.84 693,675.24	92.74 4.14%	695,547.00 1,293.13	0.11% 1,871.76	Aa1/AA+ AAA	3.82 3.56
3137HA4B9	FHMS K-751 A2 4.412 03/25/2030	600,000.00	03/24/2025 4.40%	599,578.13 599,664.85	100.60 4.18%	603,595.20 2,206.00	0.09% 3,930.35	Aaa/AA+ AA+	3.98 3.29
3137FWG79	FHMS K-115 A2 1.383 06/25/2030	344,000.00	06/23/2025 4.23%	300,547.97 307,279.30	89.32 4.18%	307,258.74 396.46	0.05% (20.56)	Aa1/AA+ AAA	4.24 3.98
3137FVNG3	FHMS K-114 A2 1.366 06/25/2030	750,000.00	01/28/2026 4.02%	670,546.88 673,608.56	89.21 4.18%	669,092.25 853.75	0.10% (4,516.31)	Aa1/AA+ AAA	4.24 4.00
3137F62M8	FHMS K-118 A2 1.493 09/25/2030	700,000.00	-- 4.02%	624,394.53 629,312.73	89.20 4.19%	624,434.30 870.92	0.09% (4,878.43)	Aa1/AA+ AAA	4.49 4.17
3137F72P9	FHMS K-120 A2 1.5 10/25/2030	600,000.00	12/15/2025 3.98%	535,054.69 538,918.71	88.88 4.21%	533,261.40 750.00	0.08% (5,657.31)	Aa1/AA+ AAA	4.57 4.29
3137F8ZV8	FHMS K-123 A2 1.621 12/25/2030	750,000.00	01/29/2026 4.05%	670,839.85 673,574.15	89.15 4.22%	668,594.25 1,013.13	0.10% (4,979.90)	Aa1/AA+ AAA	4.74 4.36
3137F9Z79	FHMS K-125 A2 1.846 01/25/2031	300,000.00	01/23/2026 4.12%	269,707.03 270,767.87	89.80 4.22%	269,408.40 461.50	0.04% (1,359.47)	Aa1/AA+ AAA	4.82 4.45
3137FXZ35	FHMS K-127 A2 2.108 01/25/2031	750,000.00	01/29/2026 4.06%	684,550.78 686,772.48	90.82 4.24%	681,183.00 1,317.50	0.10% (5,589.48)	Aa1/AA+ AAA	4.82 4.45
Total Agency CMBS		**13,690,152.53**	**4.28%**	**12,796,855.06** **12,945,626.05**	**94.95** **4.14%**	**12,976,117.13** **30,961.52**	**1.96%** **30,491.09**		**3.56** **3.24**

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

San Diego Community Power ConsAgg | Account #11452 | As of March 31, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
CASH									
90RCBB$01	RCB Lock Box x0584	12,915,405.99	-- 0.00%	12,915,405.99 12,915,405.99	1.00 0.00%	12,915,405.99 0.00	1.95% 0.00	NA/NA NA	0.00 0.00
90RCBB$02	RCB Operating x7892	26,867,218.63	-- 0.00%	26,867,218.63 26,867,218.63	1.00 0.00%	26,867,218.63 0.00	4.06% 0.00	NA/NA NA	0.00 0.00
90JPMC$10	Chase Checking x9617	2,280,057.77	-- 1.15%	2,280,057.77 2,280,057.77	1.00 1.15%	2,280,057.77 0.00	0.34% 0.00	NA/NA NA	0.00 0.00
CCYUSD	Payable	(993,786.91)	--	(993,786.91) (993,786.91)	1.00	(993,786.91) 0.00	(0.15%) 0.00	Aaa/AAA AAA	0.00 0.00
CCYUSD	Receivable	4,887.88	--	4,887.88 4,887.88	1.00	4,887.88 0.00	0.00% 0.00	Aaa/AAA AAA	0.00 0.00
CCYUSD	Receivable	478,757.79	--	478,757.79 478,757.79	1.00	478,757.79 0.00	0.07% 0.00	Aaa/AAA AAA	0.00 0.00
Total Cash		**41,552,541.15**	**0.06%**	**41,552,541.15** **41,552,541.15**	**1.00** **0.06%**	**41,552,541.15** **0.00**	**6.28%** **0.00**		**0.00** **0.00**
COLLATERALIZED BANK DEPOSIT									
90RCBB$03	RCB MMKT	232,745,315.34	-- 3.96%	232,745,315.34 232,745,315.34	1.00 3.89%	232,745,315.34 0.00	35.20% 0.00	NA/NA NA	0.00 0.00
Total Collateralized Bank Deposit		**232,745,315.34**	**3.96%**	**232,745,315.34** **232,745,315.34**	**1.00** **3.89%**	**232,745,315.34** **0.00**	**35.20%** **0.00**		**0.00** **0.00**
CORPORATE									
69371RT30	PACCAR FINANCIAL CORP 4.45 08/06/2027	255,000.00	08/01/2024 4.50%	254,660.85 254,847.61	100.56 4.01%	256,437.44 1,733.65	0.04% 1,589.82	A1/A+ NA	1.35 1.29
89236TKQ7	TOYOTA MOTOR CREDIT CORP 4.625 01/12/2028	150,000.00	07/18/2024 4.65%	149,856.00 149,926.30	100.91 4.09%	151,368.15 1,522.40	0.02% 1,441.85	A1/A+ A+	1.79 1.68
95000U3R2	WELLS FARGO & CO 4.9 01/24/2028	500,000.00	01/16/2025 4.90%	500,000.00 500,000.00	100.36 4.43%	501,813.50 4,559.72	0.08% 1,813.50	A1/BBB+ A+	1.82 0.78
89115A3E0	TORONTO-DOMINION BANK 4.861 01/31/2028	335,000.00	01/28/2025 4.86%	335,000.00 335,000.00	100.80 4.40%	337,695.75 2,759.29	0.05% 2,695.75	A2/A- AA-	1.84 1.72

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
74460WAD9	PUBLIC STORAGE OPERATING CO 1.85 05/01/2028	300,000.00	-- 4.61%	271,762.50 284,307.04	95.27 4.25%	285,806.40 2,312.50	0.04% 1,499.36	A2/A NA	2.08 1.99
64952WFD0	NEW YORK LIFE GLOBAL FUNDING 4.9 06/13/2028	750,000.00	07/30/2025 4.24%	763,215.00 760,138.23	101.24 4.30%	759,288.75 11,025.00	0.11% (849.48)	Aa1/AA+ AAA	2.20 2.04
87612EBU9	TARGET CORP 4.35 06/15/2028	230,000.00	06/05/2025 4.35%	229,997.70 229,998.32	100.47 4.12%	231,070.19 2,945.92	0.03% 1,071.87	A2/A A	2.21 1.98
06406RBX4	BANK OF NEW YORK MELLON CORP 4.89 07/21/2028	500,000.00	-- 4.67%	502,804.00 501,301.78	100.78 4.36%	503,902.00 4,754.17	0.08% 2,600.22	Aa3/A AA-	2.31 1.24
46647PEL6	JPMORGAN CHASE & CO 4.979 07/22/2028	300,000.00	-- 4.80%	301,428.00 300,630.56	100.67 4.50%	302,016.30 2,862.93	0.05% 1,385.74	A1/A AA-	2.31 1.24
06051GKW8	BANK OF AMERICA CORP 4.948 07/22/2028	300,000.00	-- 4.88%	300,574.50 300,254.84	100.65 4.97%	301,937.40 2,845.10	0.05% 1,682.56	A1/A- AA-	2.31 1.25
61744YAK4	MORGAN STANLEY 3.591 07/22/2028	300,000.00	-- 4.66%	288,472.50 293,317.39	98.82 4.14%	296,473.50 2,064.83	0.04% 3,156.11	A1/A- A+	2.31 1.25
40139LBM4	GUARDIAN LIFE GLOBAL FUNDING 4.066 09/05/2028	750,000.00	09/03/2025 3.98%	751,785.00 751,446.24	99.26 4.39%	744,446.25 2,202.42	0.11% (6,999.99)	Aa1/AA+ NA	2.43 2.28
756109BS2	REALTY INCOME CORP 4.7 12/15/2028	750,000.00	-- 4.59%	752,505.50 751,883.60	100.56 4.47%	754,215.75 10,379.17	0.11% 2,332.15	A3/A- NA	2.71 2.41
61690DK72	MORGAN STANLEY BANK NA 5.016 01/12/2029	300,000.00	01/16/2025 4.99%	300,258.00 300,154.66	101.07 4.44%	303,210.90 3,302.20	0.05% 3,056.24	Aa3/A+ AA-	2.79 1.67
58989V2M5	MET TOWER GLOBAL FUNDING 4.0 01/14/2029	660,000.00	01/07/2026 4.05%	659,148.60 659,208.42	98.95 4.40%	653,081.22 5,646.67	0.10% (6,127.20)	Aa3/AA- AA-	2.79 2.59
91324PEU2	UNITEDHEALTH GROUP INC 4.25 01/15/2029	300,000.00	-- 4.42%	297,930.00 298,713.91	99.82 4.32%	299,466.90 2,691.67	0.05% 752.99	A2/A+ A	2.79 2.58
78017DAA6	ROYAL BANK OF CANADA 4.965 01/24/2029	450,000.00	01/21/2025 5.46%	450,000.00 450,000.00	100.93 4.44%	454,190.40 4,158.19	0.07% 4,190.40	A1/A AA-	2.82 1.71
69371RS80	PACCAR FINANCIAL CORP 4.6 01/31/2029	150,000.00	07/18/2024 4.64%	149,755.50 149,847.13	101.46 4.05%	152,191.50 1,169.17	0.02% 2,344.37	A1/A+ NA	2.84 2.62
74340XBL4	PROLOGIS LP 4.375 02/01/2029	300,000.00	-- 4.55%	297,844.50 298,648.95	100.05 4.35%	300,163.20 2,187.50	0.05% 1,514.25	A2/A NA	2.84 2.62
61747YFD2	MORGAN STANLEY 5.164 04/20/2029	300,000.00	11/07/2024 4.78%	303,570.00 302,126.69	101.15 4.78%	303,455.40 6,928.37	0.05% 1,328.71	A1/A- A+	3.05 1.89
025816ED7	AMERICAN EXPRESS CO 4.731 04/25/2029	750,000.00	-- 4.64%	751,898.75 751,347.88	100.63 4.57%	754,740.75 15,375.75	0.11% 3,392.87	A2/A- A	3.07 1.91

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
437076DC3	HOME DEPOT INC 4.75 06/25/2029	750,000.00	-- 4.41%	759,603.00 757,209.46	101.54 4.23%	761,526.75 9,500.00	0.12% 4,317.29	A2/A A	3.24 2.87
713448FX1	PEPSICO INC 4.5 07/17/2029	300,000.00	-- 4.24%	303,396.00 302,251.98	100.96 4.18%	302,883.30 2,775.00	0.05% 631.32	A1/A+ NA	3.30 2.94
06051GHM4	BANK OF AMERICA CORP 4.271 07/23/2029	600,000.00	-- 4.73%	591,312.00 594,160.94	99.59 4.69%	597,554.40 4,840.47	0.09% 3,393.46	A1/A- AA-	3.31 2.16
46647PAV8	JPMORGAN CHASE & CO 4.203 07/23/2029	300,000.00	11/07/2024 4.77%	294,291.00 296,438.73	99.43 4.68%	298,275.30 2,381.70	0.05% 1,836.57	A1/A AA-	3.31 2.16
89236TMK8	TOYOTA MOTOR CREDIT CORP 4.55 08/09/2029	250,000.00	08/07/2024 4.57%	249,790.00 249,859.00	100.59 4.36%	251,485.25 1,643.06	0.04% 1,626.25	A1/A+ A+	3.36 3.06
532457CQ9	ELI LILLY AND CO 4.2 08/14/2029	300,000.00	-- 4.19%	300,181.75 300,119.56	100.09 4.17%	300,284.10 1,645.00	0.05% 164.54	Aa3/A+ NA	3.37 3.10
171239AL0	CHUBB INA HOLDINGS LLC 4.65 08/15/2029	400,000.00	-- 4.53%	401,978.29 401,355.61	101.12 4.29%	404,497.20 2,376.67	0.06% 3,141.59	A2/A A	3.38 3.01
30303M8S4	META PLATFORMS INC 4.3 08/15/2029	300,000.00	-- 4.28%	300,268.23 300,177.81	100.45 4.16%	301,338.30 1,648.33	0.05% 1,160.49	Aa3/AA- NA	3.38 3.02
02665WFQ9	AMERICAN HONDA FINANCE CORP 4.4 09/05/2029	250,000.00	10/02/2024 4.29%	251,157.50 250,806.64	99.10 4.69%	247,743.25 794.44	0.04% (3,063.39)	A3/BBB+ NA	3.43 3.14
38141GD27	GOLDMAN SACHS GROUP INC 4.153 10/21/2029	970,000.00	-- 4.25%	970,195.00 970,166.63	99.07 4.54%	960,948.93 17,904.04	0.15% (9,217.70)	A2/BBB+ A	3.56 2.35
14913UAU4	CATERPILLAR FINANCIAL SERVICES CORP 4.7 11/15/2029	300,000.00	11/14/2024 4.74%	299,523.00 299,654.14	101.37 4.28%	304,124.70 5,326.67	0.05% 4,470.56	A2/A A+	3.63 3.25
00287YBX6	ABBVIE INC 3.2 11/21/2029	750,000.00	10/23/2025 3.99%	727,957.50 730,311.27	96.41 4.28%	723,049.50 8,666.67	0.11% (7,261.77)	A2/A- NA	3.64 3.35
89236TNA9	TOYOTA MOTOR CREDIT CORP 4.95 01/09/2030	430,000.00	01/06/2025 5.00%	429,079.80 429,305.06	101.62 4.48%	436,973.31 4,848.25	0.07% 7,668.25	A1/A+ A+	3.78 3.38
46647PEB8	JPMORGAN CHASE & CO 5.012 01/23/2030	250,000.00	01/21/2025 5.02%	249,937.50 249,956.02	101.40 4.60%	253,497.75 2,366.78	0.04% 3,541.73	A1/A AA-	3.82 2.58
95000U3J0	WELLS FARGO & CO 5.198 01/23/2030	400,000.00	01/22/2025 5.13%	400,988.00 400,695.18	101.57 4.73%	406,270.00 3,927.38	0.06% 5,574.82	A1/BBB+ A+	3.82 2.57
02665WFY2	AMERICAN HONDA FINANCE CORP 4.8 03/05/2030	425,000.00	03/03/2025 4.82%	424,626.00 424,706.29	99.95 4.81%	424,791.33 1,473.33	0.06% 85.04	A3/BBB+ NA	3.93 3.53
571748CA8	MARSH & MCLENNAN COMPANIES INC 4.65 03/15/2030	750,000.00	-- 4.66%	749,787.00 749,844.25	100.71 4.45%	755,349.00 1,550.00	0.11% 5,504.75	A3/A- A-	3.96 3.50

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
59217GEG0	METROPOLITAN LIFE GLOBAL FUNDING I 2.95 04/09/2030	750,000.00	09/03/2025 4.27%	709,170.00 714,255.50	93.92 4.62%	704,395.50 10,570.83	0.11% (9,860.00)	Aa3/AA- AA-	4.02 3.67
57629TBX4	MASSMUTUAL GLOBAL FUNDING II 4.55 05/07/2030	750,000.00	07/30/2025 4.51%	751,192.50 751,025.37	99.67 4.64%	747,561.00 13,650.00	0.11% (3,464.37)	Aa3/AA+ AA+	4.10 3.63
69371RT71	PACCAR FINANCIAL CORP 4.55 05/08/2030	680,000.00	05/05/2025 4.59%	678,946.00 679,135.33	100.67 4.37%	684,561.44 12,290.06	0.10% 5,426.11	A1/A+ NA	4.10 3.64
747525BU6	QUALCOMM INC 4.5 05/20/2030	750,000.00	06/17/2025 4.45%	751,582.50 751,325.47	100.58 4.34%	754,373.25 12,281.25	0.11% 3,047.78	A2/A NA	4.14 3.61
74153WCW7	PRICOA GLOBAL FUNDING I 4.7 05/28/2030	750,000.00	07/30/2025 4.55%	754,680.00 754,031.92	100.26 4.63%	751,964.25 12,043.75	0.11% (2,067.67)	Aa3/AA- AA-	4.16 3.68
74464AAC5	PUBLIC STORAGE OPERATING CO 4.375 07/01/2030	500,000.00	07/01/2025 4.44%	498,665.00 498,864.70	99.87 4.41%	499,334.00 5,468.75	0.08% 469.30	A2/A NA	4.25 3.80
828807DK0	SIMON PROPERTY GROUP LP 2.65 07/15/2030	750,000.00	07/30/2025 4.46%	690,165.00 698,231.15	92.87 4.50%	696,502.50 4,195.83	0.11% (1,728.65)	A3/A NA	4.29 3.96
713448GH5	PEPSICO INC 4.3 07/23/2030	500,000.00	07/30/2025 4.36%	498,710.00 498,883.14	100.25 4.23%	501,268.50 4,061.11	0.08% 2,385.36	A1/A+ NA	4.31 3.80
437076DJ8	HOME DEPOT INC 3.95 09/15/2030	685,000.00	09/08/2025 4.03%	682,540.85 682,807.50	98.70 4.27%	676,080.62 1,202.56	0.10% (6,726.89)	A2/A A	4.46 4.03
40139LBN2	GUARDIAN LIFE GLOBAL FUNDING 4.327 10/06/2030	750,000.00	09/30/2025 4.33%	750,000.00 750,000.00	98.86 4.61%	741,426.75 15,775.52	0.11% (8,573.25)	Aa1/AA+ NA	4.52 3.97
24422EYF0	JOHN DEERE CAPITAL CORP 4.375 10/15/2030	1,000,000.00	11/04/2025 4.22%	1,006,920.00 1,006,356.43	99.85 4.41%	998,526.00 20,173.61	0.15% (7,830.43)	A1/A A+	4.54 4.00
141781CF9	CARGILL INC 4.125 10/23/2030	750,000.00	-- 4.14%	749,433.50 749,483.04	98.55 4.48%	739,135.50 13,578.13	0.11% (10,347.54)	A2/A NA	4.56 4.04
717081FD0	PFIZER INC 4.2 11/15/2030	700,000.00	12/08/2025 4.18%	700,518.00 700,484.95	99.31 4.37%	695,137.10 10,616.67	0.11% (5,347.85)	A2/A NA	4.63 4.10
14913UBH2	CATERPILLAR FINANCIAL SERVICES CORP 4.15 01/08/2031	1,010,000.00	01/05/2026 4.16%	1,009,636.40 1,009,652.93	99.06 4.37%	1,000,541.35 9,663.74	0.15% (9,111.58)	A2/A A+	4.77 4.24
89236TPH2	TOYOTA MOTOR CREDIT CORP 4.2 01/10/2031	545,000.00	01/07/2026 4.21%	544,831.05 544,838.37	98.62 4.52%	537,490.99 5,023.08	0.08% (7,347.38)	A1/A+ A+	4.78 4.24
66815L2Z1	NORTHWESTERN MUTUAL GLOBAL FUNDING 4.3 01/13/2031	685,000.00	01/06/2026 4.30%	684,938.35 684,940.98	98.59 4.63%	675,352.46 6,381.92	0.10% (9,588.52)	Aa1/AA+ AAA	4.79 4.23
92826CAZ5	VISA INC 4.1 02/12/2031	745,000.00	02/03/2026 4.13%	744,001.70 744,027.94	99.90 4.12%	744,263.20 4,157.51	0.11% 235.25	Aa3/AA- NA	4.87 4.35

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

San Diego Community Power ConsAgg | Account #11452 | As of March 31, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
743315BC6	PROGRESSIVE CORP 4.6 03/26/2031	750,000.00	03/26/2026 4.67%	747,682.50 747,688.85	100.23 4.55%	751,713.00 479.17	0.11% 4,024.15	A2/A A	4.99 4.34
Total Corporate		**29,405,000.00**	**4.45%**	**29,270,151.82** **29,296,151.70**	**99.60** **4.44%**	**29,277,191.41** **328,707.84**	**4.43%** **(18,960.29)**		**3.64** **3.08**
LAIF									
90LAIF$00	Local Agency Investment Fund State Pool	74,999,195.70	-- 3.82%	74,999,195.70 74,999,195.70	1.00 3.82%	74,999,195.70 0.00	11.34% 0.00	NA/NA NA	0.00 0.00
Total LAIF		**74,999,195.70**	**3.82%**	**74,999,195.70** **74,999,195.70**	**1.00** **3.82%**	**74,999,195.70** **0.00**	**11.34%** **0.00**		**0.00** **0.00**
LOCAL GOV INVESTMENT POOL									
90CALFT$0	CalFIT	10,006,211.07	-- 3.76%	10,006,211.07 10,006,211.07	1.00 3.76%	10,006,211.07 0.00	1.51% 0.00	NA/NA NA	0.00 0.00
Total Local Gov Investment Pool		**10,006,211.07**	**3.76%**	**10,006,211.07** **10,006,211.07**	**1.00** **3.76%**	**10,006,211.07** **0.00**	**1.51%** **0.00**		**0.00** **0.00**
MONEY MARKET FUND									
31846V203	FIRST AMER:GVT OBLG Y	1,783,616.90	-- 3.28%	1,783,616.90 1,783,616.90	1.00 3.28%	1,783,616.90 0.00	0.27% 0.00	Aaa/AAAm AAA	0.00 0.00
Total Money Market Fund		**1,783,616.90**	**3.28%**	**1,783,616.90** **1,783,616.90**	**1.00** **3.28%**	**1,783,616.90** **0.00**	**0.27%** **0.00**		**0.00** **0.00**
MUNICIPAL BONDS									
13063EGT7	CALIFORNIA STATE 4.5 08/01/2029	400,000.00	11/05/2024 4.38%	402,056.00 401,450.03	101.76 3.93%	407,050.80 3,000.00	0.06% 5,600.77	Aa2/AA- AA	3.34 3.05
13063DRE0	CALIFORNIA ST 2.5 10/01/2029	500,000.00	03/24/2025 4.33%	462,780.00 471,166.34	95.34 3.94%	476,692.50 6,250.00	0.07% 5,526.16	Aa2/AA- AA	3.50 3.30
Total Municipal Bonds		**900,000.00**	**4.35%**	**864,836.00** **872,616.37**	**98.30** **3.93%**	**883,743.30** **9,250.00**	**0.13%** **11,126.93**		**3.43** **3.19**

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

San Diego Community Power ConsAgg | Account #11452 | As of March 31, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
PLACEMENT SERVICE DEPOSIT									
90RCBB$04	RCB ICS	176,985,203.21	-- 4.01%	176,985,203.21 176,985,203.21	1.00 4.36%	176,985,203.21 0.00	26.76% 0.00	NA/NA NA	0.00 0.00
Total Placement Service Deposit		**176,985,203.21**	**4.01%**	**176,985,203.21** **176,985,203.21**	**1.00** **4.36%**	**176,985,203.21** **0.00**	**26.76%** **0.00**		**0.00** **0.00**
SUPRANATIONAL									
459058LY7	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 3.5 10/28/2030	1,000,000.00	10/28/2025 3.68%	991,720.00 992,418.70	98.18 3.94%	981,814.00 14,875.00	0.15% (10,604.70)	Aaa/AAA NA	4.58 4.12
Total Supranational		**1,000,000.00**	**3.68%**	**991,720.00** **992,418.70**	**98.18** **3.94%**	**981,814.00** **14,875.00**	**0.15%** **(10,604.70)**		**4.58** **4.12**
US TREASURY									
912797SD0	UNITED STATES TREASURY 04/02/2026	1,000,000.00	01/29/2026 3.67%	993,796.73 999,899.95	99.99 3.69%	999,899.00 0.00	0.15% (0.95)	P-1/A-1+ F1+	0.01 0.00
912797TL1	UNITED STATES TREASURY 05/05/2026	1,000,000.00	01/29/2026 3.65%	990,581.81 996,629.28	99.66 3.69%	996,577.00 0.00	0.15% (52.28)	P-1/A-1+ F1+	0.10 0.09
912797TU1	UNITED STATES TREASURY 06/02/2026	1,000,000.00	03/31/2026 3.68%	993,786.91 993,786.91	99.38 3.68%	993,780.00 0.00	0.15% (6.91)	P-1/A-1+ F1+	0.17 0.17
91282CKY6	UNITED STATES TREASURY 4.625 06/30/2026	250,000.00	-- 4.22%	251,818.36 250,235.73	100.22 3.71%	250,539.00 2,906.60	0.04% 303.27	Aa1/AA+ AA+	0.25 0.25
91282CHU8	UNITED STATES TREASURY 4.375 08/15/2026	500,000.00	-- 4.21%	501,574.22 500,293.91	100.21 3.78%	501,066.50 2,719.27	0.08% 772.59	Aa1/AA+ AA+	0.38 0.37
91282CHY0	UNITED STATES TREASURY 4.625 09/15/2026	500,000.00	-- 4.23%	503,902.35 500,853.39	100.39 3.75%	501,942.00 1,068.27	0.08% 1,088.61	Aa1/AA+ AA+	0.46 0.45
91282CLS8	UNITED STATES TREASURY 4.125 10/31/2026	1,000,000.00	11/12/2024 4.34%	995,937.50 998,793.15	100.18 3.81%	1,001,758.00 17,320.44	0.15% 2,964.85	Aa1/AA+ AA+	0.59 0.56
91282CJP7	UNITED STATES TREASURY 4.375 12/15/2026	1,000,000.00	-- 4.17%	1,004,296.88 1,001,345.66	100.43 3.75%	1,004,287.00 12,860.58	0.15% 2,941.34	Aa1/AA+ AA+	0.71 0.68

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

San Diego Community Power ConsAgg | Account #11452 | As of March 31, 2026

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
91282CME8	UNITED STATES TREASURY 4.25 12/31/2026	1,000,000.00	01/07/2025 4.30%	999,101.56 999,659.04	100.35 3.76%	1,003,508.00 10,683.70	0.15% 3,848.96	Aa1/AA+ AA+	0.75 0.72
91282CMH1	UNITED STATES TREASURY 4.125 01/31/2027	1,000,000.00	01/28/2025 4.21%	998,476.56 999,363.49	100.31 3.74%	1,003,086.00 6,837.02	0.15% 3,722.51	Aa1/AA+ AA+	0.84 0.81
91282CKA8	UNITED STATES TREASURY 4.125 02/15/2027	500,000.00	-- 4.10%	500,269.54 500,098.98	100.31 3.76%	501,554.50 2,563.88	0.08% 1,455.52	Aa1/AA+ AA+	0.88 0.85
91282CMP3	UNITED STATES TREASURY 4.125 02/28/2027	1,500,000.00	08/14/2025 3.81%	1,507,031.25 1,504,166.20	100.33 3.75%	1,504,899.00 5,380.43	0.23% 732.80	Aa1/AA+ AA+	0.91 0.89
91282CKE0	UNITED STATES TREASURY 4.25 03/15/2027	1,200,000.00	-- 3.85%	1,209,515.63 1,204,366.31	100.48 3.73%	1,205,793.60 2,355.98	0.18% 1,427.29	Aa1/AA+ AA+	0.96 0.93
91282CEN7	UNITED STATES TREASURY 2.75 04/30/2027	500,000.00	09/11/2024 3.52%	490,390.63 496,056.15	98.92 3.78%	494,584.50 5,773.48	0.07% (1,471.65)	Aa1/AA+ AA+	1.08 1.04
91282CET4	UNITED STATES TREASURY 2.625 05/31/2027	1,000,000.00	-- 3.74%	976,054.69 987,636.76	98.64 3.82%	986,445.00 8,798.08	0.15% (1,191.76)	Aa1/AA+ AA+	1.17 1.12
91282CEW7	UNITED STATES TREASURY 3.25 06/30/2027	1,200,000.00	03/27/2025 3.99%	1,180,828.13 1,189,413.59	99.30 3.82%	1,191,656.40 9,803.87	0.18% 2,242.81	Aa1/AA+ AA+	1.25 1.20
91282CKZ3	UNITED STATES TREASURY 4.375 07/15/2027	500,000.00	-- 3.94%	505,843.75 502,596.63	100.68 3.83%	503,398.50 4,592.54	0.08% 801.87	Aa1/AA+ AA+	1.29 1.23
91282CNP2	UNITED STATES TREASURY 3.875 07/31/2027	1,000,000.00	07/30/2025 3.92%	999,101.56 999,401.86	100.04 3.84%	1,000,391.00 6,422.65	0.15% 989.14	Aa1/AA+ AA+	1.33 1.28
91282CLG4	UNITED STATES TREASURY 3.75 08/15/2027	2,000,000.00	06/23/2025 3.81%	1,997,343.75 1,998,298.23	99.88 3.84%	1,997,500.00 9,323.20	0.30% (798.23)	Aa1/AA+ AA+	1.38 1.32
91282CFM8	UNITED STATES TREASURY 4.125 09/30/2027	1,200,000.00	03/27/2025 4.00%	1,203,656.25 1,202,183.37	100.41 3.84%	1,204,922.40 135.25	0.18% 2,739.03	Aa1/AA+ AA+	1.50 1.44
91282CLQ2	UNITED STATES TREASURY 3.875 10/15/2027	1,000,000.00	11/12/2024 4.31%	988,164.06 993,760.04	100.06 3.83%	1,000,625.00 17,884.62	0.15% 6,864.96	Aa1/AA+ AA+	1.54 1.45
91282CPE5	UNITED STATES TREASURY 3.5 10/31/2027	1,000,000.00	11/13/2025 3.60%	998,203.13 998,549.45	99.46 3.85%	994,648.00 14,696.13	0.15% (3,901.45)	Aa1/AA+ AA+	1.59 1.50
91282CLX7	UNITED STATES TREASURY 4.125 11/15/2027	1,000,000.00	11/06/2024 4.25%	996,484.38 998,096.11	100.43 3.85%	1,004,297.00 15,611.19	0.15% 6,200.89	Aa1/AA+ AA+	1.63 1.53
91282CGC9	UNITED STATES TREASURY 3.875 12/31/2027	1,000,000.00	-- 4.11%	993,000.01 996,211.45	100.07 3.83%	1,000,703.00 9,741.02	0.15% 4,491.55	Aa1/AA+ AA+	1.75 1.66
91282CMF5	UNITED STATES TREASURY 4.25 01/15/2028	1,000,000.00	01/07/2025 4.37%	996,718.75 998,040.24	100.71 3.83%	1,007,070.00 8,922.65	0.15% 9,029.76	Aa1/AA+ AA+	1.79 1.70

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
91282CGH8	UNITED STATES TREASURY 3.5 01/31/2028	1,000,000.00	01/28/2026 3.59%	998,359.38 998,498.34	99.43 3.82%	994,297.00 5,801.11	0.15% (4,201.34)	Aa1/AA+ AA+	1.84 1.75
91282CGP0	UNITED STATES TREASURY 4.0 02/29/2028	1,000,000.00	12/30/2024 4.31%	990,820.31 994,444.50	100.33 3.82%	1,003,281.00 3,478.26	0.15% 8,836.50	Aa1/AA+ AA+	1.92 1.82
91282CMS7	UNITED STATES TREASURY 3.875 03/15/2028	2,000,000.00	03/25/2026 3.88%	1,999,609.38 1,999,612.64	100.11 3.81%	2,002,266.00 3,580.16	0.30% 2,653.36	Aa1/AA+ AA+	1.96 1.86
91282CGT2	UNITED STATES TREASURY 3.625 03/31/2028	1,200,000.00	-- 3.84%	1,191,730.48 1,195,263.22	99.64 3.82%	1,195,640.40 118.85	0.18% 377.18	Aa1/AA+ AA+	2.00 1.91
91282CHA2	UNITED STATES TREASURY 3.5 04/30/2028	1,000,000.00	-- 3.71%	994,277.34 995,846.02	99.37 3.82%	993,672.00 14,696.13	0.15% (2,174.02)	Aa1/AA+ AA+	2.08 1.96
91282CHE4	UNITED STATES TREASURY 3.625 05/31/2028	1,000,000.00	03/27/2025 4.03%	988,085.94 991,875.84	99.61 3.81%	996,055.00 12,149.73	0.15% 4,179.16	Aa1/AA+ AA+	2.17 2.04
91282CHK0	UNITED STATES TREASURY 4.0 06/30/2028	500,000.00	-- 3.96%	500,628.91 500,370.93	100.42 3.80%	502,090.00 5,027.62	0.08% 1,719.07	Aa1/AA+ AA+	2.25 2.11
91282CHQ7	UNITED STATES TREASURY 4.125 07/31/2028	2,000,000.00	06/23/2025 3.80%	2,018,984.38 2,014,275.99	100.69 3.81%	2,013,750.00 13,674.03	0.30% (525.99)	Aa1/AA+ AA+	2.33 2.19
91282CNU1	UNITED STATES TREASURY 3.625 08/15/2028	1,500,000.00	08/14/2025 3.70%	1,496,777.34 1,497,450.69	99.57 3.81%	1,493,613.00 6,759.32	0.23% (3,837.69)	Aa1/AA+ AA+	2.38 2.25
91282CJA0	UNITED STATES TREASURY 4.625 09/30/2028	500,000.00	-- 3.90%	513,722.66 508,339.84	101.91 3.81%	509,570.50 63.18	0.08% 1,230.66	Aa1/AA+ AA+	2.50 2.34
91282CPC9	UNITED STATES TREASURY 3.5 10/15/2028	1,000,000.00	11/13/2025 3.60%	997,343.75 997,687.62	99.22 3.82%	992,227.00 16,153.85	0.15% (5,460.62)	Aa1/AA+ AA+	2.54 2.37
9128285M8	UNITED STATES TREASURY 3.125 11/15/2028	2,000,000.00	09/03/2025 3.60%	1,971,406.25 1,976,522.77	98.26 3.83%	1,965,156.00 23,653.31	0.30% (11,366.77)	Aa1/AA+ AA+	2.63 2.46
91282CJR3	UNITED STATES TREASURY 3.75 12/31/2028	1,000,000.00	-- 4.11%	986,164.07 991,014.28	99.80 3.83%	998,008.00 9,426.80	0.15% 6,993.72	Aa1/AA+ AA+	2.75 2.56
91282CPT2	UNITED STATES TREASURY 3.5 01/15/2029	1,000,000.00	01/28/2026 3.66%	995,507.81 995,765.22	99.15 3.82%	991,484.00 7,348.07	0.15% (4,281.22)	Aa1/AA+ AA+	2.79 2.61
91282CJW2	UNITED STATES TREASURY 4.0 01/31/2029	1,000,000.00	01/28/2025 4.32%	988,281.25 991,701.56	100.45 3.83%	1,004,531.00 6,629.83	0.15% 12,829.45	Aa1/AA+ AA+	2.84 2.64
91282CQA2	UNITED STATES TREASURY 3.5 02/15/2029	1,300,000.00	03/10/2026 3.58%	1,296,953.14 1,297,012.82	99.13 3.82%	1,288,726.40 5,656.08	0.19% (8,286.42)	Aa1/AA+ AA+	2.88 2.70
91282CQE4	UNITED STATES TREASURY 3.5 03/15/2029	2,000,000.00	03/25/2026 3.87%	1,979,218.75 1,979,333.67	99.12 3.82%	1,982,344.00 3,233.70	0.30% 3,010.33	Aa1/AA+ AA+	2.96 2.77

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
91282CKG5	UNITED STATES TREASURY 4.125 03/31/2029	500,000.00	-- 3.87%	505,238.28 503,427.54	100.83 3.83%	504,160.00 56.35	0.08% 732.46	Aa1/AA+ AA+	3.00 2.80
91282CES6	UNITED STATES TREASURY 2.75 05/31/2029	2,000,000.00	03/25/2026 3.89%	1,932,343.75 1,932,693.09	96.76 3.85%	1,935,156.00 18,434.07	0.29% 2,462.91	Aa1/AA+ AA+	3.17 2.97
91282CKX8	UNITED STATES TREASURY 4.25 06/30/2029	1,000,000.00	-- 3.90%	1,014,421.88 1,010,354.47	101.21 3.85%	1,012,109.00 10,683.70	0.15% 1,754.53	Aa1/AA+ AA+	3.25 2.98
91282CLK5	UNITED STATES TREASURY 3.625 08/31/2029	1,000,000.00	-- 3.84%	990,937.50 993,487.25	99.23 3.87%	992,344.00 3,152.17	0.15% (1,143.25)	Aa1/AA+ AA+	3.42 3.17
91282CLN9	UNITED STATES TREASURY 3.5 09/30/2029	2,400,000.00	09/16/2025 3.54%	2,396,250.00 2,396,748.64	98.80 3.87%	2,371,125.60 229.51	0.36% (25,623.04)	Aa1/AA+ AA+	3.50 3.26
91282CLR0	UNITED STATES TREASURY 4.125 10/31/2029	1,000,000.00	11/12/2024 4.32%	991,562.50 993,908.06	100.82 3.88%	1,008,203.00 17,320.44	0.15% 14,294.94	Aa1/AA+ AA+	3.59 3.25
91282CMA6	UNITED STATES TREASURY 4.125 11/30/2029	1,000,000.00	01/23/2025 4.46%	985,664.07 989,161.03	100.83 3.88%	1,008,281.00 13,825.55	0.15% 19,119.97	Aa1/AA+ AA+	3.67 3.33
91282CMD0	UNITED STATES TREASURY 4.375 12/31/2029	1,000,000.00	01/10/2025 4.53%	993,242.19 994,893.44	101.69 3.88%	1,016,914.00 10,997.93	0.15% 22,020.56	Aa1/AA+ AA+	3.75 3.40
91282CGQ8	UNITED STATES TREASURY 4.0 02/28/2030	1,200,000.00	04/08/2025 3.92%	1,204,031.25 1,203,225.45	100.38 3.89%	1,204,546.80 4,173.91	0.18% 1,321.35	Aa1/AA+ AA+	3.91 3.58
91282CMU2	UNITED STATES TREASURY 4.0 03/31/2030	1,500,000.00	-- 3.82%	1,512,304.69 1,509,937.43	100.36 3.90%	1,505,391.00 163.93	0.23% (4,546.43)	Aa1/AA+ AA+	4.00 3.66
91282CNG2	UNITED STATES TREASURY 4.0 05/31/2030	1,550,000.00	-- 3.94%	1,554,279.30 1,553,588.81	100.34 3.91%	1,555,266.90 20,780.22	0.24% 1,678.09	Aa1/AA+ AA+	4.17 3.75
91282CNN7	UNITED STATES TREASURY 3.875 07/31/2030	1,200,000.00	08/14/2025 3.81%	1,203,421.88 1,202,989.19	99.83 3.92%	1,197,984.00 7,707.18	0.18% (5,005.19)	Aa1/AA+ AA+	4.33 3.93
91282CNX5	UNITED STATES TREASURY 3.625 08/31/2030	2,400,000.00	09/16/2025 3.58%	2,404,500.00 2,404,012.44	98.77 3.93%	2,370,561.60 7,565.22	0.36% (33,450.84)	Aa1/AA+ AA+	4.42 4.02
91282CPA3	UNITED STATES TREASURY 3.625 09/30/2030	1,500,000.00	01/29/2026 3.78%	1,490,156.25 1,490,508.64	98.75 3.93%	1,481,308.50 148.57	0.22% (9,200.14)	Aa1/AA+ AA+	4.50 4.11
91282CPD7	UNITED STATES TREASURY 3.625 10/31/2030	1,000,000.00	11/05/2025 3.76%	994,023.44 994,502.88	98.71 3.94%	987,070.00 15,220.99	0.15% (7,432.88)	Aa1/AA+ AA+	4.59 4.11
91282CPR6	UNITED STATES TREASURY 3.625 12/31/2030	2,000,000.00	01/29/2026 3.80%	1,984,453.13 1,984,981.17	98.64 3.94%	1,972,812.00 18,225.14	0.30% (12,169.17)	Aa1/AA+ AA+	4.75 4.28
91282CQD6	UNITED STATES TREASURY 3.5 02/28/2031	2,000,000.00	03/25/2026 3.97%	1,958,515.63 1,958,653.91	98.06 3.94%	1,961,250.00 6,086.96	0.30% 2,596.09	Aa1/AA+ AA+	4.91 4.45

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Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
				68,799,095.27	99.67	68,866,125.10	10.41%		2.50
Total US Treasury		69,100,000.00	3.90%	68,851,825.25	3.84%	468,622.72	14,299.85		2.32
				661,019,166.16	19.30	661,287,132.42	100.00%		0.55
Total Portfolio		662,354,554.77	3.73%	661,241,809.70	3.79%	874,582.36	45,322.72		0.47
Total Market Value + Accrued						662,161,714.78			

CHANDLER ASSET MANAGEMENT

TRANSACTIONS

TRANSACTION LEDGER

San Diego Community Power ConsAgg | Account #11452|01/01/2026 Through 03/31/2026|

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/ Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	01/08/2026	14913UBH2	1,010,000.00	CATERPILLAR FINANCIAL SERVICES CORP 4.15 01/08/2031	99.964	4.16%	(1,009,636.40)	0.00	(1,009,636.40)	0.00
Purchase	01/12/2026	89236TPH2	545,000.00	TOYOTA MOTOR CREDIT CORP 4.2 01/10/2031	99.969	4.21%	(544,831.05)	0.00	(544,831.05)	0.00
Purchase	01/13/2026	66815L2Z1	685,000.00	NORTHWESTERN MUTUAL GLOBAL FUNDING 4.3 01/13/2031	99.991	4.30%	(684,938.35)	0.00	(684,938.35)	0.00
Purchase	01/14/2026	58989V2M5	660,000.00	MET TOWER GLOBAL FUNDING 4.0 01/14/2029	99.871	4.05%	(659,148.60)	0.00	(659,148.60)	0.00
Purchase	01/15/2026	90LAIF$00	195.70	Local Agency Investment Fund State Pool	1.000	3.93%	(195.70)	0.00	(195.70)	0.00
Purchase	01/28/2026	3137F9Z79	300,000.00	FHMS K-125 A2 1.846 01/25/2031	89.902	4.12%	(269,707.03)	(415.35)	(270,122.38)	0.00
Purchase	01/29/2026	91282CGH8	1,000,000.00	UNITED STATES TREASURY 3.5 01/31/2028	99.836	3.59%	(998,359.38)	(17,309.78)	(1,015,669.16)	0.00
Purchase	01/29/2026	91282CPT2	1,000,000.00	UNITED STATES TREASURY 3.5 01/15/2029	99.551	3.66%	(995,507.81)	(1,353.59)	(996,861.40)	0.00
Purchase	01/30/2026	3137F62M8	200,000.00	FHMS K-118 A2 1.493 09/25/2030	89.453	4.03%	(178,906.25)	(240.54)	(179,146.79)	0.00
Purchase	01/30/2026	3137FVNG3	750,000.00	FHMS K-114 A2 1.366 06/25/2030	89.406	4.02%	(670,546.88)	(825.29)	(671,372.17)	0.00
Purchase	01/30/2026	3137F8ZV8	750,000.00	FHMS K-123 A2 1.621 12/25/2030	89.445	4.05%	(670,839.85)	(979.36)	(671,819.21)	0.00
Purchase	01/30/2026	3137FXZ35	750,000.00	FHMS K-127 A2 2.108 01/25/2031	91.273	4.06%	(684,550.78)	(1,273.58)	(685,824.36)	0.00
Purchase	01/30/2026	91282CPA3	1,500,000.00	UNITED STATES TREASURY 3.625 09/30/2030	99.344	3.78%	(1,490,156.25)	(18,224.59)	(1,508,380.84)	0.00

TRANSACTION LEDGER

CHANDLER ASSET MANAGEMENT

San Diego Community Power ConsAgg | Account #11452|01/01/2026 Through 03/31/2026|

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/ Sold	Total Amount	Gain/Loss
Purchase	01/30/2026	912797SD0	1,000,000.00	UNITED STATES TREASURY 04/02/2026	99.380	3.67%	(993,796.73)	0.00	(993,796.73)	0.00
Purchase	01/30/2026	91282CPR6	2,000,000.00	UNITED STATES TREASURY 3.625 12/31/2030	99.223	3.80%	(1,984,453.13)	(6,008.29)	(1,990,461.42)	0.00
Purchase	01/30/2026	912797TL1	1,000,000.00	UNITED STATES TREASURY 05/05/2026	99.058	3.65%	(990,581.81)	0.00	(990,581.81)	0.00
Purchase	01/31/2026	90LAIF$00	74,899,000.00	Local Agency Investment Fund State Pool	1.000	3.91%	(74,899,000.00)	0.00	(74,899,000.00)	0.00
Purchase	01/31/2026	90RCBB$04	610,964.28	RCB ICS	1.000	4.18%	(610,964.28)	0.00	(610,964.28)	0.00
Purchase	02/12/2026	92826CAZ5	745,000.00	VISA INC 4.1 02/12/2031	99.866	4.13%	(744,001.70)	0.00	(744,001.70)	0.00
Purchase	02/28/2026	90RCBB$03	38,668,439.19	RCB MMKT	1.000	4.04%	(38,668,439.19)	0.00	(38,668,439.19)	0.00
Purchase	02/28/2026	90RCBB$04	542,043.09	RCB ICS	1.000	4.09%	(542,043.09)	0.00	(542,043.09)	0.00
Purchase	03/11/2026	91282CQA2	1,300,000.00	UNITED STATES TREASURY 3.5 02/15/2029	99.766	3.58%	(1,296,953.14)	(3,016.57)	(1,299,969.71)	0.00
Purchase	03/26/2026	90CALFT$0	10,000,000.00	CalFIT	1.000	3.76%	(10,000,000.00)	0.00	(10,000,000.00)	0.00
Purchase	03/26/2026	91282CES6	2,000,000.00	UNITED STATES TREASURY 2.75 05/31/2029	96.617	3.89%	(1,932,343.75)	(17,527.47)	(1,949,871.22)	0.00
Purchase	03/26/2026	91282CMS7	2,000,000.00	UNITED STATES TREASURY 3.875 03/15/2028	99.980	3.88%	(1,999,609.38)	(2,316.58)	(2,001,925.96)	0.00
Purchase	03/26/2026	91282CQD6	2,000,000.00	UNITED STATES TREASURY 3.5 02/28/2031	97.926	3.97%	(1,958,515.63)	(4,945.65)	(1,963,461.28)	0.00
Purchase	03/26/2026	91282CQE4	2,000,000.00	UNITED STATES TREASURY 3.5 03/15/2029	98.961	3.87%	(1,979,218.75)	(2,092.39)	(1,981,311.14)	0.00
Purchase	03/27/2026	743315BC6	750,000.00	PROGRESSIVE CORP 4.6 03/26/2031	99.691	4.67%	(747,682.50)	(95.83)	(747,778.33)	0.00
Purchase	03/31/2026	90RCBB$03	897,393.99	RCB MMKT	1.000	3.96%	(897,393.99)	0.00	(897,393.99)	0.00
Purchase	03/31/2026	90CALFT$0	6,211.07	CalFIT	1.000	3.76%	(6,211.07)	0.00	(6,211.07)	0.00
Purchase	03/31/2026	90RCBB$04	589,672.73	RCB ICS	1.000	4.01%	(589,672.73)	0.00	(589,672.73)	0.00

TRANSACTION LEDGER

San Diego Community Power ConsAgg | Account #11452|01/01/2026 Through 03/31/2026|

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/ Sold	Total Amount	Gain/Loss
Purchase	04/01/2026	912797TU1	1,000,000.00	UNITED STATES TREASURY 06/02/2026	99.379	3.68%	(993,786.91)	0.00	(993,786.91)	0.00
Total Purchase			**151,158,920.05**				**(150,691,992.11)**	**(76,624.86)**	**(150,768,616.97)**	**0.00**
TOTAL ACQUISITIONS			**151,158,920.05**				**(150,691,992.11)**	**(76,624.86)**	**(150,768,616.97)**	**0.00**
DISPOSITIONS										
Maturity	02/03/2026	912797SJ7	(500,000.00)	UNITED STATES TREASURY 02/03/2026	100.000	3.86%	500,000.00	0.00	500,000.00	0.00
Maturity	03/03/2026	912797ST5	(500,000.00)	UNITED STATES TREASURY 03/03/2026	100.000	3.87%	500,000.00	0.00	500,000.00	0.00
Total Maturity			**(1,000,000.00)**				**1,000,000.00**	**0.00**	**1,000,000.00**	**0.00**
Sale	01/08/2026	438516CX2	(300,000.00)	HONEYWELL INTERNATIONAL INC 4.65 07/30/2027	101.291	4.47%	303,873.00	6,122.50	309,995.50	3,146.96
Sale	01/08/2026	89115A3A8	(300,000.00)	TORONTO-DOMINION BANK 4.568 12/17/2026	100.659	4.70%	301,977.00	799.40	302,776.40	2,322.97
Sale	01/08/2026	14913UAR1	(300,000.00)	CATERPILLAR FINANCIAL SERVICES CORP 4.4 10/15/2027	101.221	4.29%	303,663.00	3,043.33	306,706.33	3,093.39
Sale	01/08/2026	06368L8K5	(500,000.00)	BANK OF MONTREAL 4.567 09/10/2027	100.370	4.47%	501,850.00	7,484.81	509,334.81	1,638.93
Sale	01/09/2026	24422EXZ7	(425,000.00)	JOHN DEERE CAPITAL CORP 4.65 01/07/2028	101.775	4.66%	432,543.75	109.79	432,653.54	7,628.67
Sale	01/09/2026	857477CU5	(625,000.00)	STATE STREET CORP 4.536 02/28/2028	101.508	4.51%	634,425.00	10,316.25	644,741.25	9,425.00
Sale	01/31/2026	90RCBB$03	(69,216,360.42)	RCB MMKT	1.000	4.13%	69,216,360.42	0.00	69,216,360.42	0.00
Total Sale			**(71,666,360.42)**				**71,694,692.17**	**27,876.08**	**71,722,568.25**	**27,255.92**
TOTAL DISPOSITIONS			**(72,666,360.42)**				**72,694,692.17**	**27,876.08**	**72,722,568.25**	**27,255.92**

IMPORTANT DISCLOSURES

2026 Chandler Asset Management, Inc, An Independent Registered Investment Adviser.

Information contained herein is confidential. Prices are provided by ICE Data Services Inc ("IDS"), an independent pricing source. In the event IDS does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

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Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest.

LGIP Yields: Reported yields for local government investment pools may be presented as either the 30-day yield or the monthly distribution yield, as applicable. For certain funds, the 30-day yield is calculated using reported daily yield data. Yield calculations are subject to change and may not be directly comparable across funds.

LAIF Yields: Additional Disclosure for CA Clients - As a result of a reporting lag from the Local Agency Investment Fund (LAIF), reported LAIF yields represent the most recently available Daily Effective Yield and may reflect data from approximately 7–10 days prior to month-end.

BENCHMARK DISCLOSURES

Benchmark	Disclosure
ICE BofA 1-5 Yr Unsubordinated US Treasury & Agency Index	The ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule, and a minimum amount outstanding of $1 billion for sovereigns and $250 million for agencies.

SAN DIEGO COMMUNITY POWER

Staff Report – Item 9

To:	Board of Directors
From:	Patrick Welch, Associate Director of Legislative Affairs
Via:	Jack Clark, Acting Chief Executive Officer
Subject:	Update on Regulatory and Legislative Affairs
Date:	June 25, 2026

Recommendation

Receive and file the update on regulatory and legislative affairs.

Background

Staff provide regular updates to the Board of Directors regarding Community Power's regulatory and legislative engagement.

Analysis and Discussion

A) Regulatory Updates

San Diego Gas & Electric (SDG&E) Energy Resource Recovery Account (ERRA) proceedings

Energy Resource Recovery Account (ERRA) proceedings are used to determine investor-owned utilities' (IOU) fuel and purchased power costs which can be recovered through rates. The annual forecast proceeding is to review the forecasted costs that SDG&E will incur to procure energy resources in the coming year. Based on these forecasts, the California Public Utilities Commission (CPUC) approves rates that allow utilities to recover costs from customers. An annual ERRA compliance proceeding reviews SDG&E's compliance in the preceding year regarding energy resource contract administration, least-cost dispatch, fuel procurement, and the ERRA balancing account.

SDG&E 2024 ERRA Compliance Case

On May 8, 2026, Community Power and CEA jointly filed opening briefs on SDG&E's 2024 ERRA Compliance Case, making the following recommendations to the CPUC:

- The Commission should order SDG&E to correct its accounting for resource adequacy (RA) it retained as a buffer during its 2024 solicitations and did not subsequently make available to the market.
- The Commission should expeditiously take up the issue of Bundled Procurement Plan revisions to ensure that there are prescriptive standards by which it can evaluate SDG&E's Excess RA sales activities.
- The Commission should find that SDG&E's plan to correct the Power Charge Indifference Adjustment (PCIA) vintage assignment for remaining impacted New Premises is reasonable.

Reply briefs were submitted on May 29, 2026.

Power Charge Indifference Adjustment (PCIA)

Track 2: Opening Testimony on Energy Division Staff Report

On May 12, 2026, parties filed opening testimony on the CPUC Energy Division's staff report in Track 2 of the *Rulemaking to Update and Reform Energy Resource Recovery Account (ERRA) and Power Charge Indifference Adjustment (PCIA) Policies and Processes* (R.25-02-005). Track 2 addresses the valuation of banked pre-2019 renewable energy credits (RECs) and how that valuation is applied to investor-owned utility (IOU) bundled customers and departed load customers, like those of community choice aggregators (CCAs), such as Community Power.

On May 12, 2026, Brian Dickman of NewGen Strategies prepared direct testimony on behalf of Community Power's trade association, the California Community Choice Association (CalCCA), making the following recommendations:

- The Commission should adopt CalCCA's proposal to value Pre-2019 Banked RECs at the current-year Renewables Portfolio Standard (RPS) Market Price Benchmark (MPB) when used for Current Bundled Customer RPS compliance, with the resulting value credited to the PCIA vintage subaccount corresponding to the year the RECs were generated.
- None of staff's four options should be adopted.
- If the Commission determines that Pre-2019 Banked RECs should not be valued at the current-year RPS MPB, and should not be allocated to load serving entities, any alternative methodology adopted should reflect the compliance value of those RECs, i.e., the value staff itself identifies as the appropriate basis for valuation. CalCCA proposes that if its RPS MPB or allocation proposals are not adopted, the Commission consider valuing Pre-2019 Banked RECs using a weighted formula.

- The Commission's decision on how to value Pre-2019 Banked RECs has no bearing on the Joint IOUs' ability to use those RECs for RPS compliance.

Opening testimony was also filed by the Joint IOUs and CalCCA filed rebuttal testimony in response on May 22, 2026.

Track 3: Procedural Update

On May 5, 2026, the Administrative Law Judge of the *Rulemaking to Update and Reform Energy Resource Recovery Account (ERRA) and Power Charge Indifference Adjustment (PCIA) Policies and Processes* (R.25-02-005) sent a procedural update via email about anticipated upcoming events in Track 3 of the proceeding, including issuing a ruling setting the dates and times for a Track 3 Planning Workshop. The workshop will be split over three days: June 8, morning of June 9, and June 15, and will cover high level principles regarding customer indifference, scope of Track 3, and data access and confidentiality issues, respectively.

Resource Adequacy

On June 1, 2026, the California Public Utilities Commission (CPUC) issued a Proposed Decision in Track 1 of the Resource Adequacy (RA) rulemaking (R.25-10-003), adopting Local Capacity Requirements for 2027-2029, Flexible Capacity Requirements for 2027, and program refinements to the RA program.

The refinements include adopting an Unforced Capacity framework for implementation in the 2028 RA year, clarifying requirements for bidding and revenue allocation for Residual Unit Commitment and Imbalance Reserve products in the California Independent System Operator (CAISO) market, clarifying the definition of "load migration" to account for changes to community choice aggregators' implementation plans, and modifying the RA penalty structure to account for deficiencies in charging sufficiency. The refinements also include various modifications to the qualifying capacity (QC) counting methodologies, including modifications to QC counting rules for storage resources to account for nonlinearity, modifications to the charging sufficiency rules to allow excess energy produced by a co-located energy only resource to count towards charging sufficiency requirements up to the Point of Interconnection limit, charging sufficiency requirements for long-duration energy storage resources, and modifications to QC counting for demand response resources on an interim basis to address misalignment issues.

The table below represents the Local Capacity Requirements (LCR) in megawatts as recommended by the 2027 CAISO LCR report, which impacts Community Power's Local RA obligations.

2027-2029 Local Capacity Requirements			
Local Area Name	**2027**	**2028**	**2029**
Humboldt	149	156	163
North Coast/North Bay	592	700	808
Sierra	1892*	1913*	1924*
Stockton	732*	779*	847*
Greater Bay	8315*	8315*	8315*
Greater Fresno	2090*	2333*	2575*
Kern	315*	342*	368*
Big Creek/Ventura	704	721	737
LA Basin	6823	7272	7721
San Diego/Imperial Valley	2006	2014	2022
Total	23618	24545	25480
* CAISO note: Details about magnitude of deficiencies can be found in the applicable section [of the LCR Report]. Resource deficient areas and subarea implies that to comply with the criteria, at summer peak, load may be shed immediately after the first contingency.			

Opening Comments on the Proposed Decision are due June 21, 2026.

SDG&E's Palomar Decarbonization Demonstration Project Application

On May 28, 2026, the CPUC issued a Scoping Memo and Ruling on SDG&E's Application for Approval of Palomar Decarbonization Demonstration Project and associated cost recovery. The Palomar Project is SDG&E's integrated hydrogen system at the Palomar Energy Center, a 588 MW combined-cycle natural gas plant, which consists of onsite hydrogen production, storage, blending into turbines, and fueling of hydrogen vehicles. Community Power and the Clean Energy Alliance (CEA) had jointly filed a Protest of the Application on February 5, 2026; for additional details on that protest and background, please see the February 2026 staff report to the Board of Directors on page 314.

The scope includes several issues Community Power and CEA requested be included within scope, including review of how the project serves the public interest, how costs would be allocated between bundled and unbundled customers, and whether costs would be recovered through distribution or generation rates, among other issues. Community Power and CEA will coordinate submission of intervenor testimony from an expert witness by July 31. 2026.

Customer Renewables for Priority Communities

On May 28, the Administrative Law Judge (ALJ) issued a Proposed Decision (PD) modifying the Solar on Multifamily Affordable Housing (SOMAH) program and establishing reporting and wind-down requirements ahead of the program's statutorily mandated conclusion on

December 31, 2032. The PD declines to expand SOMAH eligibility to newly constructed or under-construction affordable multifamily properties and master-metered affordable multifamily properties, with or without submeters. The PD also directs the IOUs to first apply accrued interest on SOMAH funds to offset 2026 SOMAH budget allocations. Upon disposition of each IOU's final budget expenditure report Tier 2 AL, all remaining accrued interest and unused SOMAH funds are to be returned to the IOUs' GHG revenue accounts which flow back to customers via the Climate Credit. The SOMAH program has accumulated more than $100 million in accrued interest across all participating utilities. Comments on the proposed decision are due on June 17 and reply comments are due June 23.

Demand Response Rulemaking

On May 21, parties filed comments on the Ruling seeking input on Energy Division staff proposal on IOUs Bridge Year Funding which broadly recommends that the Commission authorize a two-year bridge extension of the IOUs' 2027 DR program operations for 2028-2029 and that the Commission should authorize additional time and funding for the IOUs to incorporate the Societal Cost Test (SCT) and other updates into their Demand Response Cost Effectiveness Reporting tools in time for the submission of their 2030-2034 DR applications. While parties varied on specific details of Demand Response program modifications that they believe should be made for the 2028 and 2029 bridge years, the Investor Owned Utilities and Demand Response providers agree that ELRP should be continued during bridge years. This diverges from the Staff Proposal on bridge funding, which recommended no pilots be extended into the bridge years. Evidentiary hearing on Bridge Funding, if needed, will occur in July.

SDG&E's Application to Withdraw from Regional Energy Efficiency Administration

On May 1, 2026, SDG&E and the Public Advocates Office (PAO) filed the Joint Motion of SDG&E and PAO for Adoption of Settlement Agreement (Motion). The purpose of settlement is to seek to resolve disputes voluntarily, saving parties and the CPUC significant legal and administrative costs. No other parties joined the settlement, although Community Power requested inclusion in settlement deliberations twice and was denied both times. The terms of the settlement are as follows:

- Term 1: Those who join the settlement agree that SDG&E's Application is reasonable in light of the whole record, consistent with law, in the public interest and should be approved.
- Term 2: SDG&E shall also withdraw from its administration of its regional codes and standards program.

- Term 3: New, expanded, or incremental energy efficiency programs and associated budgets authorized after adoption of the settlement agreement with SDG&E's territory shall meet IOU-specific performance requirements.
- Term 4: Settling parties shall submit a joint filing outside the withdrawal proceedings to propose that the Commission expedite consideration of applying IOU-specific performance requirements to all energy efficiency Portfolio Administrators throughout the state.

On June 1, Community Power on behalf of SDREN, the Clean Energy Alliance, and the City of San Diego ("joint parties") filed opening comments on the Motion. The joint comments argued the following:

- Term 1
  - The joint parties do not oppose this term, which allows SDG&E to exit running local energy efficiency programs.
  - If this term is approved, Term 2 should also be approved, as the two are closely connected.
  - The joint parties do not agree with SDG&E's broader justification for withdrawal (e.g., reducing funding for regional energy efficiency programs is beneficial for affordability), and preserve factual and policy arguments previously made in testimony.
- Term 2
  - If Term 1 is adopted, Term 2 should be adopted.
  - This position is limited and procedural; as indicated above, the joint parties do not agree with SDG&E's broader justification for withdrawal.
- Term 3
  - The joint parties strongly oppose Term 3 because it would impose new rules that could limit local control and flexibility, especially for SDREN programs that serve underserved communities.
  - Term 3 would make it harder to launch or expand programs, effectively creating barriers that could delay or constrain updates, particularly for equity-focused initiatives that may not meet strict cost-effectiveness tests.
  - It could also lead to regulatory disputes and litigation over future program approvals and the legality of these limits, creating uncertainty and potentially harming customers who depend on these programs.
- Term 4
  - The joint parties oppose this term because it is not within the scope of this proceeding and relates to issues that are already slated to be addressed in other proceedings.
  - Additionally, SDG&E and PAO already have the ability to take the actions described in Term 4; this term adds no value and creates unnecessary complications.

The Small Business Utility Advocates (SBUA), California Efficiency and Demand Management Council (CEDMC), and joint RENs (Northern California Rural Regional Energy Network, Bay Area Regional Energy Network, Tri-County Regional Energy Network, and Inland Regional Energy Network) also filed opening comments. They were generally in alignment with the comments filed by Community Power, Clean Energy Alliance, and the City of San Diego; as such, Community Power does not plan to file reply comments due June 16.

The subsequent milestone in this proceeding is the filing of opening briefs, due July 1.

B) State Legislative Activities Update

Update on Legislation Community Power is Supporting or Opposing

Community Power is monitoring around 147 bills that impact energy policy or local government operations. Under the Board approved Policy Platform, Community Power is currently supporting eight bills that are advancing in the legislative process as reflected in the prior month's staff report. Community Power is also opposing one bill unless it is amended. The Legislature will go on leave for a month's long summer recess starting July 3 and will return on August 3 to close out the Legislative session by the constitutional deadline of August 15.

Community Power is newly supporting AB 1813 (Ward), which modifies the CPUC's Community Renewable Energy program to require paired battery storage to help shift generation to higher-value hours and contribute to peak load reduction and ensures that projects are compensated at avoided cost values so the projects can be developed and operated economically while protecting ratepayers. Importantly, the bill will help Community Power access additional local renewable energy projects.

Community Power's bill position letters can be found on the Legislative Priorities webpage.

State budget update.

Last month the Governor released the May Revision of his final budget proposal. The Governor proposed a balanced budget with some new revenues and some spending reductions. The Governor's budget predicts a period of weaker economic growth in the near term due to a shift in timing and composition of economic shocks. In response to the release of the May Revision, the Legislative Analyst's Office opined that while the budget is balanced, the state faces an ongoing structural imbalance between $20-$30 billion in the next three years. This could grow to $100 billion if the stock market declines.

Of interest to Community Power is a proposal in the budget that would preclude funding the CEC's Demand Side Grid Support (DSGS) program, which funds residential batteries that support load flexibility. The Governor's budget largely proposed abandoning funding of this program in favor of an alternative and less successful program at the CPUC. As DSGS is a

prospective outside funding source for Community Power and our customers, Community Power is part of a coalition pushing back against the Governor's proposed cut to the DSGS program. As of the writing of this report, the Legislature appears poised to reject the Governor's plan in favor of providing new, additional funds towards the DSGS program.

June 15 is the deadline for the Legislature and Governor to agree on a budget.

C) Federal Activities Update

House of Representatives advances bipartisan geothermal legislative package. Taken together, the bills advanced by the House on June 2 could shave time off the federal permitting process, reduce developer risk, and improve financing for new geothermal resources. Despite the bipartisan support, it remains unclear if the Senate plans to take these bills up.

1. H.R. 1077 (Streamlining Thermal Energy through Advanced Mechanisms (STEAM) Act): This bill amends the Energy Policy Act of 2005 to expand and clarify categorical exclusions and expedited National Environmental Policy Act (NEPA) reviews for certain geothermal exploration, drilling, and development activities on federal lands. By shortening environmental review timelines for low-impact geothermal projects, it aims to reduce permitting delays and development risk.
2. H.R. 398 (Geothermal Permitting Cost Recovery Act): This bill authorizes the Department of the Interior to recover certain administrative and environmental review costs directly from geothermal developers during the permitting process. The intent is to provide Interior with stable funding to process geothermal permits more efficiently.
3. H.R. 5617 (Environmentally Responsible Geothermal Development Act): This legislation directs the Department of the Interior to establish standardized, nationwide guidelines to ensure geothermal projects are developed in an environmentally responsible manner. The bill seeks to provide regulatory consistency across federal lands while maintaining environmental protections.
4. H.R. 5638 (Geothermal Royalty Reform Act): This bill adjusts how geothermal royalties from federal lands are calculated and shared, potentially modifying distributions between the federal government, states, and local entities. The goal is to modernize royalty structures to better reflect geothermal economics and encourage development.
5. H.R. 5631 (Geothermal Coordination and Permitting Improvement Act): This bill establishes a geothermal ombudsman and a dedicated geothermal permitting task force within the Department of the Interior to coordinate reviews across agencies and resolve permitting disputes. It is designed to improve transparency, accountability, and interagency coordination for geothermal approvals.

Fiscal Impact

N/A

Attachments

N/A

SAN DIEGO COMMUNITY POWER
Staff Report - Item 10

To:	Board of Directors
From:	Gordon Samuel, Chief Commercial Officer Erin Pennell, Power Contract & Compliance Manager
Via:	Jack Clark, Acting Chief Executive Officer
Subject:	Adoption of Resolution No. 2026-09, Approving San Diego Community Power's 2026 Integrated Resource Plan (IRP)
Date:	June 25, 2026

Recommendation

Adopt Resolution No. 2026-09 approving San Diego Community Power's 2026 Integrated Resource Plan (IRP) in a form materially similar to the attached.

Background

Community Power prepared an IRP in accordance with Senate Bill (SB) 350. Public Utilities Code Sections 454.51 and 454.52 require the California Public Utilities Commission (Commission) to adopt a process for load serving entities (LSEs) to file an IRP that will accomplish the following:

A. Meet the greenhouse gas (GHG) emissions reduction targets required by the state;
B. Procure at least 60% eligible renewable energy resources by December 31, 2030;
C. Serve customers with just and reasonable rates;
D. Minimize impacts on ratepayers' bills;
E. Ensure system and local reliability;
F. Maintain at least 65% of its Renewable Portfolio Standard ("RPS") portfolio from long-term contracts;
G. Strengthen the diversity, sustainability, and resilience of the bulk transmission and distribution systems, and local communities;
H. Enhance distribution systems and demand-side energy management;
I. Minimize localized air pollutants and other greenhouse gas emissions, with early priority on disadvantaged communities; and

J. Maintain a diverse portfolio of energy resources, which may include eligible energy resources procured by the Department of Water Resources.

Public Utilities Code Section 454.52(b)(3) requires Community Choice Aggregators (CCAs) to submit their IRPs to their governing boards for approval and certification. Community Power is presenting this IRP to it Board of Directors at the June 25, 2026, meeting, and will attach a resolution showing approval of this plan to the final submission that will be filed with the Commission and served on the service list for R.25-06-019 on or before August 10, 2026. The final submission will not materially modify the IRP (attached) approved at the June 25, 2026 meeting without further review and approval by the Board.

By approving Community Power's IRP, the Board of Directors confirms that it achieves the following:

A. Economic, reliability, environmental, security, and other benefits and performance characteristics that are consistent with the above listed requirements A-J;
B. A diversified procurement portfolio consisting of short-term, midterm, and long-term electricity, electricity-related, and demand reduction products; and
C. RA requirements consistent with Public Utilities Code Section 380.

Analysis and Discussion

Community Power staff engaged with Resilient Transitions consultants to create a model portfolio that meets the IRP requirements. This model incorporates our current contracted portfolio and presents an optimized potential portfolio that Community Power could procure to meet California's planning goals.

Community Power's conforming portfolio meets each of the IRP requirements and also incorporates Community Power's internal portfolio goals.

A. GHG Emissions Targets

Community Power's IRP portfolio meets or exceeds the state GHG emission reduction targets for the four reporting years. Numbers in below table are reported in million metric tons (MMT) of carbon dioxide (CO_2).

	2030	2035	2040	2045
Requirement	1.16	0.97	0.789	0.409
IRP Portfolio	0.96	0.67	0.42	0.401

B. Renewable Resources

Community Power's IRP portfolio exceeds the state's 60% renewable by 2030 goal by meeting its internal goal of 100% renewable by 2035. The eligible renewable content for each reporting year is reflected below, reflected as a percent of retail sales.

	2030	2035	2040	2045
Requirement	60%	60%	60%	60%
IRP Portfolio	89%	100%	102%	105%

C. Just and Reasonable Rates

Community Power's IRP portfolio balances meeting state and internal compliance goals while maintaining just and reasonable rates for its customers.

D. Minimize Impacts on Ratepayers' Bills

Community Power's IRP portfolio is consistent with its Board-approved Rate Development Policy, and includes maintaining rate competitiveness, affordability, and stability as core objectives to maximize affordability.

E. System and Local Reliability

Community Power's IRP portfolio ensures that all system and local reliability requirements are met to ensure grid stability while taking into account the impacts of climate change, building and transportation electrification, and other factors that could result in shortfalls.

F. 65% Long-Term RPS

Community Power's IRP portfolio maintains that at least 65% of the renewable energy credits (RECs) used for compliance with RPS come from long-term contracts.

G. Transmission and Distribution

As a CCA, Community Power relies on its partner San Diego Gas and Electric (SDG&E) to provide transmission and distribution services to our customers.

H. Distribution and Demand-Side Energy Management

Community Power's IRP portfolio considers its demand-side energy management programs, including the Flex Load Strategy that delivers a portfolio of programs that maximize the size and value of Community Power's flexible resource base.

I. Minimize Air Pollutants

Community Power's IRP portfolio considers the impacts of air pollutants, especially on disadvantaged communities, and prioritizes contracting with resources that will minimize those impacts.

J. Diverse Portfolio

Community Power's IRP portfolio prioritized diversity in its resource types to the extent feasible, considering affordability and resource availability in its selection process.

Community Power's IRP meets the economic, reliability, environmental, security, and other benefits and performance characteristics as described above. Further, this IRP offers a procurement pathway for short-, medium-, and long-term procurement that could be used to meet the goals of the IRP. Finally, this IRP meets the goals of Public Utilities Section 380 because the proposed conforming portfolio meets all Resource Adequacy (RA) requirements as defined in the IRP Resource Data Template.

Fiscal Impact

N/A

Strategic Plan

This item advances the Community Power strategic plan in the following ways:

1. Develop a clean energy portfolio with renewable content of 100% no later than 2035, with interim targets of 75% by 2027 and 85% by 2030.
2. Support development of 1 Gigawatt of local renewable and clean energy capacity by 2035, of which 300 MW will be distributed energy resources (DERs) enabled by Community Power programs, tariffs, and procurement.
3. Ensure cost-effective compliance with RA and RPS requirements and all other regulatory obligations.

Attachments

A: San Diego Community Power 2026 Integrated Resource Plan (Redacted)
B: Resolution No. 2026-09, approving Community Power 2026 Integrated Resource Plan

ITEM 10
ATTACHMENT A

San Diego Community Power

2026 INTEGRATED RESOURCE PLAN

August 10, 2026

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I. Executive Summary

Introduction

San Diego Community Power ("SDCP") prepared this Integrated Resource Plan ("IRP") in accordance with Senate Bill ("SB") 350. Public Utilities Code Sections 454.51 and 454.52 require the California Public Utilities Commission ("CPUC") to adopt a process for load-serving entities ("LSEs") to file an IRP that will accomplish the following:

A. Meet the greenhouse gas ("GHG") emissions reduction targets required by the state;
B. Procure at least 60% eligible renewable energy resources by December 31, 2030;
C. Serve customers with just and reasonable rates;
D. Minimize impacts on ratepayers' bills;
E. Ensure system and local reliability;
F. Maintain at least 65% of its Renewable Portfolio Standard ("RPS") portfolio from long-term contracts;
G. Strengthen the diversity, sustainability, and resilience of the bulk transmission and distribution systems, and local communities;
H. Enhance distribution systems and demand-side energy management;
I. Minimize localized air pollutants and greenhouse gas emissions, with early priority on disadvantaged communities; and
J. Maintain a diverse portfolio of energy resources, which may include eligible energy resources procured by the Department of Water Resources.[1]

SDCP's conforming portfolio meets all the above requirements, as further explained in this document. Since the last filing of an IRP in 2022, SDCP has made great strides in establishing itself as a leader in the clean energy sector. With ambitious goals focused on providing clean energy to customers while prioritizing affordability, SDCP's conforming portfolio goes above and beyond the state requirements regarding renewable energy while maintaining reasonable rates.

[1] Public Utilities Code Section 454.52(a).

SDCP submits this plan to the CPUC in accordance with Decision ("D.") 18-02-018 and D.22-02-004.

Overview of San Diego Community Power

San Diego Community Power is a Community Choice Aggregator ("CCA") that commenced retail electric service in March 2021 to certain customers located within the cities of San Diego, Chula Vista, Encinitas, Imperial Beach, and La Mesa. SDCP was formed when these five municipalities created a Joint Powers Authority ("JPA"), effective October 1, 2019.[2] SDCP submitted its CCA Implementation Plan, which was certified by the CPUC on March 9, 2020, to address the anticipated consequences of CCA formation.[3] Since it commenced service in March 2021, SDCP successfully completed planned phase-in activities, which have increased the number of customer accounts as well as related retail electric energy requirements.

In November 2021, SDCP's Governing Board approved submittal of Addendum No. 1 to the Community Choice Aggregation Implementation Plan and Statement of Intent to Address Expansion to the City of National City and the unincorporated areas of San Diego County (Addendum No. 1); Addendum No. 1 was subsequently submitted to the CPUC on December 22, 2021, and was also served to parties of record in proceedings R.03-10-003, R.20-05-003, R.19-11-009, and R.21-10-002 on that day. Addendum No. 1 was later certified by the CPUC's Energy Division on February 28, 2022. As the document's title suggests, Addendum No. 1 addressed the expansion of SDCP's service territory to include the noted municipalities with

[2] See Joint Powers Agreement, San Diego Regional Community Choice Energy Authority, October 1, 2019, available at https://sdcommunitypower.org/wp-content/uploads/2025/12/Amended-JPA-as-posted-on-website.pdf

[3] See Letter Certifying San Diego Community Power's Implementation Plan and Statement of Intent, California Public Utilities Commission, March 9, 2020.

related customer service that commenced in April 2023. By the end of 2023, SDCP was serving nearly 940,000 customer accounts across all account classes.

At launch, SDCP's Board of Directors ("Board") approved a procurement target for a minimum 50 percent renewable energy supply portfolio. Initially, SDCP offered its customers two retail service offerings: (1) "PowerOn" that had a minimum 50 percent renewable energy supply ramping up to 100 percent by 2035, and (2) "Power100" a 100 percent renewable retail service option available on a voluntary basis. In July 2024, SDCP began offering "Power100 Green+", a 100 percent renewable energy service offering that is supplied from Green-e® certified resources, and "PowerBase," a product with lower renewable content than "PowerOn," yet still meets annual RPS compliance requirements and provides a more affordable option for customers. As a relatively new CCA, SDCP had limited operational long-term renewable energy contracts at the time this product was first offered. PowerBase therefore served to shield price-sensitive customers from volatility in short-term renewable energy markets.

Reducing electric utility sector GHG emissions generated by residents and businesses within SDCP's Member Agencies was a driving factor in the formation of SDCP. Climate Action Plans ("CAP") adopted by SDCP's Member Agencies establish a variety of GHG reduction and clean energy goals within their respective jurisdictions. The Member Agencies intend to contribute to achieving their CAP goals collaboratively, in part through SDCP by providing renewable electric energy to residential, commercial, and governmental electric accounts located within their communities. Additionally, SDCP maintains an objective of providing portfolio level renewable energy content of 100 percent in 2035 and beyond, based on annual accounting.

Approval by San Diego Community Power Board of Directors

Public Utilities Code Section 454.52(b)(3) requires CCAs to submit their IRPs to their governing boards for approval and certification. SDCP is presenting this IRP to its Board at the June 25, 2026 meeting, and will attach a resolution showing approval of this plan to the final submission that will be filed with the CPUC and served on the service list for R.25-06-019 on or before August 10, 2026.

Given the schedule of SDCP's Board meetings and required public noticing, SDCP had to finalize this IRP ahead of the June 25, 2026 meeting. Accordingly, any procurement actions, including signing of additional Power Purchase Agreements ("PPAs"), after June 15, 2026 are not reflected in this IRP. Any additional procurement will be reflected in SDCP's regularly submitted Procurement Status Updates and Mid-Term Reliability filings, also required through the IRP proceeding.

II. Study Design

A. Objectives

SDCP had the following objectives in performing the analytical work to develop its IRP:

1. Verify that SDCP's Preferred Conforming Portfolio ("PCP") is lower than the GHG Benchmarks for SDCP's proportional share of the 8 million metric tons ("MMT") reduction benchmark, as determined using the CPUC's calculator.
2. Identify a PCP that achieves economic, reliability, environmental, security, and other benefits and performance characteristics that are consistent with the goals set forth in Section 454.52(a)(1)(A-J).
3. Identify diverse and balanced PCP that includes both short- and long-term electricity products as well as electricity-related demand reduction products.
4. Identify a PCP that achieves the resource adequacy requirements established pursuant to Public Utilities Code Section 380 and provide SDCP's share of system reliability and renewable integration resources.
5. Identify a PCP that complies with all of SDCP's Board-adopted procurement directives.
6. Identify a PCP that is compliant with SDCP's obligations under the RPS program.

7. Identify a PCP that is cost-effective and minimizes rate impacts on SDCP's customers.

B. Methodology

i. Modeling Tool(s)

In developing its planned conforming portfolio, SDCP contracted with Resilient Transition ("Resilient") to utilize their RAVEN capacity expansion model and incorporated the data outputs into the Resource Data Template ("RDT") and Clean System Power ("CSP") templates as a starting point. After studying this modeling and its conclusions, SDCP used its own experience and expertise in procurement to quantify portfolio targets for renewable energy content, capacity, and portfolio GHG emissions, as well as physical and financial positions to ensure adherence to SDCP's currently effective risk management policies and business practices.

SDCP uses quantitative models to assess annual, monthly, and hourly open positions, taking account of forecasted hourly electric loads and expected deliveries from SDCP's resource portfolio. SDCP uses a proprietary financial model to project power supply costs and incorporates existing and planned procurement into an overall financial assessment of revenues, costs, and cash flows. SDCP also utilizes a commercially available energy trading and risk management system to monitor positions, market exposure, credit exposure, value-at-risk, and other risk management metrics.

For new resource selection, SDCP relied upon the modeling and assumptions in the Preferred System Portfolio ("PSP"), the results of Resilient's modeling efforts which include forecasted resource costs from the Transmission Planning Process ("TPP") base assumptions, and on SDCP's ongoing and recent procurement experience, which provides insight into

resource availability and cost. The mix of new resources selected in the PCP is similar to the mix SDCP would select based on its procurement experience.

GHG emissions were assessed using the CPUC's CSP tool.

ii. Modeling Approach

SDCP developed a single integrated resource portfolio scenario for this IRP cycle. SDCP's planning approach is grounded in meeting its customers' load requirements reliably and cost-effectively while advancing California's clean energy goals. Additionally, the portfolio also needed to account for the SDCP Board's aggressive local distributed energy targets and 100 percent renewable target by 2035. The preferred portfolio chosen utilized base case future assumptions as SDCP determined that this scenario reflects the most reasonable and defensible trajectory for resource procurement given current market conditions, regulatory requirements, and its existing contract portfolio.

SDCP's modeling consultant, Resilient's software employs a portfolio optimization approach that distinguishes itself from other optimization tools by utilizing a stochastic modeling methodology rather than relying solely on deterministic inputs. This stochastic approach allows the model to account for uncertainty across a range of input variables, producing a robust and risk-informed portfolio outcome. The software was used to simulate energy dispatch, resource adequacy performance, capacity expansion needs, and portfolio economics across the planning horizon. SDCP provided all required data inputs to the modeling framework, including the data provided by the CPUC for use in this IRP: the finalized energy and peak demand load forecasts, and behind-the-meter photovoltaic ("BTM PV") information that has been developed pursuant to an Administrative Law Judge ("ALJ") January 16, 2026 Ruling.

Resilient's software outputs provided key metrics used for SDCP's portfolio analysis that are additional to those integrated into the RESOLVE and SERVM model. These metrics included the total cost of the conforming portfolio, hub and nodal price assumptions, recommended capacity expansion resource types and recommended contracting timelines, and other internal goals specific to SDCP including the goal of serving load with 100 percent renewable energy starting in 2035. SDCP then reviewed, interpreted, and applied these model-generated outputs to inform procurement planning and IRP compliance. The model outputs also included phase 1 (near term) procurement needs versus phase 2 (long-term) procurement needs starting in the early 2030s.

Load Forecast

SDCP developed this IRP using the finalized energy and peak demand load forecasts, and BTM PV information that has been developed pursuant to the ALJ January 16, 2026 Ruling[4] and contained in the file "SDCP 2026 Filing Requirements Data," provided to SDCP from Energy Division on January 26, 2026. SDCP would like to note that the load forecast provided by staff for the IRP is substantially higher than its internal load forecast. Specifically, a buildout to 4,879 GWh of electric vehicle load and 1,440 GWh of data center load by 2045 seem inconsistent with local observations and appear to be based on load share allocations versus economic and land use realities by service territory. The projected amount of data center load increases the overnight demand significantly leading to significant additional procurement to reduce reliance on System Power.

[4] See 2026 LSE GHG Emission Benchmarks, LSE Demand Forecast (January 16, 2026) (hereinafter "GHG Benchmarks"), available at https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/documents/integrated-resource-plan-and-long-term-procurement-plan-irp-ltpp/2024-2026-irp-cycle-events-and-materials/2026-lse-ghg-emission-benchmarks.xlsx.

SDCP's assigned load forecast is as follows:

Table 1: SDCP's 2026-2045 Load Forecast (GWh)

Year	Annual Sales (GWh)
2026	[redacted]
2027	[redacted]
2028	[redacted]
2029	9,799.42
2030	10,411.11
2031	10,968.20
2032	11,544.47
2033	12,135.61
2034	12,763.25
2035	13,410.72
2036	13,969.16
2037	14,456.54
2038	14,886.47
2039	15,273.23
2040	15,644.94
2041	15,960.26
2042	16,278.58
2043	16,546.75
2044	16,770.13

8

2045	16,972.93

Load Shape

In developing its portfolio SDCP used the default load shape from the Clean System Power Calculator, which reflects the California Independent System Operator ("CAISO") hourly system average load shape forecast for the 2024 Integrated Energy Policy Report ("IEPR") Demand Forecast.[5]

Load-Proportional GHG Emissions Benchmark

SDCP's modeling was assessed against its 2030-2045 load-proportional share of the 8 MMT GHG benchmarks, as provided in the CPUC's *GHG Benchmarks*.[6] This assessment yielded the following results:

Table 2: SDCP's Assigned Shares of GHG Reduction Benchmarks[7]

Year	Load (GWh)	Proportion of Load within IOU Territory	GHG Benchmark
2030	10,411	50%	1.160
2035	13,411	52%	0.970
2040	15,645	53%	0.785
2045	16,973	53%	0.409

[5] Final Ruling at 8.
[6] GHG Benchmarks.
[7] GHG Benchmarks at Tab "LSE GHG Benchmarks"

Compiling Existing Resources

To populate its baseline resource templates, SDCP added existing resources from the following procurement categories:

- Energy Contracts
- Capacity (Resource Adequacy ["RA"]) Contracts
- Renewable and carbon-free attribute contracts
- SDCP's assigned share of capacity for Cost Allocation Mechanism ("CAM") resources, taken from the most recent year-ahead CAM resource list available on the CPUC's Resource Adequacy Compliance Materials webpage
- SDCP's selected Voluntary Allocation and Market Offer ("VAMO") allocation of RPS resources from San Diego Gas & Electric Company ("SDG&E")
- SDCP's allocation of Modified CAM from SDG&E

Selecting New Resources

To identify its new resource procurement opportunities, SDCP first determined the new resource capacity it intends to add each year, which considered resource needs (open positions), long-term renewable contracting requirements, renewable portfolio standards, hourly emissions reporting, resource adequacy requirements, the need for incremental resource adequacy capacity to contribute to system reliability and renewable integration needs, the potential for technological improvements, and financial considerations. SDCP selected resource types based on its experience with competitive solicitations for new renewable, carbon-free, and storage resources as well as consideration of the studies and modeling underlying the adopted PSP and proprietary cost forecasts integrated into the Resilient model. Finally, SDCP put restrictions on the model related to forced local procurement to meet Board targets and limiting import projects due to import right restrictions.

Confirming Reliability

SDCP's portfolios were evaluated to ensure that sufficient dependable capacity (net qualifying capacity) is available to meet peak load requirements. This includes a Perfect Capacity ("PCAP") Planning Reserve Margin.[8] SDCP used technology-specific Effective Load Carrying Capacity ("ELCC") factors provided by the CPUC to assess the contribution of each resource to system reliability. SDCP's portfolios were designed to ensure Mid-Term Reliability ("MTR") capacity obligations from D.19-11-016, D.21-06-035, D.23-02-040, and D.26-02-057 are met.

Calculating GHG and Other Air Quality Emissions

SDCP calculated the emissions associated with its 8 MMT PCP using the CPUC's CSP calculator. The assigned load forecast and default load shapes and behind-the-meter adjustments were used for this assessment, along with the planned supply portfolios. The results were checked against the assigned GHG benchmarks included in the CSP tool.

The results are shown below:

Table 3: SDCP's PCP Emissions Summary

Emissions Total	Unit	2028	2030	2035	2040	2045
CO_2	MMT/yr	1.38	0.96	0.67	0.42	0.401
PM2.5	tonnes/yr	85	59	45	28	32
SO_2	tonnes/yr	8	6	4	3	3
NO_x	tonnes/yr	117	85	67	66	36

[8] See Workshop: Reliability Filing Requirements for Load Serving Entities' 2024-26 Integrated Resource Plans – Results of Marginal ELCC Studies (February 2026) at Slide 12.

iii. Alternative Assumptions

SDCP incorporated a set of assumptions into the modeling framework used to select resources. First, SDCP, like all LSEs, has limits on import rights. Thus, the model was instructed to limit the MW procured that required import rights which significantly limited the geothermal procurement in the model. Second, the model was instructed to pair solar with batteries. Without this constraint, due to marginal emissions in the CSP model for batteries from 2040 on, the model would not select battery projects. Third, the model was instructed to procure a set amount of local distributed energy projects to match SDCP's 2035 targets. Finally, it bears noting that the stochastic modeling was optimized for least-cost, best-fit procurement.

III. Study Results

A. Conforming and Alternative Portfolio

SDCP created one Conforming Portfolio that includes existing resources that SDCP has under contract, existing resources that SDCP plans to contract with in the future, and new resources that SDCP plans to invest in.

SDCP's conforming portfolio includes the following long-term contracts with projects that are online or in development:

Table 4: SDCP's Long-Term Contracts (Online & In Development)

Project Name	COD/Contract Start Date	Resource Type	Nameplate Capacity Under Contract
Duran Mesa	February 1, 2022	Wind	50 MW
Oberon	July 7, 2023	PV	75 MW
Pomona 2	January 1, 2024	4-hour BESS	10 MW
Vikings	June 10, 2024	PV + BESS	132 MW Solar + 145.5 MW Storage
Arrowleaf	December 23, 2025	PV + BESS	42 MW Solar + 35 MW Storage
Enterprise	January 1, 2026	Gas Turbine + BESS	52 MW

Border	January 1, 2026	Gas Turbine + BESS	52 MW
Chula Vista Energy Center 2	June 1, 2026	4-hour BESS	49.7 MW
North Johnson Energy Center	June 1, 2026	4-hour BESS	50 MW
Sunzia	May 22, 2026	Wind	150 MW
Avocet	Planned – 2026	4-hour BESS	200 MW
JVR Energy Park	Planned – 2026	PV + BESS	90 MW Solar + 70 MW Storage
Vidal	Planned – 2026	PV + BESS	160 MW Solar + 160 MW Storage
Athos	Planned – 2027	4-hour BESS	200 MW
Pelicans Jaw	Planned – 2027	PV + BESS	440 MW Solar + 238.5 MW Storage
Yellow Pine 3	Planned – 2027	PV + BESS	35 MW Solar + 35 MW Storage
Desert Sands	Planned – 2027	8-hour BESS	60 MW
Purple Sage	Planned – 2028	PV + BESS	400 MW Solar + 400 MW Storage
Euismod	Planned – 2028	8-hour BESS	200 MW
Darden	Planned – 2028	PV + BESS	91.48 MW Solar + 91.48 MW Storage

A more detailed description of these projects is provided below:

1. **Pattern – Duran Mesa:** a long-term (10-year) PCC1 supply agreement with Duran Mesa LLC, executed January 27, 2022, which will cause the delivery of approximately 170,000 MWh per year of renewable energy produced by 50 MW of new wind capacity located in Torrance County, New Mexico that achieved commercial operation on November 30, 2021 and began delivering power to SDCP on February 1, 2022, plus an additional RA-only agreement that began on January 1, 2025.
2. **Intersect – Oberon:** a long-term (15-year) PCC1 supply agreement with IP Oberon, LLC, executed on June 11, 2021, which will cause the delivery of approximately 225,000

MWh per year of renewable energy produced by a new 75-megawatt photovoltaic solar array located in Riverside County that commenced commercial operation in July 2023.

3. **Ormat – Pomona 2:** a long-term (15-year) storage agreement with Ormat, executed on December 1, 2023, which will provide 40 MWh of nameplate storage capacity produced by a 10 MW, 4-hour BESS located in Los Angeles County that commenced commercial operation in January 2024.
4. **Arevon – Vikings**: a long-term (20-year) PCC1 supply and RA agreement with Vikings Energy Farm, LLC, executed on May 3, 2021, which will cause the delivery of approximately 250,000 MWh per year of renewable energy produced by a new 132-megawatt photovoltaic solar array (plus battery storage) located in Imperial County that commenced commercial operation in August 2024.
5. **Ormat – Arrowleaf:** a long-term (20-year) PCC1 supply and RA agreement with Orni 30 LLC, executed on June 29, 2023, for a new 42-megawatt photovoltaic solar array (plus 35 MW battery storage) located in Imperial County that commenced commercial operation in December 2025.
6. **Middle River Power – Enterprise:** a long-term (15-year) storage and RA contract with Middle River Power executed on May 31, 2024, for a new 52 MW, 1-hour BESS added to an existing thermal generation unit located in San Diego County that began delivering RA on January 1, 2026 and the BESS unit is expected to be online mid-2027.
7. **Middle River Power – Border:** a long-term (15-year) storage and RA contract with Middle River Power executed on May 31, 2024, for a new 52 MW, 1-hour BESS added to an existing thermal generation unit located in San Diego County that commenced commercial operation on January 1, 2026.

8. **Wellhead – Chula Vista Energy Center 2:** a long-term (15-year) storage and RA agreement with Wellhead, executed on February 2, 2024, which will provide 198.8 MWh of storage capacity produced by a new 49.7 MW, 4-hour BESS located in San Diego County that commenced commercial operation in June 2026.
9. **Wellhead – North Johnson Energy Center:** a long-term (15-year) storage and RA agreement with Wellhead, executed on February 2, 2024, which will provide 200 MWh of storage capacity produced by a new 50 MW, 4-hour BESS located in San Diego County that commenced commercial operation in June 2026.
10. **Pattern – Sunzia:** a long-term (15-year) PCC1 supply and RA agreement with SunZia Wind PowerCo LLC, executed on November 7, 2023, for a 150-megawatt portion of a new 3.5-gigawatt wind generation facility located in New Mexico that commenced commercial operation in May 2026.
11. **Arevon – Avocet:** a long-term (15-year) storage and RA agreement with Avocet, executed on January 12, 2024, for 800 MWh of storage capacity provided by a new 200 MW, 4-hour BESS located in Los Angeles County and was expected to reach commercial operation in 2026 but may be delayed to 2027 or 2028.
12. **Baywa – JVR:** a long-term (20-year) PCC1 supply and RA agreement with JVR Energy Park, LLC, executed on June 4, 2021, which will cause the delivery of approximately 260,000 MWh per year of renewable energy produced by a new 90-megawatt photovoltaic solar array (plus battery storage) located in San Diego County that is expected to commence commercial operation in late 2026.
13. **Core – Vidal:** a long-term (20-year) PCC1 supply and RA agreement with Vidal Solar, LLC, executed on Jan 2, 2024, for a new 160-megawatt photovoltaic solar array (plus

160 MW battery storage) located in San Bernardino County that is expected to commence commercial operation in December 2026;

14. **SB Energy – Athos**: a long-term (15-year) RA agreement with SB Energy, executed on June 12, 2025, for 800 MWh of storage capacity provided by a new 200 MW, 4-hour BESS located in Riverside County that is expected to commence commercial operation in January 2027.
15. **SB Energy – Pelicans Jaw:** a long-term (15-year) PCC1 supply and RA agreement with Pelicans Jaw Solar, LLC, executed on May 1, 2024, for a new 440-megawatt photovoltaic solar array (plus 238.5 MW battery storage) located in Kern County that has a guaranteed commercial operation date of April 2027 but is expected to commence commercial operation in late 2026.
16. **NextEra – Yellow Pine 3:** a long-term (20-year) PCC1 supply and RA agreement with Yellow Pine Solar III, LLC, executed on July 3, 2023, for a new 35-megawatt photovoltaic solar array (plus 35 MW battery storage) located in Clark County, Nevada that is expected to commence commercial operation in June 2027.
17. **NextEra – Desert Sands:** a long-term (20-year) storage and RA agreement with NextEra, executed on October 27, 2023, for 480 MWh of storage capacity provided by a new 60 MW, 8-hour BESS located in Clark County, Nevada that is expected to commence commercial operation in June 2027.
18. **Primergy – Purple Sage:** a long-term (20-year) PCC1 supply and RA agreement with Primergy, executed on March 15, 2024, for a new 400-megawatt photovoltaic solar array (plus 400 MW battery storage) located in Clark County, Nevada that is expected to commence commercial operation in June 2028.

19. **Aypa – Euismod:** a long-term (15-year) storage and RA agreement with Aypa, executed on May 30, 2024, for 1,600 MWh of storage capacity provided by a new 200 MW, 8-hour BESS located in Kern County that is expected to commence commercial operation in June 2028.
20. **Intersect – Darden:** a long-term (12-year) PCC1 supply and RA agreement with Intersect, executed on October 27, 2025, for a new 91.48-MW photovoltaic solar array (plus 91.48 MW storage) located in Fresno County that is expected to commence commercial operation in June 2028.

SDCP additionally has long-term contracts with SDG&E and Pacific Gas and Electric ("PG&E") for allocations through market offers, VAMO allocations, and CAM allocations that are reflected in the RDT for this IRP.

For the remaining capacity needed, SDCP created a planned portfolio consisting of two tranches of procurement – near-term and long-term. Near-term procurement is defined as projects coming online from 2028-2033. Long-term procurement is for projects expected to come online in 2033 and beyond. For near term procurement, SDCP chose the following:



For the near-term procurement, SDCP had some variance from the TPP portfolio. First, due to import right limits on SDCP, the model limited geothermal to [redacted] MW. Without import right limits, the model would have chosen significantly more geothermal. Second, there is no solar

procurement in the near-term tranche due to the volume of solar capacity already in SDCP's contracted portfolio. Finally, based on the least-cost portfolio modeling, the modeling outputs favored closing the remaining RPS/GHG gaps with short-term RPS contracts.

For long-term procurement for projects coming online 2033-2045, SDCP chose the following for its portfolio:



For the near-term procurement, SDCP had some variance from the TPP portfolio. First, as mentioned above, due to import right limitations, procurement of geothermal energy was restricted. Second, although the model signaled procurement of significant amounts of wind, more wind capacity was also limited by import constraints. Third, SDCP forced the model to pair solar with storage as the current queue of projects does not show many, if any, being developed as solar only. Fourth, it is worth noting due to the marginal emissions in the CSP (especially for 2040-2045) the model would not pick up any standalone storage or storage paired with solar without a forcing mechanism. This is because the IRP required certain GHG targets, and any added battery to a portfolio during those years adds to the portfolio's emissions. Taken to the extreme, the CSP would tell each LSE to stop procuring storage which would have detrimental impacts to the economics and reliability of renewable resources on the grid. Finally, SDCP did

not select any long-term contracts for large hydro due to the risk of deliveries between 2030-2045.

B. Preferred Conforming Portfolio

SDCP's conforming portfolio meets the following statutory and administrative requirements in Public Utilities Code Section 454.52(a)(1).

> *(A) Meet the greenhouse gas emissions reduction targets established by the State Air Resources Board, in coordination with the CPUC and the Energy Commission, for the electricity sector and each load-serving entity that reflect the electricity sector's percentage in achieving the economywide greenhouse gas emissions reductions of 40 percent from 1990 levels by 2030 (i.e. meet the LSE's GHG benchmarks).*

SDCP's preferred portfolio meets SDCP's GHG benchmarks, with the following results calculated for key years in the CSP:

Table 5: SDCP's PCP CO_2 Emissions (MMT)

Year	2030	2035	2035	2045
Requirement	1.160	0.970	0.785	0.409
Emissions	0.74	0.52	0.33	0.401

> *(B) Procure at least 60 percent eligible renewable energy resources by December 31, 2030, consistent with Article 16 (commencing with Section 399.11) of Chapter 2.3.*

SDCP's preferred portfolio will consist of at least 60 percent RPS-eligible renewable energy resources by 2030 and beyond. Additionally, SDCP's portfolio will reach 100 percent renewable energy resources by 2035. The following results are shown from the CSP:

Table 6: SDCP's PCP RPS and GHG-Free Energy (% of Retail Sales)

	2028	2030	2035	2040	2045
RPS Eligible Delivered Renewable	[redacted]	89%	100%	102%	105%
GHG-Free	[redacted]	90%	100%	108%	106%

(C) Enable each electrical corporation to fulfill its obligation to serve its customers at just and reasonable rates.

As a not-for-profit public agency, SDCP must set rates to recover costs associated with debt service, the purchase of power, and operational costs at a minimum. It is in the interest of SDCP and its customers for SDCP to design rates that meet SDCP's targeted reserves, while maintaining rate competitiveness and stability. As detailed in Section III.E below, SDCP is committed to serving its customers at reasonable rates. In addition to setting rates that are competitive with SDG&E, SDCP works to minimize rate volatility by constructing a balanced and conservatively hedged power supply portfolio and minimizing rate changes to once per year when possible.

(D) *Minimize impacts on ratepayers' bills.*

SDCP prioritizes cost competitiveness, reliability, portfolio diversification, and local resource development. SDCP's long-term contracting commitments for renewables and storage are intended to invest in the energy transition away from fossil fuels but also provide a hedge on long-term increases in the cost of energy. Coupling new solar with battery storage increases the capacity value of the projects, reducing the need to buy resource adequacy products in more volatile short-term markets while mitigating the risk of midday solar curtailment. SDCP's 8

MMT PCP minimizes exposure to volatile natural gas prices as well as bill impacts that may result from periodic spikes in fossil fuel prices.

Further, in a policy environment that has a higher risk of increased PPA prices through unprecedented tariff volatility and the expiration of tax credits, SDCP has targeted procurement from safe-harbored projects and from developers who have robust portfolio-wide supply chain strategies, such that SDCP customers are not exposed to contractual price adjusters.

(E) Ensure system and local reliability on both a near-term and long-term basis, including meeting the near-term and forecast long-term resource adequacy requirements of Section 380, and require sufficient, predictable resource procurement and development to avoid unplanned energy supply shortfalls by taking into account impacts due to climate change, forecasted levels of building and transportation electrification, and other factors that can result in those shortfalls.

SDCP's proposed conforming portfolio ensures system and local reliability, as reflected in the reliability planning tab of the RDT. SDCP's RA procurement strategy relies on both long-term contracts for new build resources and short-term contracts for near-term procurement. When assessing whether to contract with new resources, SDCP considers how the resource will benefit the reliability of the grid based on ELCC value and estimated Net Qualifying Capacity ("NQC") value. SDCP further does its own research and contracts with experts in forecasting to understand reliability requirements during the clean energy transition, with different resource profiles that shift supply as well as building and transportation electrification and climate change increasing demand.

(F) Comply with paragraph (1) of subdivision (b) of Section 399.13 (i.e., at least 65 percent of the LSE's RPS procurement for each compliance period shall be from its contracts of 10 years or more in duration or in its ownership or ownership agreements for eligible renewable energy resources).

SDCP's proposed portfolio complies with paragraph (1) of subdivision (b) of Section 399.13. As can be seen in the RDT and CSP, of the annual renewable procurement (which ranges from 7,000 to 18,000 GWh per year from 2028-2045) the percent from short-term contracts has a maximum of 15 percent. This means that for all years SDCP has at least 85 percent of its renewable portfolio from contracts of 10 years or more. Further, since SDCP's internal renewable goals exceed the 60 percent RPS requirements, the portion of SDCP's Renewable Energy Certificates ("RECs") used for RPS compliance could exceed 85 percent.

(G) Strengthen the diversity, sustainability, and resilience of the bulk transmission and distribution systems, and local communities.

As a CCA, SDCP relies on its partner SDG&E to provide transmission and distribution services to unbundled customers. SDCP monitors transmission and distribution systems to understand potential impacts on its contracted projects and advocates for its local communities when needed. Currently, SDCP is working on enhancing the timelines for both front-of-meter and behind-the-meter distributed projects to be reviewed, approved, and set up for interconnection.

(H) Enhance distribution systems and demand-side energy management.

SDCP is planning on several demand-side energy management programs and related efforts. Primarily, the agency is implementing a Flex Load Strategy that delivers a portfolio of programs that maximizes the size and value of SDCP's flexible resource base. This will enable customer load optimization, delivering direct bill savings to participants, while reducing procurement risks and costs, and enabling lower rates for the broader community. Moreover, this approach will align SDCP's efforts with the broader policy goals of the state. SDCP's Flex Load Strategy is also reflected in its Load Management Standards Compliance Plan, which was filed

with the California Energy Commission ("CEC") on August 19, 2025, and approved by the CEC during the December 8, 2025, Business Meeting.

SDCP has several pilots and programs under development, including activities focused on energy efficiency, building electrification, managed electric vehicle charging, and energy storage. Each of these projects includes opportunities to incorporate load flexibility. As planning activities move forward, staff will focus on integrating flex load strategies into program design and delivery. These strategies will ensure that programs deliver the technical and financial assistance needed by customers, contractors, code officials, equipment manufacturers, and other market actors to select, install, integrate, and operate flexible load resources. To support the integration and dispatch of customer distributed energy resources ("DERs"), SDCP procured a Distributed Energy Resource Management Systems ("DERMS"). A DERMS is a software platform that incorporates various data points, such as weather, market/price data, and customer preferences, to optimize the operation of DERs in support of various grid services.

SDCP is involved or leading several regional programs that include demand-side energy management efforts, including the San Diego Regional Energy Network ("SDREN") and the CEC Equitable Building Decarbonization ("EBD") program. SDREN and the EBD program will result in thousands of devices being enrolled into the DERMS platform. Additionally, SDCP has an active managed charging pilot program as well as a behind-the-meter residential battery program that currently has over two thousand batteries enrolled in the DERMS.

(I) Minimize localized air pollutants and other greenhouse gas emissions, with early priority on disadvantaged communities identified pursuant to Section 39711 of the Health and Safety Code.

As shown in the CSP calculator, SDCP's portfolio minimized local air pollutants. The only remaining emissions from SDCP's portfolio are from (1) System Power from its share of

non-displaceable system power or (2) System Power for periods (mostly overnight) where the procured generation does not cover demand. SDCP will continue to build out a renewable portfolio that limits the hours when it relies on System Power given the limitations it faces in procuring geothermal and wind due to import constraints. As noted above, a significant portion of the overnight System Power is related to a significant data center load forecasted in the ALJ January 16, 2026 Ruling.

(J) Maintain a diverse portfolio of energy resources, which may include eligible energy resources procured by the Department of Water Resources.

SDCP's proposed portfolio is diverse in technologies and project locations. The portfolio is weighted more toward wind prior to 2040 and slightly more toward solar post-2040. This is due to a few factors. First, SDCP's existing portfolio is weighted heavily toward solar and storage. Thus, the model selected a lot of wind procurement as the emissions pivoted to hourly reporting and SDCP's portfolio needed more overnight renewable generation. Second, the model had import restrictions embedded which limited the ability to procure more geothermal or wind in later years. SDCP did not include any Department of Water Resources ("DWR") centralized procurement in its underlying model assumptions for this IRP. If the DWR Resources can procure more geothermal, and shift the import/deliverability risk away from SDCP, then more geothermal may end up in SDCP's portfolio. Finally, the CSP model assumes a heavy amount of solar curtailment post-2030, forcing over procurement of nameplate solar capacity to meet the emission targets. In summary, SDCP's proposed portfolio matches the current realities and expected buildout of the CAISO grid while not overly relying on any one single resource type.

Summarize how the 8 MMT by 2045 preferred conforming portfolio compares to the 25 MMT by 2035 Portfolio submitted in 2022

SDCP's 8 MMT portfolio differs from the 25 MMT portfolio. First, due to the lower GHG target, significantly more renewable volume needed to be procured. Second, the volume of geothermal was reduced due to import restrictions. Third, the volume of offshore wind was reduced to zero as the modeling does not show that resource type being available or viable at a cost that makes sense in the planning timeline. Finally, due to the risk of deliveries from large hydro, that resource type was excluded from the portfolio.

C. GHG Emissions Results

SDCP's CO_2 emissions from the CSP calculator are provided below. Due to its aggressive RPS target of 100 percent renewable by 2035, all the 8 MMT emission targets are met. Due to a heavy reliance on solar and 4-hour batteries in its portfolio, SDCP must procure above the 100 percent RPS requirement by 2045 to meet the GHG targets.

Table 7: SDCP's PCP Emissions

Emissions Total	***Unit***	**2028**	**2030**	**2035**	**2040**	**2045**
CO_2	*MMT/yr*	1.38	0.96	0.67	0.42	0.401
PM2.5	*tonnes/yr*	85	59	45	28	32
SO_2	*tonnes/yr*	8	6	4	3	3
NOx	*tonnes/yr*	117	85	67	66	36

Table 8: SDCP's PCP CO_2 Emissions by Source

CO_2	***Unit***	**2028**	**2030**	**2035**	**2040**	**2045**
Coal	*MMT/yr*	-	-	-	-	-
IFM CHP	*MMT/yr*	0.19	0.18	0.19	-	-
Biogas	*MMT/yr*	-	-	-	-	-
Biomass	*MMT/yr*	-	-	-	-	-
System Power Unadjusted	*MMT/yr*	1.33	0.88	0.61	0.51	0.59
System Power	*MMT/yr*	1.19	0.78	0.47	0.42	0.40
Asset Controlling Supplier	*MMT/yr*	-	-	-	-	-
Total	*MMT/yr*	**1.38**	**0.96**	**0.67**	**0.42**	**0.40**

Average Emissions Intensity	*tCO2/MWh*	0.150	0.092	0.050	0.027	0.024
Oversupply Emissions Credits	*MMT/yr*	0.02	0.11	0.28	0.53	0.25

D. Local Air Pollutant Minimization and Disadvantaged Communities

i. Local Air Pollutants

The local air pollutant results of the CSP calculator for SDCP's portfolio are provided below. All such pollutants are either from System Power or the Calculated Share of In Front of the Meter Combined Heat and Power ("IFM CHP"). More detail is given below in the Action Plan on how SDCP plans to reduce reliance on System Power.

Table 9: SDCP's PCP Local Air Pollutants by Source

PM2.5	***Unit***	**2028**	**2030**	**2035**	**2040**	**2045**
Coal	*tonnes/yr*	-	-	-	-	-
IFM CHP	*tonnes/yr*	11	10	11	-	-
Biogas	*tonnes/yr*	-	-	-	-	-
Biomass	*tonnes/yr*	-	-	-	-	-
System Power	*tonnes/yr*	75	49	34	28	32
Total	***tonnes/yr***	**85**	**59**	**45**	**28**	**32**
Average emissions intensity	*kg/MWh*	0.0092	0.0057	0.0034	0.0018	0.0019

SO_2	***Unit***	**2028**	**2030**	**2035**	**2040**	**2045**
Coal	*tonnes/yr*	-	-	-	-	-
IFM CHP	*tonnes/yr*	1	1	1	-	-
Biogas	*tonnes/yr*	-	-	-	-	-
Biomass	*tonnes/yr*	-	-	-	-	-
System Power	*tonnes/yr*	7	5	3	3	3
Total	***tonnes/yr***	**8**	**6**	**4**	**3**	**3**
Average emissions intensity	*kg/MWh*	0.0009	0.0005	0.0003	0.0002	0.0002

NOx	***Unit***	**2028**	**2030**	**2035**	**2040**	**2045**
Coal	*tonnes/yr*	-	-	-	-	-
IFM CHP	*tonnes/yr*	32	30	32	-	-

Biogas	*tonnes/yr*	-	-	-	-	-
Biomass	*tonnes/yr*	-	-	-	-	-
System Power	*tonnes/yr*	85	55	35	66	36
Total	***tonnes/yr***	**117**	**85**	**67**	**66**	**36**
Average emissions intensity	*kg/MWh*	0.0126	0.0081	0.0050	0.0042	0.0021

ii. Focus on Disadvantaged Communities

For purposes of IRP, a disadvantaged community ("DAC") is defined as the following based on CalEPA's designation:[9]

I. Census tracts receiving the highest 25 percent of overall scores in CalEnviroScreen 4.0 (1,984 tracts).
II. Census tracts lacking overall scores in CalEnviroScreen 4.0 due to data gaps, but receiving the highest 5 percent of CalEnviroScreen 4.0 cumulative pollution burden scores (19 tracts)
III. Census tracts identified in the 2017 DAC designation as disadvantaged, regardless of their scores in CalEnviroScreen 4.0 (307 tracts).
IV. Lands under the control of federally recognized Tribes.[10]

Table 10: DACs in SDCP's Territory

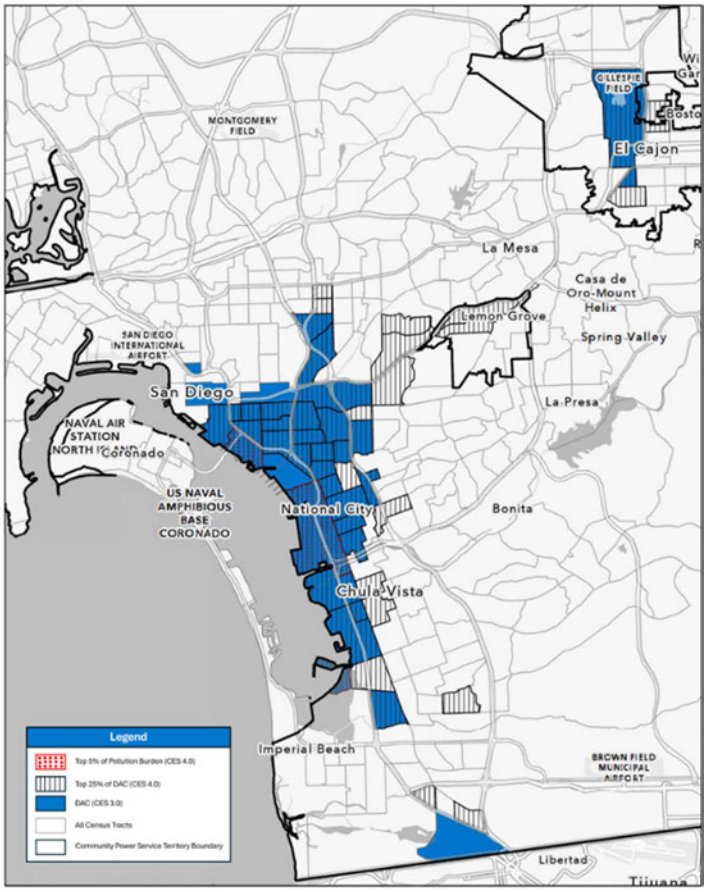
Census Tract	Nearby City (to approximate location only)	Zip
6073003601	San Diego	92113
6073005000	San Diego	92113
6073004900	San Diego	92113
6073003902	San Diego	92113
6073003901	San Diego	92113
6073003404	San Diego	92102

[9] SB 535 Disadvantaged Communities | OEHHA (ca.gov)
[10] For purposes of this designation, a Tribe may establish that a particular area of land is under its control even if not represented as such on CalEPA's DAC map and therefore should be considered a DAC by requesting a consultation with the CalEPA Deputy Secretary for Environmental Justice, Tribal Affairs and Border Relations.

6073012501	Chula Vista	91910
6073003403	San Diego	92102
6073003603	San Diego	92113
6073012502	Chula Vista	91910
6073003501	San Diego	92113
6073003301	San Diego	92113
6073002712	San Diego	92105
6073011700	National City	91950
6073002502	San Diego	92105
6073003502	San Diego	92113
6073004800	San Diego	92102
6073011601	National City	91950
6073011801	National City	91950
6073011602	National City	91950
6073011802	National City	91950
6073005100	San Diego	92113
6073013205	Chula Vista	91911
6073002402	San Diego	92105
6073010013	San Diego	92173
6073003303	San Diego	92113
6073002501	San Diego	92105
6073003602	San Diego	92113
6073012402	Chula Vista	91910
6073004000	San Diego	92102
6073003001	San Diego	92114
6073012600	Chula Vista	91910
6073012102	National City	91950
6073003305	San Diego	92113

6073021900	National City	91950
6073013307	Chula Vista	91911
6073002202	San Diego	92105
6073004700	San Diego	92102
6073013103	Chula Vista	91911
6073010111	San Diego	92173
6073002711	San Diego	92105
6073022000	National City	91950
6073012700	Chula Vista	91910
6073003304	San Diego	92102

Figure 1: Map of DACs within SDCP's Service Area



Within these DACs, SDCP estimates a population of approximately 202,422 (CES 4.0 census data).

SDCP's member agencies maintain additional lists of disadvantaged communities within their territories based on internally adopted metrics outside of those used for CalEnviroScreen. The City of San Diego, one of SDCP's members, has developed a citywide assessment of disadvantaged communities, or "Communities of Concern." The City of Chula Vista, another member agency, has also developed a similar assessment. SDCP identifies Communities of Concern as those highlighted by the cities of San Diego and Chula Vista, and defaults to the DAC definition in other jurisdictions where a citywide assessment has not been conducted.

In developing its IRP, SDCP carefully considered the impact of its resource procurement on DACs and Communities of Concern. SDCP conducts regular outreach with community-based organizations and through monthly public meetings with its Community Advisory Committee to solicit input on procurement policies and strategies that inform the IRP process. As detailed in SDCP's Action Plan in Section IV.B, SDCP developed a Community Power Plan ("CPP") which provides a framework for community investment decisions informed by a community needs assessment and ongoing community engagement.

Power Procurement in DACs

SDCP does not currently procure electricity directly from any natural gas or other fossil fuel power plants. Further, SDCP does not own any thermal generation facility adjacent to any identified DACs. However, SDCP recognizes the need to help mitigate the impacts of air pollution in regions of the state where communities have been disproportionately impacted by the existing generating fleet and the need for economic development in areas with high unemployment and poverty. To date, SDCP has signed two long-term procurement contracts for

hybrid generation/storage projects that are in or near DAC areas where SDCP's contracting supported adding batteries to the project sites to reduce (or potentially eliminate) the need to run the peaking natural gas units at the site. Studies in other regions have shown this approach significantly reduces the thermal run time and thus the localized emissions.

SDCP additionally evaluated its indirect impacts on disadvantaged communities throughout the state. SDCP's reliance on System Power will decrease substantially over the planning period due to SDCP's aggressive GHG reduction goals. SDCP's portfolio includes ~19 percent System Power in 2030, and this declines to less than 7 percent in 2045. While SDCP strives to reduce its dependence on resources that emit GHGs and other local pollutants, SDCP must also balance that goal against reliability and affordability, which is what SDCP has strived to do in its PCP.

SDCP offers a feed-in tariff ("FIT") program to help facilitate the development of local qualifying, small-scale, distributed renewable generating and energy systems. With a program capacity of 6 MW, SDCP encourages developers to submit proposals that are new resources at less than 1 MW in size. To promote economic development in DACs, SDCP provides bonus pricing per MWh to projects that are sited within a Community of Concern. The program offers a bonus pricing incentive for the first five (5) years of the contract on top of the base price for projects sited within a DAC, as defined by the California Office of Environmental Health Hazard Assessment, or within a very low to low access census tract found in the City of San Diego's Climate Equity Index, or as the top 25 percent scoring areas within the City of Chula Vista's Climate Equity Index at the time of FIT application submittal. Despite these incentives, unfortunately, the FIT has not attracted submittals. Small, distributed generation projects, particularly at this scale, require higher PPA prices than what is currently offered. SDCP believes

this to be due to a combination of high Distributed Generation ("DG") interconnection costs and land costs both of which are key cost barriers to development in the San Diego region. SDCP is evaluating potential adjustments to the FIT program as well as alternative procurement vehicles that may be more successful in deploying these resources while containing costs.

LSE Activities and Programs Impacting DACs

Many qualifying SDCP customers located in DACs have access to several affordable rate options and programs. While not specific to DACs, SDCP's customers still qualify and participate in the same electricity discount programs that they may already have participated in with SDG&E such as California Alternate Rates for Energy ("CARE") and Family Electric Rate Assistance ("FERA"), and the Low-Income Home Energy Assistance Program ("LIHEAP"). CARE customers save approximately 30-35 percent on their total bill.

SDCP customers with a qualifying medical condition or a need for certain medical devices may qualify for the medical baseline allowance program, which gives residential customers with qualified medical devices or conditions a higher usage baseline at the lowest rate available on their rate schedule.

SDCP customers on CARE or FERA with outstanding bills that are past due can also qualify for debt forgiveness through the Arrearage Management Plan ("AMP"). AMP is a 12-month payment plan that forgives one-twelfth of an eligible customer's debt after each on-time payment of the current month's bill, protecting them from disconnection. After twelve on-time payments, a customer's debt will be fully forgiven up to a maximum of $8,000.

The Disadvantaged Communities Green Tariff ("DAC-GT") program allows customers who reside within a disadvantaged community and are eligible for the CARE/FERA programs to receive 100 percent solar energy at a 20 percent discount on the electricity and delivery portion

of their otherwise applicable tariff. The program incentivizes the development of new, local generation.

SDCP issued its first DAC-GT Request for Offers ("RFO") as part of the agency's "Solar Advantage" program in August 2023. That procurement secured 4.66 MW of solar from four (4) projects with Commercial Operation Dates ("CODs") in 2027. In April 2025, SDG&E issued a second RFO and shortlisted another 9.2 MW of solar with 2.5 MW of 4-hour battery energy storage. Due to the aforementioned barriers for DG development in the SDG&E territory, SDCP is not moving forward with contract negotiations due to cost-prohibitive terms and interconnection viability. SDCP is engaged with the CPUC, SDG&E and developers to better understand how such barriers can be mitigated for a subsequent solicitation to ensure a successful Solar Advantage program that will have direct and meaningful benefits to eligible customers.

E. Cost and Rate Analysis

SDCP's 8 MMT portfolio is reasonable from a cost perspective. In selecting resources for its portfolios, SDCP carefully considered the cost implications of specific resource selections and procurement timing. This analysis was informed by SDCP's procurement experience, the standard assumptions and results of the CPUC's RESOLVE/SERVM modeling, and the additional assumptions and forecasts integrated into the Resilient model.

In general, SDCP sought to balance the need to procure resources with enough lead time to meet SDCP's LSE-specific procurement targets and the CPUC-identified overall system new resource requirements with the potential cost-saving benefits of waiting to procure renewable and storage resources with downward sloping cost projections. SDCP also recognizes that future resource costs are highly uncertain, and technological advancement can happen unexpectedly;

SDCP's procurement cycle is designed to take advantage of technological and cost improvements by incrementally adding new resource commitments over time.

SDCP's PCP takes advantage of the fact that, compared to the IOUs, CCAs have significantly shorter generation project contracting timelines, in part due to the fact that CCAs do not require CPUC approval of such projects. These shorter timelines result in significant direct savings and give SDCP more flexibility to time its procurement activities in a way that takes advantage of falling renewable generation prices or other cost-effective procurement opportunities that may arise over time.

SDCP's rate setting strategy, consistent with its Board-approved Rate Development Policy, uses a hybrid approach based on cost of service, including the costs in developing an 8 MMT portfolio, and the IOU indexed-focused rate-setting models. SDCP's rate-setting strategy includes maintaining rate competitiveness, affordability, and stability as core objectives and, thus, passes on significant procurement direct savings and maximizes affordability in developing both a Preferred Conforming Portfolio and the associated rates.

First, SDCP determines the cost recovery required to meet expected procurement and operational expenses and sets rates to at least meet that amount. Next, SDCP adds ranges that target goals for financial stability, such as reserves contributions, and discretionary spending, such as programs or operational growth opportunities. Finally, SDCP targets a competitiveness metric with SDG&E, the incumbent IOU, to determine where rates should be within that range and modify the discretionary spending, accordingly, aiming for a discount when possible.

The Power Charge Indifference Adjustment ("PCIA"), charged to all customers by California IOUs, recovers above-market costs for power contracts or resources that were

acquired prior to a customer's departure from an IOU to a CCA. This fee is factored in SDCP's rate-setting strategy to maintain rate competitiveness, affordability, and stability.

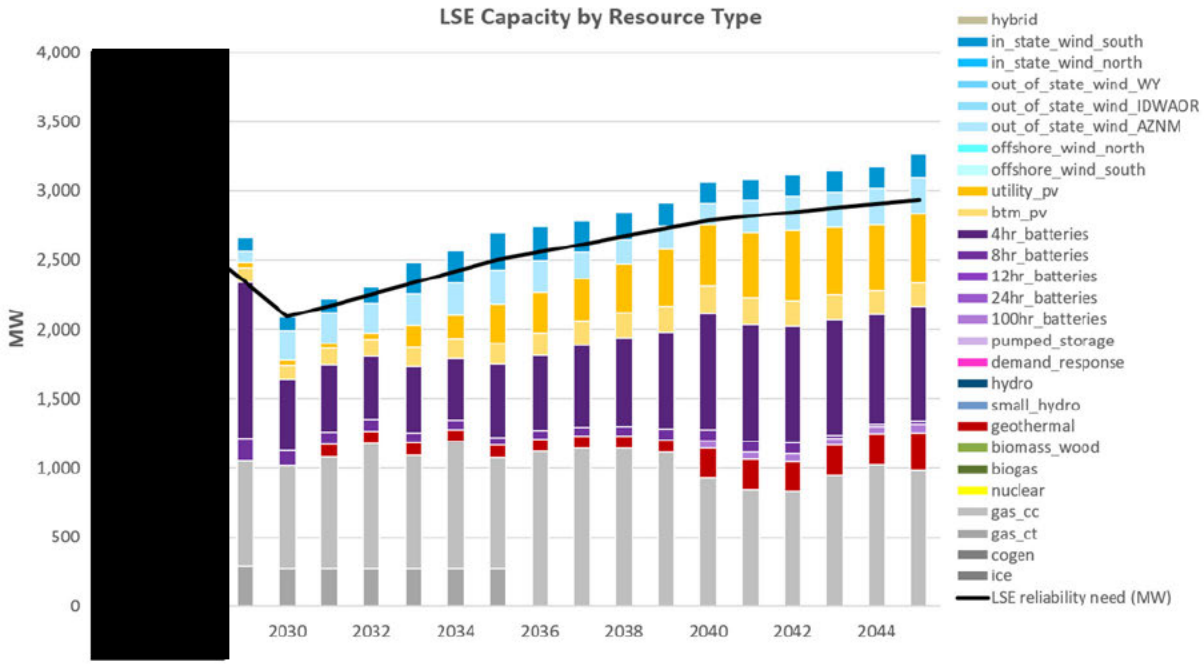
SDCP currently provides four service options for its customers. The default service option, PowerOn, provides a discount to customers' commodity rates in comparison to SDG&E when possible, and SDCP has also established a more affordable service option, PowerBase, that is a lower rate than PowerOn and SDG&E's bundled commodity rates. SDCP's two additional service options are both premium, 100 percent renewable service options that are currently at $0.01/kWh and $0.02/kWh premium on top of PowerOn rates respectively.

SDCP is committed to serving its customers at competitive rates and minimizing rate volatility by constructing a balanced and conservatively hedged power supply portfolio and minimizing rate adjustments to once per year when possible. SDCP also established a Rate Stabilization Reserve Policy in 2026 to allow the deferral of reserves to future years, also aimed at reducing the possibility of rate volatility.

F. System Reliability Analysis

As shown in the RDT (a portion included in the graph below), SDCP's selected portfolio meets its reliability obligations for all years through 2045. The portfolio combines procurement of capacity through long-term contract with wind, geothermal, solar, and battery resources as well as short-term annual procurement of capacity. The ratio of short versus long-term procurement was stochastically modeled by Resilient to ensure the portfolio was focused on both reliability and cost. The following graph comes from the Reliability Planning tab of the RDT.

Figure 2: SDCP's PCP Capacity by Resource Type



G. Existing Resource Planning

During the 2022 IRP cycle, SDCP was in the early stages of operations, navigating significant uncertainty around the types and volume of resources needed to meet its carbon reduction and reliability goals. Since then, SDCP has matured considerably as a LSE. SDCP has successfully contracted a substantial portfolio of projects spanning a range of technologies, deepened our relationships with local developers, and built meaningful experience managing competitive solicitations.

The proposed 2026 8 MMT portfolio leverages knowledge gained through market participation and counterparty communications to propose sensible timelines for when new projects can/will be available. That said, SDCP remains acutely aware that flexibility is necessary in today's environment. The current market is extremely dynamic and there are broad

market forces affecting the whole industry, including uncertainty around tariffs, the expiration of tax credits for solar and wind, and higher foreign material constraints for batteries. SDCP does not anticipate significant near-term stabilization

Looking ahead, SDCP is focused on addressing greenhouse gas emissions and optimizing our portfolio across the slice-of-day framework by continuing to diversify into clean firm resources. In parallel, SDCP remains committed to procuring RPS-eligible resources to keep pace with our growing load obligations. Additionally, SDCP recognizes the value of strategic participation in the short-term market as a tool for managing customer affordability, leveraging near-term trading opportunities to complement our long-term contracted position. SDCP plans to balance these factors, reliability, carbon reduction, and customer cost in its portfolio planning criteria, to create a robust and cost-efficient portfolio. With this in mind, SDCP has crafted a resource portfolio that balances the multiple needs of carbon reduction, system reliability, and cost to customers.

In the 2022 IRP 25 MMT scenario, SDCP relied upon 40 percent of existing resources to meet its 2030 energy demand and only 10 percent by 2035. Here, the 8 MMT PCP relies upon 70 percent of existing resources to meet the 2030 energy demand, only 35 percent by 2035, and ~1 percent by 2045. This highlights SDCP's commitment to support and develop new resources.

H. Hydro Generation Risk Management

In developing its portfolios, SDCP took several steps to manage the risk of reduced hydro availability that may result from future in-state drought. As can be seen in the RDT and CSP, SDCP does not include any hydro resources in its PCP. This is a change from the 2022 portfolio, due to the risk associated with reliance on hydro. SDCP prefers to procure hydro resources in the short-term market if needed.

I. Long-Duration Storage Planning

In response to Decision (D.) 21-06-025 and D.23-02-040, SDCP contracted with two 8-hr lithium-ion battery storage projects with guaranteed CODs in 2027 for a total capacity that exceeded SDCP's allocation at the time, anticipating a need to invest in longer duration storage beyond the requirements of MTR compliance for reliability and portfolio diversity reasons and to take advantage of competitively priced opportunities. Through these two projects, SDCP has also met the incremental long-duration storage requirements under the most recent D.25-06-019.

In its PSP, SDCP expects 100-hour duration storage to be viable by 2040. The portfolio includes procurement of this type of long-duration storage in 2040 and 2045.

J. Clean Firm Power Planning

Since 2022, SDCP has issued several RFOs that included an emphasis on proposals that provide clean firm products, as well as two targeted clean-firm RFOs to source geothermal resources that could help meet SDCP's clean-firm requirements under D. 21-06-025 and D.23-02-040. Additionally, SDCP has engaged in bilateral discussions with several geothermal developers on early-stage geothermal pipeline opportunities. Finally, SDCP plans to issue in the third quarter of 2026 an All-Source RFO, targeting clean-firm resources among other 24/7 resources that can support around-the-clock GHG portfolio reductions.

Currently, SDCP is evaluating import capability risks associated with several out-of-CAISO geothermal resources. In particular, SDCP foresees a need for Maximum Import Capability ("MIC") expansion at several interties that would facilitate imports for geothermal including the North of Songs 500 kV line and North of Songs substation. SDCP has a particular interest in contracting with geothermal resources from Imperial Valley as it would contribute to both SDCP's clean-firm MTR requirements and our local procurement targets, which includes

Imperial Valley due to shared workforce opportunities for the clean energy transition. SDCP has also found that much of the later stage geothermal pipeline is fully contracted or under exclusivity and so SDCP is in discussions with several developers on earlier-stage geothermal opportunities that have the potential to meet the current 2031 procurement obligation deadlines and beyond.

K. Non-CAISO, including Out-of-State, Wind Planning

In order to meet SDCP's GHG reduction target of 0.409 MMT, SDCP's capacity expansion modeling indicates that 6,560 MWh is needed from wind resources by 2045. Wind assets provide a complementary delivery profile for SDCP's solar-heavy portfolio. SDCP has found that the bulk of available wind, from both existing resources seeking to recontract or from new-build resources, are coming from outside CAISO. Therefore, like geothermal, MIC is required to secure RA value from these resources. SDCP's wind portfolio is reliant on Pattern Energy's SunZia and Duran Mesa import projects, which currently require imports at Willow Beach and Palo Verde, respectively. With SunZia, the expectation is that the Subscriber Participating Transmission Owner model, coupled with key network upgrades like the North Gila-Imperial Valley 500 kW transmission line, will unlock additional import capability. Additionally, due to the limited availability of in-state wind assets, SDCP opted to participate in Pattern Energy's auction for additional volume from SunZia for energy and RECs to help reduce SDCP's hourly GHG emissions during non-solar hours.

L. Offshore Wind Planning

SDCP has not issued solicitations specifically targeting offshore wind, though such proposals for early engagement are welcome. Although current federal policies and approaches toward offshore wind development, which includes lease cancellations and a moratorium on new

permitting, have created large barriers to offshore wind development progress, SDCP is monitoring ongoing state-level initiatives, including funding for waterfront upgrades, the AB 525 Port Readiness Plan and offshore wind procurement efforts by the DWR for which solicitations are expected to kick off in 2027 per D.24-08-064.

M. Transmission Planning

Contracted Resources

In SDCP's contracted portfolio, three contracts (two PPAs and one ESSA) are reliant on known transmission upgrades. These three are the Yellow Pine 3 Solar and Storage project, Desert Sands Long Duration Storage Project, and the Purple Sage Solar and Storage project. All three are impacted by the Lugo – Victorville 500 kV transmission upgrade that has been delayed but is now on track for 2027. SDCP does not expect the transmission upgrade timeline to impact the RDT/CSP calculations provided. Additionally, SDCP has one project located in WAPA territory that is slated to interconnect in late 2026 and should not have any delays that impact the RDT/CSP calculations.

Planned Resources

In identifying resource locations for all portfolios, SDCP was guided by the following considerations:

- SDCP has a general preference for resources located within its service area and the community it serves, but more generally, within Southern California.
- SDCP prefers projects located in areas that can utilize existing transmission infrastructure with minimal upgrade/modification costs.
- SDCP prefers low-impact renewable energy projects that provide economic benefit to DACs, subject to community interest in siting projects within such locations.

Unlike the IOUs, SDCP is not a transmission and distribution ("T&D") system operator. SDCP does not enjoy the benefits of a granular knowledge of SDG&E's T&D system, and SDCP is not

best positioned to identify optimal resource locations. In practice, SDCP relies on consultants and project developers to conduct the research and technical studies necessary for siting potential generation projects. Once a project is offered to SDCP, then SDCP evaluates projects based on a variety of criteria, including transmission availability, timelines for any network upgrades required for deliverability, nodal prices and potential for congestion, project viability, environmental, workforce, and other factors. Projects that align with, or require minimal incremental augmentation to, existing or planned transmission upgrades are preferred. As such, SDCP generally utilized the PSP selected candidate resources as a guide for likely resource locations in its 8 MMT PCP. These should be treated as general expectations based on the aforementioned considerations, not definitive selections – actual project locations will be selected during SDCP's future solicitation processes.

As discussed in prior sections, SDCP is very nimble in administering resource planning processes. More specifically, if SDCP's expected resource locations become infeasible due to various constraints, or if the CPUC's modeling efforts happen to indicate that certain resource locations are no longer feasible/desirable, then SDCP would ultimately locate and contract for alternative resources that fall in preferred locations.

As SDCP scopes and designs a portfolio of local renewable energy resources, staff will work with member agencies and local landowners to identify potential project sites that not only are consistent with local zoning regulations and climate action plans but also reduce the cost of necessary interconnection upgrades.

Availability of Deliverability and MIC Expansion

In the RDT, SDCP does not specify the location of hypothetical future procurement. The additional solar, wind, geothermal, and storage resources are primarily assumed to be located in

CAISO. SDCP did try to diversify project locations with limited import, some California baseline, and some focused on Southern California. Given that a majority of the new procurement is post 2033, SDCP hopes and expects the necessary transmission upgrades have been planned and completed by then.

SDCP is in favor of MIC expansion, especially for resources importing from IID territory and from Arizona/New Mexico. Those two areas are where SDCP sees the vast majority of geothermal and wind development taking place. Without MIC expansion, and a larger percentage of MIC allocated to SDCP, the modeling shows limited procurement of geothermal and wind from those resources, much below SDCP's preferred volumes.

Adjustments from 25 MMT Portfolio Locations

SDCP's 8 MMT portfolio locations differ significantly from the 25 MMT portfolio. First, as almost all known uncontracted geothermal development is outside of CAISO, the volume of geothermal was modeled to only be imported and the volume was reduced in the modeling due to import restrictions. Second, the volume of offshore wind was reduced to zero as the modeling does not show that resource type being available or viable at a cost that makes sense in the planning timeline. Finally, the 8 MMT portfolio does not rely on any large hydro resources.

IV. Action Plan

A. Proposed Procurement Activities and Potential Barriers

SDCP has a well-established procurement process that it will use to steadily achieve its 8 MMT PCP between now and 2045. SDCP's procurement process includes the following key activities:

- Identification of planned resources by type, desired online date, and capacity.

- Planning for procurement activities in consideration of SDCP's risk management policy; resource acquisition lead times including, where applicable, development timelines; staff capacity; and financial considerations.
- Design and administration of resource solicitations. For new resources, these typically take the form of periodic request for proposal (RFP) processes, while for existing resources, procurement activity is more frequent and routinized.
- Careful negotiation of contract terms to ensure positive outcomes for SDCP customers with appropriate risk mitigation.
- Ongoing contract management, including monitoring of development milestones and generator performance, as applicable.
- Conduct and participate in joint CCA solicitation processes in order to expand procurement opportunities available to SDCP.

With respect to procurement of the specific resources within its PCP, SDCP intends to:

- Periodically solicit offers for new renewable generation and storage projects. These resources are typically secured through long-term power purchase agreements. SDCP expects to secure power purchase agreements for new projects in multiple solicitations conducted over the next several years.
- Conduct one or more competitive solicitation(s) specifically for long duration storage.
- Conduct one or more competitive solicitation(s) specifically for clean firm power.
- Continue procurement of resources to meet any remaining assigned requirements from D.19-11-016, D.21-06-035, D.23-02-040, and D.26-02-057, as well as the specific sub-categories from those decisions.
- Solicit offers periodically throughout the year for short-term renewable energy, resource adequacy, system energy, and other products needed to balance the portfolio and adhere to position limits established through SDCP's risk management policy and practices. These solicitations may take the form of formal request for offers processes, bilateral discussions, and/or transactions arranged through broker markets.

i. Resources to meet D.21-06-035 and D.23-02-040 procurement requirements, including:

1,000 MW of firm zero-emitting resource requirements

Consistent with Ordering Paragraph 4 of CPUC D.21-06-035, and formalized via CPUC approval of SDG&E Advice Letter 3967-E, SDCP and SDG&E mutually agreed to reallocate resource requirements within D.21-06-035 to reflect load forecasts that were revised subsequent

to those that were incorporated into the analysis supporting D.21-06-035. SDCP's resulting portion of firm zero-emitting resources to be procured is 39.7 MW.

In an effort to identify and procure geothermal to ensure compliance with D.21-06-035 and promote development of a diverse, clean, local portfolio, SDCP has sought out bilateral opportunities to contract with nearby clean-firm resources. SDCP has been actively engaging with geothermal developers who have the ability to deliver within or into the CAISO. Currently, SDCP is evaluating import capability risks associated with several out-of-CAISO geothermal resources, and SDCP foresees a need for MIC expansion at several interties that would facilitate imports for geothermal as also noted in III.M.

SDCP is actively broadening its search for clean firm resources through the launch of an all-source RFP in the third quarter of 2026. This includes a willingness to engage in earlier-stage geothermal opportunities that have the potential to meet the current 2031 procurement obligation deadlines and beyond. However, SDCP has found a lack of availability of clean firm projects that can come online before the 2031 MTR deadline. While supplier interest in development of these technologies is growing, project timelines can be misaligned with compliance requirements.

1,000 MW of long-duration storage resource requirements

Consistent with Ordering Paragraph 4 of CPUC D.21-06-035, and formalized via CPUC approval of SDG&E Advice Letter 3967-E, SDCP and SDG&E mutually agreed to reallocate resource requirements within D.21-06-035 to reflect load forecasts that were revised subsequent to those that were incorporated into the analysis supporting D.21-06-035. SDCP's resulting portion of long-duration storage resources under D.21-06-035 is 39.7 MW.

SDCP currently has two 8-hour storage resources under contract that will qualify for the D.21-06-035 long-duration storage requirements in excess of the 39.7 MW requirement.

- Desert Sands: a 60 MW, 8-hour BESS located in Riverside County expected to come online June 1, 2027.
- Eusimod: a 200 MW, 8-hour BESS located in Kern County expected to come online June 1, 2028.

2,500 MW of zero-emissions generation, generation paired with storage, or demand response resource requirements

Consistent with Ordering Paragraph 4 of CPUC D.21-06-035 and formalized via CPUC approval of SDG&E Advice Letter 3967-E, SDCP and SDG&E mutually agreed to reallocate resource requirements within D.21-06-035 to reflect load forecasts that were revised subsequent to those that were incorporated into the analysis supporting D.21-06-035. SDCP's resulting portion of zero-emissions generation, generation paired with storage, or demand response resources is 98.9 MW.

SDCP met its zero-emitting resource requirements via a contract with the Vikings hybrid solar-and-storage resource that came online in 2024.

All other procurement requirements

Consistent with Ordering Paragraph 4 of CPUC D.21-06-035, and formalized via CPUC approval of SDG&E Advice Letter 3967-E, SDCP and SDG&E mutually agreed to reallocate resource requirements within D.21-06-035 to reflect load forecasts that were revised subsequent to those that were incorporated into the analysis supporting D.21-06-035. SDCP's overall D.21-06-035 requirements, including the previously discussed sub-category requirements, are 455.7 MW.

In D.21-06-035, the CPUC identified mid-term reliability needs of at least 11,500 MW of additional net qualifying capacity to be procured by all LSEs subject to the CPUC's IRP authority. The capacity requirements are adopted annually, beginning with 2,000 MW by 2023, an additional 6,000 MW by 2024, an additional 1,500 MW by 2025, and an additional 2,000 MW by 2026. The CPUC modified these requirements through D.23-02-040, ordering an additional 2,000 MW to come online by 2026, and another 2,000 MW by 2027.

As can be seen below, cumulative compliance through 2028 has been met with over [redacted] MW of NQC procured to date from long-term contracts for projects with expected commercial operations between 2024-2028. Based on current commercial operation date expectations for projects under contract, SDCP is well suited for future years of compliance as demonstrated in the table below:

Table 11: SDCP's MTR Procurement by Tranche

	2023 Tranche 1	2024 Tranche 2	2025 Tranche 3	2026 Tranche 4	2027 Tranche 5	2028 Tranche 6	Total
Obligation	79	238	59	80	80	79	615.36
Contracted	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]

SDCP has identified the following market, regulatory, financial, or other barriers or risks that may impede SDCP's ability to acquire the resources identified in its Portfolio:

- Factors that may restrict availability of resource adequacy capacity such as retirement of conventional resources, the potential re-rating of renewable resource or battery storage Effective Load Carrying Capacity, or SDG&E's retention of resources.
- Limits on import rights by LSEs that restrain the amount of geothermal energy available to procure.
- Delays in network upgrades required for interconnection and/or deliverability.

- Factors that may increase SDCP customer costs such as potential regulatory changes relating to the treatment of SDG&E generation costs and the share of costs allocated to SDCP customers through the PCIA.
- Technology availability and acceptance for long duration storage. The current generation of lithium-ion batteries has matured, but not to the degree needed for long duration.

SDCP plans to meet D.21-06-035 and D.23-02-040 requirements through the use of existing technologies whenever possible. SDCP does not want to risk non-compliance by relying on a large technological advancement. Therefore, SDCP will build out its portfolio with solar-battery, wind, and 4-hour battery storage including and in excess of D.23-02-040. This will allow SDCP to not only meet its mandated carbon emissions requirements but also SDCP's own aggressive renewable and carbon-reduction goals.

SDCP will continue procurement efforts toward these mandates via an upcoming short- and long-duration energy storage solicitation, additional all-source or targeted Renewable Energy RFOs as appropriate, and ongoing bilateral market outreach and negotiations.

To date, SDCP has released the following solicitations:

1. 2020 Long-Term California RPS-Eligible Renewable Energy Request for Proposals ("RFP") was issued on June 29, 2020.
2. Local Renewable Energy and Energy Storage Request for Information ("RFI") was issued in 2021 and remains open with submissions accepted on a rolling basis.
3. Clean Firm Energy Resource RFO was issued May 27, 2022.
4. 2022 Long-Term California RPS-Eligible Renewable Energy RFP was issued on October 3, 2022.
5. 2023 Long-Term California RPS-Eligible Renewable Energy RFP was issued on January 26, 2023.
6. 2023 RFO for Standalone Storage was issued April 12, 2023.

7. 2023 RFI for CAISO 2024 Transmission Plan Deliverability ("TPD") Allocation was issued in November 2023.
8. 2024 Cluster 15 Interconnection Process Enhancements Commercial Interest Allocation ("IPE") RFP was issued on August 20, 2024.
9. 2024 All-Source RFO for Renewable Energy and Storage Projects was issued on September 24, 2024.
10. 2025 Clean-Firm RFO was issued on April 21, 2025.

ii. Plans for resources that are currently non-candidate in CPUC's IRPs not described above

All planned resources were described above.

iii. Other renewable and/or zero-carbon resources not described above

All renewable and/or zero-carbon resources were described above.

iv. Other energy storage not described above

SDCP's Solar Battery Savings ("SBS") Program offers upfront rebates to customers to help lower the initial cost of installing a new home solar and battery system or adding a battery to an existing solar setup. Participating customers receive a performance incentive payment when their battery supports the grid on weekdays between 4 PM and 9 PM, when electricity is in high demand and most expensive. Enrolled customers are required to discharge 50 percent of their battery during the weekday dispatch window to power their home and support the local grid.

v. Other demand response not described above

All demand response was described above.

vi. Other energy efficiency not described above

All energy efficiency was described above.

vii. Other distributed generation not described above

SDCP believes that front-of-meter distributed energy resources ("FTM DERs"), including distribution-connected solar, storage, and solar-plus-storage projects, may play an increasingly important role in achieving California's reliability, affordability, and decarbonization objectives. As California seeks to meet growing electricity demand and ambitious clean energy goals, FTM DERs may provide a complementary resource pathway alongside utility-scale generation, storage, and transmission development efforts. These resources can often be permitted, interconnected, and deployed more quickly than large transmission-connected resources and may help reduce overall system and customer costs.

SDCP is interested in evaluating opportunities to procure FTM DERs as part of its long-term resource portfolio. However, existing planning and procurement frameworks provide limited ability for these resources to receive recognition for the reliability and load-reduction benefits they may provide. Unlike behind-the-meter resources, which are reflected as load modifiers in statewide demand forecasts, FTM DERs are generally treated solely as supply-side resources, even when they directly serve distribution-connected load and reduce demand on the transmission system.

As a result, SDCP has not assumed significant deployment of FTM DERs in its Preferred Conforming Portfolio. Nevertheless, we believe these resources warrant further evaluation as a potentially cost-effective component of a least-cost portfolio and an important complement to California's broader clean energy development strategy.

viii. Transportation electrification, including any investments that correspond to different levels than what is included in Integrated Energy Policy Report (IEPR)

SDCP used the assumptions included in the 2024 IEPR report assumptions for this IRP. For the next IEPR submission, SDCP will use the following assumptions.

Light-duty electric vehicle ("LDV") charging adds incremental load above the 2024 embedded EV fleet baseline. The hourly shape reflects evening charging behavior driven by SDG&E Time-of-Use tariff incentives: a half-cosine curve centered at approximately 9 PM PST, tapering to near zero during midday.

The EV fleet is modeled using a stock modeling approach. Annual new registrations are estimated from market share assumptions and applied to total LDV sales in SDCP territory, net of retirements based on median California vehicle lifetime. Annual energy per EV is derived from FHWA vehicle miles traveled data (Highway Statistics VM-1) and a fleet average efficiency factor.

As of May 2026, the California Air Resources Board ("CARB") Advanced Clean Cars II ("ACC II") rule is under legal dispute following EPA revocation of California's Clean Air Act waiver. The MID scenario reflects moderate market-driven EV adoption without assuming mandate certainty. Federal IRA EV tax credits are not assumed to be available for the forecast period.

ix. Building electrification, including any investments that correspond to different levels than what is included in Integrated Energy Policy Report (IEPR)

SDCP used the assumptions included in the 2024 IEPR report assumptions for this IRP. For the next IEPR submission, SDCP will use the following assumptions.

Building electrification covers residential and small commercial conversions from gas to electric appliances for space heating, water heating, and cooking. The methodology uses a

Replacement on Burnout ("ROB") framework: conversions occur at natural appliance end-of-life.

Gas appliance saturation is sourced from the California Residential Appliance Saturation Survey ("RASS 2019") for the SDG&E service territory (DNV, October 2020). Owner-occupants and renters are modeled separately. Appliance lifetimes follow DOE/AHRI published medians, and energy impact per conversion reflects San Diego's mild climate where heat pump efficiency is high.

As of May 2026, no statewide appliance ban applies to existing buildings in San Diego County. Bay Area Air Quality Management District rules are Bay Area only; the proposed CARB statewide rule is not finalized; local reach codes apply to new construction only.

x. Potential Centralized Procurement, pursuant to AB 1373

SDCP did not make any changes to its preferred conforming portfolio and contract planning strategy based on centralized procurement of long lead time resources as set forth in D.24-08-064.

xi. Other

SDCP does not have any other proposed activities or potential barriers to report.

B. Disadvantaged Communities (DACs)

SDCP is committed to promoting equity through the services and programs it provides, and as such, "Justice, Equity, Diversity and Inclusion" is one of SDCP's core values. As noted in Section III.D.ii., while SDCP utilizes the statewide assessment tool, CalEnviroScreen 4.0, to identify DACs within its service territory, SDCP also leverages the work of its member agencies in identifying additional Communities of Concern based on local and regional criteria. Communities of Concern have been defined as the top 25 percent scoring areas from

CalEnviroScreen, known as DACs, as well as the additional census tracts identified by the Cities of San Diego and Chula Vista through their Climate Equity Index ("CEI") reports. Specifically, the City of San Diego identified these census tracts as areas with very low, low, and moderate access to opportunity, whereas the City of Chula Vista defined them as the top 25 percent scoring areas within its own analysis. If other member agencies were to identify additional census tracts as the cities of San Diego and Chula Vista have done, SDCP would recognize those designations under the umbrella of "Communities of Concern."

In alignment with this mission to prioritize investment and benefits within Communities of Concern, SDCP developed a strategic plan for customer energy programs, called the Community Power Plan ("CPP"). The CPP provides a decision-making framework to guide SDCP's program and investment strategy for the selection and development of local programs based on community needs and gaps in program offerings. As part of the development of the CPP, SDCP conducted a community needs assessment, partnering with local community-based organizations ("CBOs") to assist in community engagement. SDCP utilized multiple engagement methods, such as listening sessions, a survey instrument, interviews, attendance at community events, and workshops, to gather input from a large cross-section of its residents.

As noted in Section III.D.ii., SDCP is making strides to minimize both direct and indirect impacts to DACs. First, SDCP is substantially reducing its reliance on System Power over the planning period and is committed to aggressive GHG reductions. Additionally, SDCP has an active DAC-GT program, which specifically targets DAC and low-income communities and provides both renewable energy and discounted electric rates. Finally, SDCP's FIT program promotes economic development in DACs by offering bonus pricing per MWh to projects that are sited within a Community of Concern.

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In addition to SDCP's Board, SDCP also has a Community Advisory Committee ("CAC") that hosts public monthly meetings. The CAC includes two representatives from each of the seven communities served by SDCP to ensure that the voices of SDCP's local communities are represented in the Board's decision-making process. The CAC assists with outreach to community members, including those located in DACs by supporting strategic marketing and communications efforts and assisting with implementation of the CPP.

SDCP's Community Clean Energy Grants support projects and programs that create healthier, more sustainable communities in the San Diego region. Grant funding is available through two tracks:

- Clean Energy Infrastructure: This track primarily supports the establishment of clean energy infrastructure within Community Power's service areas, prioritizing communities of concern. When applicable, projects will be strongly encouraged to enroll grant-funded distributed energy resources ("DERs") into Community Power's Virtual Power Plant ("VPP").
- Clean Energy Programming: This track primarily supports programs that increase the overall energy literacy of Community Power customers. This can include energy-focused educational programs that encourage clean energy adoption, youth engagement programs and workforce development opportunities that support careers in the clean energy industry.

Grant recipients include nonprofit organizations, public agencies, and higher education institutions that use programs to benefit underserved communities, including residents of DACs. For example, one program delivers climate and energy literacy, career training, and advocacy tools to residents in Communities of Concern. Another will educate 160 underserved youth on solar energy and sustainability through hands-on farming, solar installations, and cultural education in the Tijuana River Valley. A full list of grant recipients is available at: https://sdcommunitypower.org/community-grant-program/.

C. LSEs' Tribal Customers

SDCP, in accordance with guidance provided by the CPUC, did not automatically enroll sovereign tribal nations customers into service during its mass enrollment periods in respect of tribal autonomy. There are currently 17 federally recognized tribes within San Diego County's geographical boundaries, several of which have complex energy needs due to their gaming and hotel operations. Additionally, several tribes have already invested significantly in renewable generation through solar, wind, and battery storage.

SDCP has engaged with the tribes located in the San Diego region since 2021. SDCP participated in tribal En Bancs hosted by the CPUC, presented to the Southern California Tribal Chairman's Association, and attended events, conferences and other tribal gatherings. Further, SDCP has developed a Tribal Electric Service Agreement that will allow tribal nations to enroll in our service and access programs and are currently meeting with tribal staff from several tribes exploring SDCP service options. Additionally, SDREN has a targeted tribal program that has created new avenues for robust tribal engagement. To date, there has not been any specific engagement with the tribes as it relates to the IRP.

D. Procurement Products

SDCP plans to use the following products as part of its conforming portfolio. These products are critical to reduce risk to ratepayers and lower the cost of long-term contracts. Further, some of our customers require Green-e® compliant energy, which requires the purchase of carbon allowances.

Table 12: SDCP's PCP Procurement Products

Product	Description of Product
Prepay Financing	*Bond instrument allowing LSEs to prepay long-term renewable contracts to reduce the cost per MWh of procurement*
Inter-Scheduling Coordinator Trades (ISTS)	*Hedges on the cost of energy to serve load. Used to limit the risk from volatile energy prices*
Carbon Allowances	*Required for certain import products and for any REC used for Green-e® compliance*

E. Commission Direction of Actions

SDCP outlines several recommended actions as a part of its Lessons Learned, Section V, including:

- Explore a database approach to RDT and CSP preparation.
- Fully account for constraints to non-photovoltaic and non-4-hour battery storage projects within CAISO in the IRP process.
- Update the System Power emission factors in the CSP annually (or at least every five years) to reflect the real resource mix of the CAISO grid and the emissions associated with that resource mix.
- Continue to seek enhancements to the transmission upgrade process and reduce interconnection timelines in coordination with CAISO.

In addition, SDCP encourages the Commission, in coordination with the CEC and CAISO, to establish a framework for evaluating and recognizing the impacts of qualifying FTM DERs, including distribution-connected solar, storage, and solar-plus-storage projects, that reduce net system demand and provide planning and reliability benefits. Existing planning and procurement frameworks provide limited ability for these resources to receive recognition for the reliability and load-reduction benefits they may provide, limiting LSEs' ability to procure them for their full system value.

SDCP recommends that the Commission work with the CEC and CAISO to develop transparent criteria through which qualifying FTM DERs can be recognized as load modifiers that reduce net system demand and provide planning and reliability value. Such criteria would improve alignment across demand forecasting, integrated resource planning, transmission planning, and procurement processes while providing LSEs with an additional tool to meet reliability, affordability, and clean energy objectives. SDCP also encourages the Commission to continue evaluating whether existing planning tools and assumptions adequately capture the avoided transmission, distribution, congestion, and reliability benefits of well-sited distributed resources so that distributed and transmission-connected resources can be assessed on a more comparable basis in future planning cycles.

Reliance on System Power

SDCP has plans to reduce reliance on System Power. SDCP has internal goals to be 100 percent renewable by 2035 based on annual accounting. Thus, any emissions from its portfolio beyond 2035 would be from (1) hours not covered by the generation in its portfolio or (2) assigned System Power from the CSP. As can be seen in the CSP, SDCP's reliance on System Power trends down from 2030-2045 with significant net supplies to the system by 2045. However, the CSP assigns a share of non-displaceable System Power to each load serving entity that cannot be adjusted. These result in hours with system emissions even if the net supply from SDCP is negative and thus supplying power to the grid during that hour. These emissions cannot be adjusted no matter how much additional procurement SDCP plans in the RDT and thus CSP portfolio. As emission accounting shifts to hourly, SDCP will work to limit the hours it relies on System Power. However, due to import limits placed on SDCP by CAISO, projects with

overnight profiles (wind, geothermal, etc.) are severely limited even though SDCP has a desire to procure more.

V. Lessons Learned

First, SDCP in general recognizes the challenges of Energy Division Staff to consolidate and review IRP submissions from all LSEs. However, relying on Excel-based templates leads to (1) a time-consuming process preparing and reviewing submissions, (2) increased likelihood of human errors, and (3) inconsistencies across LSEs. Given that all the baseline portfolio data from each LSE has already been submitted to Energy Division in several other compliance processes, it seems prudent to allow for a database approach to RDT and CSP preparation. This would allow LSEs to either enter IRP-related additional contracts into a database or download a pre-populated RDT/CSP from the database to begin preparation. This would significantly improve the reliability of the data and save LSE and Staff time with the documents.

Second, the current IRP process does not seem to fully account for constraints to non-photovoltaic and non-4-hour battery storage projects within CAISO. Almost every sample conforming portfolio assumes a massive build out of in-state wind, offshore wind, and long-duration storage. While some of those may materialize post 2035, there is little actually planned before then that is not already under contract or under exclusivity with other LSEs. Additionally, absent CAISO buildouts, the planning process currently assumes no functional limits on the amount individual LSEs can procure from wind and geothermal resources outside of CAISO. In reality, each LSE has a firm import right limit and an even smaller limit on the amount it can lock in long-term under PPAs. These limits, without a massive policy shift in import right allocations by CAISO, will severely limit the amount each LSE can functionally procure. This will lead to conforming portfolios that overly rely on solar photovoltaic projects to meet the

emissions limits. This is not due to LSEs wanting to overbuild photovoltaics, but due to import limits and lack of in-state options for wind and geothermal.

Third, SDCP strongly encourages Energy Division Staff to update the System Power emission factors in the CSP. SDCP understands that the emission factor is needed (even if inaccurate for the 2026 grid let alone the 2045 grid) to signal procurement needs for retail suppliers. However, there are several other CPUC forums where it may be more appropriate to signal procurement needs such as the MTR orders. The current CSP emission values came from CARB around 2008 and no longer reflect the emissions from System Power on an increasingly renewable grid. Moreover, the emission intensities barely shift from 2028 to 2045 although the grid is supposed to move to carbon free during that time. The artificially high System Power emission intensity leads to several outcomes that could harm the state's ability to meet its policy goals:

(1) When LSEs pivot to hourly emissions accounting, an artificially high emissions intensity for System Power will force LSEs to over procure solar and battery resources to meet overnight shortfalls (or include resources in their IRP plans that help with emissions but are unrealistic in practice and unlikely to be developed in CAISO).
(2) Resources will then be spent on such over procurement instead of being used to lower rates.

SDCP would encourage the System Power emission intensity to be updated annually (or at least every five years) to reflect the real resource mix of the CAISO grid and the emissions associated with that resource mix. At a minimum, if artificially high emission factors are kept in the CSP to signal to retail suppliers what they need to procure, the emission factor for System Power should be reviewed and adjusted for annual power source disclosure and power content label reporting.

Finally, SDCP wants to stress the importance of transmission upgrades in the ability to timely bring on assets required to achieve state policy goals. Interconnection timelines have continued to lengthen, which risks the viability of many projects that rely on resource adequacy revenue streams to be viable. Non-IOU LSEs have no control over those processes and there is a lot of risk in delays for interconnection of renewables and for resources needed for reliability that could impact the portfolios submitted.

Glossary of Terms

Alternative Portfolio: *LSEs are permitted to submit "Alternative Portfolios" developed from scenarios using different assumptions from those used in the Preferred System Plan with updates. Any deviations from the "Conforming Portfolio" must be explained and justified.*

Approve (Plan)*: the CPUC's obligation to approve an LSE's integrated resource plan derives from Public Utilities Code Section 454.52(b)(2) and the procurement planning process described in Public Utilities Code Section 454.5, in addition to the CPUC obligation to ensure safe and reliable service at just and reasonable rates under Public Utilities Code Section 451.*

Balancing Authority Area (CAISO): *the collection of generation, transmission, and loads within the metered boundaries of the Balancing Authority. The Balancing Authority maintains load-resource balance within this area.*

Baseline resources: *Those resources assumed to be fixed as a capacity expansion model input, as opposed to Candidate resources, which are selected by the model and are incremental to the Baseline. Baseline resources are existing (already online) or owned or contracted to come online within the planning horizon. Existing resources with announced retirements are excluded from the Baseline for the applicable years. Being "contracted" refers to a resource holding signed contracts with LSEs for much of its energy and capacity, as applicable, for a significant portion of its useful life. The contracts refer to those approved by the CPUC and/or the LSE's governing board, as applicable. These criteria indicate the resource is relatively certain to come online. Baseline resources that are not online at the time of modeling may have a failure rate applied to their nameplate capacity to allow for the risk of them failing to come online.*

Candidate resource: *those resources, such as renewables, energy storage, natural gas generation, and demand response, available for selection in IRP capacity expansion modeling, incremental to the Baseline resources.*

Capacity Expansion Model: *a capacity expansion model is a computer model that simulates generation and transmission investment to meet forecasted electric load over many years, usually with the objective of minimizing the total cost of owning and operating the electrical system. Capacity expansion models can also be configured to only allow solutions that meet specific requirements, such as providing a minimum amount of capacity to ensure the reliability of the system or maintaining greenhouse gas emissions below an established level.*

Certify (a Community Choice Aggregator Plan)*: Public Utilities Code Section 454.52(b)(3) requires the CPUC to certify the integrated resource plans of CCAs. "Certify" requires a formal act of the Commission to determine that the CCA's Plan complies with the requirements of the statute and the process established via Public Utilities Code 454.51(a). In addition, the Commission must review the CCA Plans to determine any potential impacts on public utility bundled customers under Public Utilities Code Sections 451 and 454, among others.*

Clean System Power (CSP) methodology*: the methodology used to estimate GHG and criteria pollutant emissions associated with an LSE's Portfolio based on how the LSE will expect to rely on System Power on an hourly basis.*

Community Choice Aggregator*: a governmental entity formed by a city or county to procure electricity for its residents, businesses, and municipal facilities.*

Conforming Portfolio*: the LSE portfolio that conforms to IRP Planning Standards, the 2045 LSE-specific GHG Emissions Benchmark, use of the LSE's assigned load forecast, use of inputs and assumptions matching those used in developing the Reference System Portfolio, as well as other IRP requirements including the filing of a complete Narrative Template, a Resource Data Template and Clean System Power Calculator.*

Effective Load Carrying Capacity*: a percentage that expresses how well a resource is able to avoid loss-of-load events (considering availability and use limitations). The percentage is relative to a reference resource, for example a resource that is always available with no use limitations. It is calculated via probabilistic reliability modeling, and yields a single percentage value for a given resource or grouping of resources.*

Effective Megawatts (MW): *perfect capacity equivalent MW, such as the MW calculated by applying an ELCC % multiplier to nameplate MW.*

Electric Service Provider*: an entity that offers electric service to a retail or end-use customer, but which does not fall within the definition of an electrical corporation under Public Utilities Code Section 218.*

Filing Entity*: an entity required by statute to file an integrated resource plan with CPUC.*

Future*: a set of assumptions about future conditions, such as load or gas prices.*

GHG Benchmark (or LSE-specific 2045 GHG Benchmark)*: the mass-based GHG emission planning targets calculated by staff for each LSE based on the methodology established*

by the California Air Resources Board and required for use in LSE Portfolio development in IRP.

GHG Planning Price: *the systemwide marginal GHG abatement cost associated with achieving a specific electric sector GHG planning target.*

Integrated Resources Planning Standards (Planning Standards)*: the set of CPUC IRP rules, guidelines, formulas and metrics that LSEs must include in their LSE Plans.*

Integrated Resource Planning (IRP) process*: integrated resource planning process; the repeating cycle through which integrated resource plans are prepared, submitted, and reviewed by the CPUC*

Long-term*: more than 5 years unless otherwise specified.*

Load-Serving Entity*: an electrical corporation, electric service provider, community choice aggregator, or electric cooperative.*

Load-Serving Entity (LSE) Plan*: an LSE's integrated resource plan; the full set of documents and information submitted by an LSE to the CPUC as part of the IRP process.*

Load-Serving Entity (LSE) Portfolio*: a set of supply- and/or demand-side resources with certain attributes that together serve the LSE's assigned load over the IRP planning horizon.*

Loss of Load Expectation (LOLE): *a metric that quantifies the expected frequency of loss-of-load events per year. Loss-of-load is any instance where available generating capacity is insufficient to serve electric demand. If one or more instances of loss-of-load occurring within*

the same day regardless of duration are counted as one loss-of-load event, then the LOLE metric can be compared to a reference point such as the industry probabilistic reliability standard of "one expected day in 10 years," i.e. an LOLE of 0.1.

Maximum Import Capability: a California ISO metric that represents a quantity in MWs of imports determined by the CAISO to be simultaneously deliverable to the aggregate of load in the ISO's Balancing Authority (BAA) Area and thus eligible for use in the Resource Adequacy process. The California ISO assesses a MIC MW value for each intertie into the ISO's BAA and allocated yearly to the LSEs. A LSE's RA import showings are limited to its share of the MIC at each intertie.

Net Qualifying Capacity (NQC): *Qualifying Capacity reduced, as applicable, based on: (1) testing and verification; (2) application of performance criteria; and (3) deliverability restrictions. The Net Qualifying Capacity determination shall be made by the California ISO pursuant to the provisions of this California ISO Tariff and the applicable Business Practice Manual.*

Non-modeled costs*: embedded fixed costs in today's energy system (e.g., existing distribution revenue requirement, existing transmission revenue requirement, and energy efficiency program cost).*

Nonstandard LSE Plan*: type of integrated resource plan that an LSE may be eligible to file if it serves load outside the CAISO balancing authority area.*

Optimization*: an exercise undertaken in the CPUC's Integrated Resource Planning (IRP) process using a capacity expansion model to identify a least-cost portfolio of electricity*

resources for meeting specific policy constraints, such as GHG reduction or RPS targets, while maintaining reliability given a set of assumptions about the future. Optimization in IRP considers resources assumed to be online over the planning horizon (baseline resources), some of which the model may choose not to retain, and additional resources (candidate resources) that the model is able to select to meet future grid needs.

Planned resource: *any resource included in an LSE portfolio, whether already online or not, that is yet to be procured. Relating this to capacity expansion modeling terms, planned resources can be baseline resources (needing contract renewal, or currently owned/contracted by another LSE), candidate resources, or possibly resources that were not considered by the modeling, e.g., due to the passage of time between the modeling taking place and LSEs developing their plans. Planned resources can be specific (e.g., with a CAISO ID) or generic, with only the type, size and some geographic information identified.*

Qualifying capacity*: the maximum amount of Resource Adequacy Benefits a generating facility could provide before an assessment of its net qualifying capacity.*

Preferred Conforming Portfolio*: the conforming portfolio preferred by an LSE as the most suitable to its own needs; submitted to CPUC for review as one element of the LSE's overall IRP plan.*

Preferred System Plan: *the CPUC's integrated resource plan composed of both the aggregation of LSE portfolios (i.e., Preferred System Portfolio) and the set of actions necessary to implement that portfolio (i.e., Preferred System Action Plan).*

Preferred System Portfolio: *the combined portfolios of individual LSEs within the CAISO, aggregated, reviewed and possibly modified by CPUC staff as a proposal to the CPUC, and adopted by the CPUC as most responsive to statutory requirements per Pub. Util. Code 454.51; part of the Preferred System Plan.*

Short-term*: 1 to 3 years (unless otherwise specified).*

Staff*: CPUC Energy Division staff (unless otherwise specified).*

Standard LSE Plan*: type of integrated resource plan that an LSE is required to file if it serves load within the CAISO balancing authority area (unless the LSE demonstrates exemption from the IRP process).*

Transmission Planning Process (TPP)*: process conducted by the California Independent System Operator (CAISO) to identify potential transmission system limitations and areas that need reinforcements over 10-year and 15-year horizons.*

Resource Data Template ("RDT")

RDT Certification Form – Verification Declaration

Load Serving Entity Full Name:	San Diego Community Power
Load Serving Entity Abbreviation:	SDCP
Submission Type:	IRP Biennial Filing
Date of Filing:	8/10/2026

Note: Consistent with Rules 1.1 & 1.11 of the CPUC's Rules of Practice and Procedure, this Procurement Showing has been verified by an officer of the corporation or organization, who expressly certifies, under penalty of perjury, the following:

1. I have responsibility for the activities reflected in this showing;
2. I have reviewed, or have caused to be reviewed, this showing;
3. Based on my knowledge, information, or belief, this filing does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made;
4. Based on my knowledge, information, or belief, this filing contains all of the information required to be provided by CPUC orders, rules, and regulations.

LSE Officer

Title:	Chief Commercial Officer
Name:	Gordon Samuel
Email:	gsamuel@sdcommunitypower.org
Phone:	619-657-0407
Signature:	/s/ Gordon Samuel

Backup Contact Information

Title:	Power Contracts & Compliance Manager
Name:	Erin Pennell
Email:	epennell@sdcommunitypower.org
Phone:	619-732-4677
Signature:	/s/ Erin Pennell

Load Serving Entity Information

LSE Address Line 1:	PO Box 12716
LSE Address Line 2:	
LSE City:	San Diego
LSE State:	CA
LSE Zip:	92112

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SDCP_2822_Viking_Storage 2	VIKING_2_VCBBT1	Vikings	Online	1825	COACHELV_2_N101		
SDCP_2822_Viking_DCR	VIKING_2_VCBBT1	Vikings	Online	1825	COACHELV_2_N101		
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SDGE_Development_Battery_2	_NEW_GENERIC_BATTERY_STORAGE	CAM	Online				
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AES - Baldy_5563_July_Dec					NotHybrid		
AES - McFarland_5565_June_Dec					NotHybrid		
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Tecolote_5233_SDCP_June_Dec					NotHybrid		
MSCG Bridge					NotHybrid		
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SDCP_5000_Arrowleaf_Storage					NewSolarNewStorage	NO	
SDCP_Intersect_Darden_Solar					NewSolarNewStorage		
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SDCP_5149_ESS_MesaHeights					NotHybrid	YES	
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Clines Corners_3820_SDCP							
Tecolote_3821_SDCP 1							
Tecolote_3821_SDCP 2							
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AES - McFarland_5565_June_Dec							
Duranmesa_5230_SDCP							
Clines Corners_5229_SDCP							
Tecolote_5233_SDCP_June_Dec							
MSCG Bridge							
SDCP_5000_Arrowleaf_Solar				Axis	Li	140	
SDCP_5000_Arrowleaf_Storage				Axis	Li	140	
SDCP_Intersect_Darden_Solar				Axis	Li	4600	
SDCP_Intersect_Darden_Storage				Axis	Li	4600	
SDCP_5461_SBE_Athos					Li	1600	
SDCP_5149_ESS_MesaHeights					Li	4	
SDCP_Wellhead_NJEC					Li	200	
SDCP_Wellhead_CVEC2					Li	198.8	
SDGE_Online_Battery					Li		
SDGE_Development_Battery_1					Li		
SDGE_Development_Battery_2					Li		
SDGE_Online_Peaker_1							
SDGE_Online_Peaker_2							
SDGE_Online_CHP_1							
SDGE_Online_CHP_2							
SDGE_Online_DR							

lse_unique_contract_id	viability_cod_reasonableness	viability_technical_feasibility	viability_financing_sitecontrol	resource_mix	cam_d1911016_vamo_ghg	buy_sell_own	counterparty	generator_supplier	developer_name
SDCP_2822_Viking_Solar	[redacted]					Buy	non-LSE supplier		
SDCP_2822_Viking_Storage 1						Buy	non-LSE supplier		
SDCP_2822_Viking_Storage 2						Buy	non-LSE supplier		
SDCP_2822_Viking_DCR						Buy	non-LSE supplier		
SDCP_2990_JVR_Solar						Buy	non-LSE supplier		
SDCP_2990_JVR_Storage						Buy	non-LSE supplier		
Duranmesa_3819_SDCP						Buy	non-LSE supplier		
Clines Corners_3820_SDCP						Buy	non-LSE supplier		
Tecolote_3821_SDCP 1						Buy	non-LSE supplier		
Tecolote_3821_SDCP 2						Buy	non-LSE supplier		
SDCP_5009_YellowPine_Solar						Buy	non-LSE supplier		
SDCP_5009_YellowPine_Storage						Buy	non-LSE supplier		
SDCP_5216_DesertSands						Buy	non-LSE supplier		
SDCP_5431_5432_Arevon_Avocet						Buy	non-LSE supplier		
SDCP_5437_5438_Ormat_Pomona2						Buy	non-LSE supplier		
SDCP_5238_Pattern_Sunzia_North						Buy	non-LSE supplier		
SDCP_5238_Pattern_Sunzia_South						Buy	non-LSE supplier		
SDCP_5469_Pattern_Duran Mesa LT RA						Buy	non-LSE supplier		
SDCP_5455_5457_SBE_Pelicans Jaw_Solar						Buy	non-LSE supplier		
SDCP_5455_5457_SBE_Pelicans Jaw_Storage						Buy	non-LSE supplier		
SDCP_5455_5457_SBE_Pelicans Jaw_Storage_Sell						Sell	San Jose Clean Energy		
SDCP_5489_5491_Noble Solar_Purple Sage_Solar						Buy	non-LSE supplier		
SDCP_5489_5491_Noble Solar_Purple Sage_Storage						Buy	non-LSE supplier		
SDCP_5402_5405_Core_Vidal_Solar						Buy	non-LSE supplier		
SDCP_5402_5405_Core_Vidal_Storage						Buy	non-LSE supplier		
SDCP_Aypa_Euismod LDS						Buy	non-LSE supplier		
AES - Raceway_5564_June_Dec						Buy	non-LSE supplier		
AES - Baldy_5563_July_Dec						Buy	non-LSE supplier		
AES - McFarland_5565_June_Dec						Buy	non-LSE supplier		
Duranmesa_5230_SDCP						Buy	non-LSE supplier		
Clines Corners_5229_SDCP						Buy	non-LSE supplier		
Tecolote_5233_SDCP_June_Dec						Buy	non-LSE supplier		
MSCG Bridge				hydro, biomass, wind] unspecified		Buy	non-LSE supplier		
SDCP_5000_Arrowleaf_Solar						Buy	non-LSE supplier		
SDCP_5000_Arrowleaf_Storage						Buy	non-LSE supplier		
SDCP_Intersect_Darden_Solar						Buy	non-LSE supplier		
SDCP_Intersect_Darden_Storage						Buy	non-LSE supplier		
SDCP_5461_SBE_Athos						Buy	non-LSE supplier		
SDCP_5149_ESS_MesaHeights						Buy	non-LSE supplier		
SDCP_Wellhead_NJEC						Buy	non-LSE supplier		
SDCP_Wellhead_CVEC2						Buy	non-LSE supplier		
SDGE_Online_Battery					CAM	Buy	San Diego Gas & Electric		
SDGE_Development_Battery_1					CAM	Buy	San Diego Gas & Electric		
SDGE_Development_Battery_2					CAM	Buy	San Diego Gas & Electric		
SDGE_Online_Peaker_1					CAM	Buy	San Diego Gas & Electric		
SDGE_Online_Peaker_2					CAM	Buy	San Diego Gas & Electric		
SDGE_Online_CHP_1					CAM	Buy	San Diego Gas & Electric		
SDGE_Online_CHP_2					CAM	Buy	San Diego Gas & Electric		
SDGE_Online_DR					CAM	Buy	San Diego Gas & Electric		

lse_unique_contract_id	capacity_area	capacity_sub_area	cpuc_approval_ref	county	COD_year	COD_month	COD_day	contract_start_date_year	contract_start_date_month	contract_start_date_day	contract_end_date_year
SDCP_2822_Viking_Solar	SCE			SanDiegoCounty							
SDCP_2822_Viking_Storage 1	SCE			SanDiegoCounty							
SDCP_2822_Viking_Storage 2	SCE			SanDiegoCounty							
SDCP_2822_Viking_DCR	SCE			SanDiegoCounty							
SDCP_2990_JVR_Solar	SanDiegoImperialValley			SanDiegoCounty							
SDCP_2990_JVR_Storage	SanDiegoImperialValley			SanDiegoCounty							
Duranmesa_3819_SDCP				NewMexico							
Clines Corners_3820_SDCP				NewMexico							
Tecolote_3821_SDCP 1				NewMexico							
Tecolote_3821_SDCP 2				NewMexico							
SDCP_5009_YellowPine_Solar	NEVP			NevadaCounty							
SDCP_5009_YellowPine_Storage	NEVP			NevadaCounty							
SDCP_5216_DesertSands	SCE			RiversideCounty							
SDCP_5431_5432_Arevon_Avocet	SCE			LosAngelesCounty							
SDCP_5437_5438_Ormat_Pomona2	SCE			LosAngelesCounty							
SDCP_5238_Pattern_Sunzia_North	PNM			NewMexico							
SDCP_5238_Pattern_Sunzia_South	PNM			NewMexico							
SDCP_5469_Pattern_Duran Mesa LT RA	PNM	No_sub_area		NewMexico							
SDCP_5455_5457_SBE_Pelicans Jaw_Solar	Kern	Kern Westpark		KernCounty							
SDCP_5455_5457_SBE_Pelicans Jaw_Storage	Kern	Kern Westpark		KernCounty							
SDCP_5455_5457_SBE_Pelicans Jaw_Storage_Sell	Kern	Kern Westpark		KernCounty							
SDCP_5489_5491_Noble Solar_Purple Sage_Solar	GRIDW	No_sub_area		Nevada							
SDCP_5489_5491_Noble Solar_Purple Sage_Storage	GRIDW	No_sub_area		Nevada							
SDCP_5402_5405_Core_Vidal_Solar	LABasin	LA Basin Eastern		SanBernardinoCounty							
SDCP_5402_5405_Core_Vidal_Storage	LABasin	LA Basin Eastern		SanBernardinoCounty							
SDCP_Aypa_Euismod LDS	Kern	NO_SUB_AREA		KernCounty							
AES - Raceway_5564_June_Dec				LosAngelesCounty							
AES - Baldy_5563_July_Dec				LosAngelesCounty							
AES - McFarland_5565_June_Dec				Arizona							
Duranmesa_5230_SDCP				NewMexico							
Clines Corners_5229_SDCP				NewMexico							
Tecolote_5233_SDCP_June_Dec				NewMexico							
MSCG Bridge											
SDCP_5000_Arrowleaf_Solar	IID			ImperialCounty							
SDCP_5000_Arrowleaf_Storage	IID			ImperialCounty							
SDCP_Intersect_Darden_Solar	GreaterFresno	Greater Fresno Coalinga		FresnoCounty							
SDCP_Intersect_Darden_Storage	GreaterFresno	Greater Fresno Coalinga		FresnoCounty							
SDCP_5461_SBE_Athos	SCE	LA Basin Eastern		RiversideCounty							
SDCP_5149_ESS_MesaHeights	SanDiegoImperialValley			SanDiegoCounty							
SDCP_Wellhead_NJEC	SanDiegoImperialValley			SanDiegoCounty							
SDCP_Wellhead_CVEC2	SanDiegoImperialValley			SanDiegoCounty							
SDGE_Online_Battery											
SDGE_Development_Battery_1											
SDGE_Development_Battery_2											
SDGE_Online_Peaker_1											
SDGE_Online_Peaker_2											
SDGE_Online_CHP_1											
SDGE_Online_CHP_2											
SDGE_Online_DR											

lse_unique_contract_id	contract_end_date_month	contract_end_date_day	contract_execution_date_year	contract_execution_date_month	contract_execution_date_day	contract_type	contract_price	contract_price_unit	tx_upgrades	tx_upgrade_date_year
SDCP_2822_Viking_Solar	[redacted]									
SDCP_2822_Viking_Storage 1										
SDCP_2822_Viking_Storage 2										
SDCP_2822_Viking_DCR										
SDCP_2990_IVR_Solar										
SDCP_2990_IVR_Storage										
Duranmesa_3819_SDCP										
Clines Corners_3820_SDCP										
Tecolote_3821_SDCP 1										
Tecolote_3821_SDCP 2										
SDCP_5009_YellowPine_Solar									YES	2027
SDCP_5009_YellowPine_Storage									YES	2027
SDCP_5216_DesertSands									YES	2027
SDCP_5431_5432_Arevon_Avocet										
SDCP_5437_5438_Ormat_Pomona2										
SDCP_5238_Pattern_Sunzia_North										
SDCP_5238_Pattern_Sunzia_South										
SDCP_5469_Pattern_Duran Mesa LT RA										
SDCP_5455_5457_SBE_Pelicans Jaw_Solar										
SDCP_5455_5457_SBE_Pelicans Jaw_Storage										
SDCP_5455_5457_SBE_Pelicans Jaw_Storage_Sell										
SDCP_5489_5491_Noble Solar_Purple Sage_Solar									YES	2027
SDCP_5489_5491_Noble Solar_Purple Sage_Storage									YES	2027
SDCP_5402_5405_Core_Vidal_Solar										
SDCP_5402_5405_Core_Vidal_Storage										
SDCP_Aypa_Euismod LDS										
AES - Raceway_5564_June_Dec										
AES - Baldy_5563_July_Dec										
AES - McFarland_5565_June_Dec										
Duranmesa_5230_SDCP										
Clines Corners_5229_SDCP										
Tecolote_5233_SDCP_June_Dec										
MSCG Bridge										
SDCP_5000_Arrowleaf_Solar										
SDCP_5000_Arrowleaf_Storage										
SDCP_Intersect_Darden_Solar										
SDCP_Intersect_Darden_Storage										
SDCP_5461_SBE_Athos										
SDCP_5149_ESS_MesaHeights										
SDCP_Wellhead_NJEC										
SDCP_Wellhead_CVEC2										
SDGE_Online_Battery										
SDGE_Development_Battery_1										
SDGE_Development_Battery_2										
SDGE_Online_Peaker_1										
SDGE_Online_Peaker_2										
SDGE_Online_CHP_1										
SDGE_Online_CHP_2										
SDGE_Online_DR										

lse_unique_contract_id	tx_upgrade_date_month	tx_upgrade_date_day	tx_upgrade_description	d2106035_procurement_cat	mtr_tranche1_NQC	mtr_tranche2_NQC	mtr_tranche3_NQC	mtr_tranche4_NQC	mtr_tranche5_NQC	mtr_tranche6_NQC
SDCP_2822_Viking_Solar				general	[redacted]					
SDCP_2822_Viking_Storage 1				general						
SDCP_2822_Viking_Storage 2				general						
SDCP_2822_Viking_DCR				ZE_gen_paired_dr						
SDCP_2990_JVR_Solar				general						
SDCP_2990_JVR_Storage				general						
Duranmesa_3819_SDCP				general						
Clines Corners_3820_SDCP				general						
Tecolote_3821_SDCP 1				general						
Tecolote_3821_SDCP 2				general						
SDCP_5009_YellowPine_Solar	3	1	Lugo – Victorville 500 kV	general						
SDCP_5009_YellowPine_Storage	3	1	Lugo – Victorville 500 kV	general						
SDCP_5216_DesertSands	3	1	Lugo – Victorville 500 kV	long_duration_storage						
SDCP_5431_5432_Arevon_Avocet				general						
SDCP_5437_5438_Ormat_Pomona2				general						
SDCP_5238_Pattern_Sunzia_North				general						
SDCP_5238_Pattern_Sunzia_South				general						
SDCP_5469_Pattern_Duran Mesa LT RA				general						
SDCP_5455_5457_SBE_Pelicans Jaw_Solar				general						
SDCP_5455_5457_SBE_Pelicans Jaw_Storage				general						
SDCP_5455_5457_SBE_Pelicans Jaw_Storage_Sell				general						
SDCP_5489_5491_Noble Solar_Purple Sage_Solar	3	1	Lugo – Victorville 500 kV	general						
SDCP_5489_5491_Noble Solar_Purple Sage_Storage	3	1	Lugo – Victorville 500 kV	general						
SDCP_5402_5405_Core_Vidal_Solar				general						
SDCP_5402_5405_Core_Vidal_Storage				general						
SDCP_Aypa_Euismod LDS				long_duration_storage						
AES - Raceway_5564_June_Dec				general						
AES - Baldy_5563_July_Dec				general						
AES - McFarland_5565_June_Dec				general						
Duranmesa_5230_SDCP				general						
Clines Corners_5229_SDCP				general						
Tecolote_5233_SDCP_June_Dec				general						
MSCG Bridge				general						
SDCP_5000_Arrowleaf_Solar				general						
SDCP_5000_Arrowleaf_Storage				general						
SDCP_Intersect_Darden_Solar				general						
SDCP_Intersect_Darden_Storage				general						
SDCP_5461_SBE_Athos				general						
SDCP_5149_ESS_MesaHeights				general						
SDCP_Wellhead_NJEC				general						
SDCP_Wellhead_CVEC2				general						
SDGE_Online_Battery	NA									
SDGE_Development_Battery_1	NA									
SDGE_Development_Battery_2	NA									
SDGE_Online_Peaker_1	NA									
SDGE_Online_Peaker_2	NA									
SDGE_Online_CHP_1	NA									
SDGE_Online_CHP_2	NA									
SDGE_Online_DR	NA									

lse_unique_contract_id	mtr_NQC_ZE_gen_paired_dr	mtr_tranche7_NQC	mtr_tranche8_NQC	mtr_tranche9_NQC	mtr_bridge_to	contract_RA_compliant	engineering_assement_included	capacity_factor
SDCP_2822_Viking_Solar	[redacted]							
SDCP_2822_Viking_Storage 1								
SDCP_2822_Viking_Storage 2								
SDCP_2822_Viking_DCR								
SDCP_2990_JVR_Solar						YES		
SDCP_2990_JVR_Storage						YES		
Duranmesa_3819_SDCP					SDCP_2822_Vikings			
Clines Corners_3820_SDCP					SDCP_2822_Vikings			
Tecolote_3821_SDCP 1					SDCP_2822_Vikings			
Tecolote_3821_SDCP 2					SDCP_2990_JVR			
SDCP_5009_YellowPine_Solar						YES		
SDCP_5009_YellowPine_Storage						YES		
SDCP_5216_DesertSands								
SDCP_5431_5432_Arevon_Avocet								
SDCP_5437_5438_Ormat_Pomona2								
SDCP_5238_Pattern_Sunzia_North								
SDCP_5238_Pattern_Sunzia_South								
SDCP_5469_Pattern_Duran Mesa LT RA								
SDCP_5455_5457_SBE_Pelicans Jaw_Solar								
SDCP_5455_5457_SBE_Pelicans Jaw_Storage								
SDCP_5455_5457_SBE_Pelicans Jaw_Storage_Sell								
SDCP_5489_5491_Noble Solar_Purple Sage_Solar								
SDCP_5489_5491_Noble Solar_Purple Sage_Storage								
SDCP_5402_5405_Core_Vidal_Solar								
SDCP_5402_5405_Core_Vidal_Storage								
SDCP_Aypa_Euismod LDS								
AES - Raceway_5564_June_Dec					SDCP_2990_JVR			
AES - Baldy_5563_July_Dec					SDCP_2990_JVR			
AES - McFarland_5565_June_Dec					SDCP_2990_JVR			
Duranmesa_5230_SDCP					Substitute			
Clines Corners_5229_SDCP					Substitute			
Tecolote_5233_SDCP_June_Dec					SDCP_2990_JVR			
MSCG Bridge					SDCP_5009_YellowPine			
SDCP_5000_Arrowleaf_Solar								
SDCP_5000_Arrowleaf_Storage								
SDCP_Intersect_Darden_Solar								
SDCP_Intersect_Darden_Storage								
SDCP_5461_SBE_Athos								
SDCP_5149_ESS_MesaHeights								
SDCP_Wellhead_NJEC								
SDCP_Wellhead_CVEC2								
SDGE_Online_Battery								
SDGE_Development_Battery_1								
SDGE_Development_Battery_2								
SDGE_Online_Peaker_1								
SDGE_Online_Peaker_2								
SDGE_Online_CHP_1								
SDGE_Online_CHP_2								
SDGE_Online_DR								

lse_unique_contract_id	contract_changed	previous_COD_year	previous_COD_month	previous_COD_day	remediation_plan	signed_contract	notice_to_proceed	public_contract	buying_energy_capacity	NQC_reporting_source
SDCP_2822_Viking_Solar	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	ES		No	EnergyCapacity	In the contract
SDCP_2822_Viking_Storage 1						ES		No	EnergyCapacity	In the contract
SDCP_2822_Viking_Storage 2						ES		No	EnergyCapacity	In the contract
SDCP_2822_Viking_DCR						ES		No	EnergyCapacity	In the contract
SDCP_2990_JVR_Solar						ES		No	EnergyCapacity	In the contract
SDCP_2990_JVR_Storage						ES		No	EnergyCapacity	In the contract
Duranmesa_3819_SDCP						ES		No	EnergyCapacity	In the contract
Clines Corners_3820_SDCP						ES		No	CapacityOnly	In the contract
Tecolote_3821_SDCP 1						ES		No	CapacityOnly	In the contract
Tecolote_3821_SDCP 2						ES		No	CapacityOnly	In the contract
SDCP_5009_YellowPine_Solar						ES		No	EnergyCapacity	In the contract
SDCP_5009_YellowPine_Storage						ES		No	EnergyCapacity	In the contract
SDCP_5216_DesertSands						ES		No	CapacityOnly	In the contract
SDCP_5431_5432_Arevon_Avocet						ES		No	EnergyCapacity	In the contract
SDCP_5437_5438_Ormat_Pomona2						ES		No	EnergyCapacity	In the contract
SDCP_5238_Pattern_Sunzia_North						ES		No	EnergyCapacity	In the contract
SDCP_5238_Pattern_Sunzia_South						ES		No	EnergyCapacity	In the contract
SDCP_5469_Pattern_Duran Mesa LT RA						ES		No	CapacityOnly	In the contract
SDCP_5455_5457_SBE_Pelicans Jaw_Solar						ES		No	EnergyCapacity	In the contract
SDCP_5455_5457_SBE_Pelicans Jaw_Storage						ES		No	EnergyCapacity	In the contract
SDCP_5455_5457_SBE_Pelicans Jaw_Storage_Sell						ES		No	EnergyCapacity	In the contract
SDCP_5489_5491_Noble Solar_Purple Sage_Solar						ES		No	EnergyCapacity	In the contract
SDCP_5489_5491_Noble Solar_Purple Sage_Storage						ES		No	EnergyCapacity	In the contract
SDCP_5402_5405_Core_Vidal_Solar						ES		No	EnergyCapacity	In the contract
SDCP_5402_5405_Core_Vidal_Storage						ES		No	EnergyCapacity	In the contract
SDCP_Aypa_Euismod LDS						ES		No	EnergyCapacity	In the contract
AES - Raceway_5564_June_Dec						ES		No	CapacityOnly	In the contract
AES - Baldy_5563_July_Dec						ES		No	CapacityOnly	In the contract
AES - McFarland_5565_June_Dec						ES		No	CapacityOnly	In the contract
Duranmesa_5230_SDCP						ES		No	CapacityOnly	In the contract
Clines Corners_5229_SDCP						ES		No	CapacityOnly	In the contract
Tecolote_5233_SDCP_June_Dec						ES		No	CapacityOnly	In the contract
MSCG Bridge						ES		No	CapacityOnly	In the contract
SDCP_5000_Arrowleaf_Solar						ES		No	EnergyCapacity	In the contract
SDCP_5000_Arrowleaf_Storage						ES		No	EnergyCapacity	In the contract
SDCP_Intersect_Darden_Solar						ES		No	EnergyCapacity	In the contract
SDCP_Intersect_Darden_Storage						ES		No	EnergyCapacity	In the contract
SDCP_5461_SBE_Athos						ES		No	CapacityOnly	In the contract
SDCP_5149_ESS_MesaHeights						ES		No	CapacityOnly	In the contract
SDCP_Wellhead_NJEC						ES		No	EnergyCapacity	In the contract
SDCP_Wellhead_CVEC2						ES		No	EnergyCapacity	In the contract
SDGE_Online_Battery									EnergyCapacity	
SDGE_Development_Battery_1									EnergyCapacity	
SDGE_Development_Battery_2									EnergyCapacity	
SDGE_Online_Peaker_1									CapacityOnly	
SDGE_Online_Peaker_2									CapacityOnly	
SDGE_Online_CHP_1									CapacityOnly	
SDGE_Online_CHP_2									CapacityOnly	
SDGE_Online_DR									EnergyCapacity	

lse_unique_contract_id	procurement_origin	planned_project_retention_priority	csp_resource_category	csp_annual_2028	csp_annual_2030	csp_annual_2035	csp_annual_2040	csp_annual_2045	macro_supertype	notes
SDCP_2822_Viking_Solar	RPS,RA		Hybrid_or_Paired_Solar_and_Battery (GWh)		338	330	322	0	specifiedimport	
SDCP_2822_Viking_Storage 1	RPS,RA		Battery Storage (MWh Energy Capacity)						physical	
SDCP_2822_Viking_Storage 2	RPS,RA		Battery Storage (MWh Energy Capacity)						physical	
SDCP_2822_Viking_DCR	RPS,RA		NA						physical	
SDCP_2990_IVR_Solar	RPS,RA		Hybrid_or_Paired_Solar_and_Battery (GWh)		281	278	275	271	physical	
SDCP_2990_IVR_Storage	RPS,RA		Battery Storage (MWh Energy Capacity)						physical	
Duranmesa_3819_SDCP	RPS,RA								specifiedimport	
Clines Corners_3820_SDCP	RA								specifiedimport	
Tecolote_3821_SDCP 1	RA								specifiedimport	
Tecolote_3821_SDCP 2	RA								specifiedimport	
SDCP_5009_YellowPine_Solar	RPS, RA		Hybrid_or_Paired_Solar_and_Battery (GWh)		99	96	92.5		physical	
SDCP_5009_YellowPine_Storage	RPS, RA		Battery Storage (MWh Energy Capacity)						physical	
SDCP_5216_DesertSands	RA		Battery Storage (MWh Energy Capacity)		480	480	480		newgeneric	
SDCP_5431_5432_Arevon_Avocet	RA		Battery Storage (MWh Energy Capacity)		800	800			newgeneric	
SDCP_5437_5438_Ormat_Pomona2	RA		Battery Storage (MWh Energy Capacity)		40	40	40		physical	
SDCP_5238_Pattern_Sunzia_North	RPS,RA		Wind New Mexico (GWh)		143	143	143		newgeneric	
SDCP_5238_Pattern_Sunzia_South	RPS,RA		Wind New Mexico (GWh)		331	331	331		newgeneric	
SDCP_5469_Pattern_Duran Mesa LT RA	RA		Battery Storage (MWh Energy Capacity)						specifiedimport	
SDCP_5455_5457_SBE_Pelicans Jaw_Solar	RPS, RA		Hybrid_or_Paired_Solar_and_Battery (GWh)		1179	1147			newgeneric	
SDCP_5455_5457_SBE_Pelicans Jaw_Storage	RPS, RA		Battery Storage (MWh Energy Capacity)						newgeneric	
SDCP_5455_5457_SBE_Pelicans Jaw_Storage_Sell	RA		NA						newgeneric	
SDCP_5489_5491_Noble Solar_Purple Sage_Solar	RPS, RA		Hybrid_or_Paired_Solar_and_Battery (GWh)		1183	1154	1125		newgeneric	
SDCP_5489_5491_Noble Solar_Purple Sage_Storage	RPS, RA		Battery Storage (MWh Energy Capacity)						newgeneric	
SDCP_5402_5405_Core_Vidal_Solar	RPS, RA		Hybrid_or_Paired_Solar_and_Battery (GWh)		438	427	417		newgeneric	
SDCP_5402_5405_Core_Vidal_Storage	RPS, RA		Battery Storage (MWh Energy Capacity)						newgeneric	
SDCP_Aypa_Euismod LDS	RPS, RA		Battery Storage (MWh Energy Capacity)		1600	1600	1600		newgeneric	
AES - Raceway_5564_June_Dec	RA								physical	
AES - Baldy_5563_July_Dec	RA								physical	
AES - McFarland_5565_June_Dec	RA								physical	
Duranmesa_5230_SDCP	RA								specifiedimport	
Clines Corners_5229_SDCP	RA								specifiedimport	
Tecolote_5233_SDCP_June_Dec	RA								specifiedimport	
MSCG Bridge	RPS, RA								unspecifiedimport	
SDCP_5000_Arrowleaf_Solar	RPS, RA		Hybrid_or_Paired_Solar_and_Battery (GWh)		110.949	105.212	99.738		newgeneric	
SDCP_5000_Arrowleaf_Storage	RPS, RA		Battery Storage (MWh Energy Capacity)						newgeneric	
SDCP_Intersect_Darden_Solar	RPS, RA		Hybrid_or_Paired_Solar_and_Battery (GWh)		110.949	105.212	99.738		newgeneric	
SDCP_Intersect_Darden_Storage	RPS, RA		Battery Storage (MWh Energy Capacity)						newgeneric	
SDCP_5461_SBE_Athos	RA		Battery Storage (MWh Energy Capacity)		800	800	800		newgeneric	
SDCP_5149_ESS_MesaHeights	RA		Battery Storage (MWh Energy Capacity)		4	4	4		newgeneric	
SDCP_Wellhead_NJEC	RA		Battery Storage (MWh Energy Capacity)		200	200	200		newgeneric	
SDCP_Wellhead_CVEC2	RA		Battery Storage (MWh Energy Capacity)		198.8	198.8	198.8		newgeneric	
SDGE_Online_Battery	CAM		Battery Storage (MWh Energy Capacity)		132.0336855	132.0336855	132.0336855	132.0336855	existinggeneric	
SDGE_Development_Battery_1	CAM		Battery Storage (MWh Energy Capacity)		451.8486127	451.8486127	451.8486127	451.8486127	newgeneric	
SDGE_Development_Battery_2	CAM		Battery Storage (MWh Energy Capacity)		29.340819	29.340819	29.340819	29.340819	newgeneric	
SDGE_Online_Peaker_1	CAM		NA		0	0	0		existinggeneric	
SDGE_Online_Peaker_2	CAM		NA		0	0	0		existinggeneric	
SDGE_Online_CHP_1	CAM		NA		0	0	0		existinggeneric	
SDGE_Online_CHP_2	CAM		NA		0	0	0		existinggeneric	
SDGE_Online_DR	CAM		Shed DR (MW)		0	0	0		existinggeneric	

lse_unique_contract_id	resource	alternative_resource_name	contract_status	project_interconnection_position	interconnection_substation	marginal_addition	marginal_addition_to
SDCP_4160_SENTNL_2_CTG1	SENTNL_2_CTG1	RA	Online	3	Devers Substation 230kV Bus		
SDCP_4161_WSTWND_2_SBSBT1	_NEW_GENERIC_BATTERY_STORAGE	WSTWND_2_SBSBT1	Development				
SDCP_4162_EDWARD_2_E21SB1	_NEW_GENERIC_BATTERY_STORAGE	EDWARD_2_E21SB1	Development				
SDCP_4162_Ortega Grid Energy Storage	_NEW_GENERIC_BATTERY_STORAGE	Ortega Grid Energy Storage	Development				
SDCP_4164_GATEWY_2_GESBT1	GATEWY_2_GESBT1	RA	Online				
SDCP_4164_JOANEC_2_STABT2	_EXISTING_GENERIC_BATTERY_STORAGE	JOANEC_2_STABT2	Online				
SDCP_4164_KEARNY_6_NESBT1	KEARNY_6_NESBT1	RA	Online				
SDCP_4164_KEARNY_6_SESBT2	KEARNY_6_SESBT2	RA	Online				
SDCP_4164_Bright Canyon Energy Los Alamitos Energy Stor	_NEW_GENERIC_BATTERY_STORAGE	Bright Canyon Energy Los Alamitos Energy Storage	Development				
SDCP_4164_VSTAES_6_VESBT1	VSTAES_6_VESBT1	RA	Online				
SDCP_4165_VLCNTR_6_VCEBT1	VLCNTR_6_VCEBT1	RA	Online				
SDCP_4165_VLCNTR_6_VCEBT2	VLCNTR_6_VCEBT2	RA	Online				
SDCP_2964_Oberon_PCC1_1_SDCP	_NEW_GENERIC_SOLAR_1AXIS	Oberon	Development	1642	Red Bluff Substation 500kV		
SDCP_3838_SCE_PCC1_4_SDCP	_EXISTING_GENERIC_BIOMASS/WOOD	PCC1 Biomass	Online				
SDCP_3973_SDGE_PCC1_2_SDCP	LASSEN_6_UNITS	PCC1 Biomass	Online				
SDCP_3590_DURANMESA_PCC1_LT_1_SDCP	_CREZ_GENERIC_NEW_MEXICO_WIND	Duran Mesa	Online				
VAMO_LT_Solar	_EXISTING_GENERIC_SOLAR_1AXIS	VAMO Solar	Online				
VAMO_LT_Wind	_EXISTING_GENERIC_WIND	VAMO Wind	Online				
SDCP_5010_SDGE_PCC1_PV	_EXISTING_GENERIC_SOLAR_1AXIS	Market Offer PV	Online				
SDCP_5010_SDGE_PCC1_wind	_EXISTING_GENERIC_SOLAR_1AXIS	Market Offer Wind	Online				
SDCP_46659_PGE_PCC1_PV	_EXISTING_GENERIC_SOLAR_1AXIS	Maker Offer PV	Online				
SDCP_46659_PGE_PCC1_wind	_EXISTING_GENERIC_SOLAR_1AXIS	Maker Offer Wind	Online				
IRP_ST RA_Thermal_2026	_EXISTING_GENERIC_COMBINED_CYCLE		Online				
IRP_ST RA_Biogas_2026	_EXISTING_GENERIC_BIOGAS_LANDFILLGAS		Online				
IRP_ST RA_Geo_2026	_EXISTING_GENERIC_GEOTHERMAL		Online				
IRP_ST RA_Hydro_2026	_EXISTING_GENERIC_INSTATE_LARGE_HYDRO		Online				
IRP_ST RA_4hrBESS_2026	_EXISTING_GENERIC_BATTERY_STORAGE		Online				
IRP_ST RA_SolarNorCal_2026	_EXISTING_GENERIC_SOLAR_FIXED		Online				
IRP_ST RA_SolarSocal_2026	_EXISTING_GENERIC_SOLAR_FIXED		Online				
IRP_ST RA_SolarTrackingNorcal_2026	_EXISTING_GENERIC_SOLAR_1AXIS		Online				
IRP_ST RA_SolarTrackingSoCal_2026	_EXISTING_GENERIC_SOLAR_1AXIS		Online				
IRP_ST RA_WindNorCal_2026	_EXISTING_GENERIC_WIND		Online				
IRP_ST RA_WindSoCal_2026	_EXISTING_GENERIC_WIND		Online				
IRP_ST RA_Thermal_2027	_EXISTING_GENERIC_COMBINED_CYCLE		Online				
IRP_ST RA_4hrBESS_2027	_EXISTING_GENERIC_BATTERY_STORAGE		Online				
IRP_ST RA_SolarSocal_2027	_EXISTING_GENERIC_SOLAR_FIXED		Online				
IRP_ST RA_Thermal_2028	_EXISTING_GENERIC_COMBINED_CYCLE		PlannedExisting				
IRP_ST RA_Thermal_2029	_EXISTING_GENERIC_COMBINED_CYCLE		PlannedExisting				
IRP_ST RA_Thermal_2030	_EXISTING_GENERIC_COMBINED_CYCLE		PlannedExisting				
IRP_ST RA_Thermal_2031	_EXISTING_GENERIC_COMBINED_CYCLE		PlannedExisting				
IRP_ST RA_Thermal_2032	_EXISTING_GENERIC_COMBINED_CYCLE		PlannedExisting				
IRP_ST RA_Thermal_2033	_EXISTING_GENERIC_COMBINED_CYCLE		PlannedExisting				
IRP_ST RA_Thermal_2034	_EXISTING_GENERIC_COMBINED_CYCLE		PlannedExisting				
IRP_ST RA_Thermal_2035	_EXISTING_GENERIC_COMBINED_CYCLE		PlannedExisting				
IRP_ST RA_Thermal_2036	_EXISTING_GENERIC_COMBINED_CYCLE		PlannedExisting				
IRP_ST RA_Thermal_2037	_EXISTING_GENERIC_COMBINED_CYCLE		PlannedExisting				
IRP_ST RA_Thermal_2038	_EXISTING_GENERIC_COMBINED_CYCLE		PlannedExisting				
IRP_ST RA_Thermal_2039	_EXISTING_GENERIC_COMBINED_CYCLE		PlannedExisting				
IRP_ST RA_Thermal_2040	_EXISTING_GENERIC_COMBINED_CYCLE		PlannedExisting				
IRP_ST RA_Thermal_2041	_EXISTING_GENERIC_COMBINED_CYCLE		PlannedExisting				

lse_unique_contract_id	total_nameplate_capacity	contracted_nameplate_capacity	sep_contracted_mw_nqc	contract_gwh_annual	is_hybrid_paired	can_charge_from_grid	total_generator_mw
SDCP_4160_SENTNL_2_CTG1	[redacted]	[redacted]	[redacted]	[redacted]	NotHybrid		[redacted]
SDCP_4161_WSTWND_2_SBSBT1					NotHybrid		
SDCP_4162_EDWARD_2_E21SB1					NewSolarNewStorage	NO	
SDCP_4162_Ortega Grid Energy Storage					NotHybrid		
SDCP_4164_GATEWY_2_GESBT1					NotHybrid		
SDCP_4164_JOANEC_2_STABT2					NotHybrid		
SDCP_4164_KEARNY_6_NESBT1					NotHybrid		
SDCP_4164_KEARNY_6_SESBT2					NotHybrid		
SDCP_4164_Bright Canyon Energy Los Alamitos Energy Sto					NotHybrid		
SDCP_4164_VSTAES_6_VESBT1					NotHybrid		
SDCP_4165_VLCNTR_6_VCEBT1					NotHybrid		
SDCP_4165_VLCNTR_6_VCEBT2					NotHybrid		
SDCP_2964_Oberon_PCC1_1_SDCP					NotHybrid		
SDCP_3838_SCE_PCC1_4_SDCP					NotHybrid		
SDCP_3973_SDGE_PCC1_2_SDCP					NotHybrid		
SDCP_3590_DURANMESA_PCC1_LT_1_SDCP					NotHybrid		
VAMO_LT_Solar					NotHybrid		
VAMO_LT_Wind					NotHybrid		
SDCP_5010_SDGE_PCC1_PV					NotHybrid		
SDCP_5010_SDGE_PCC1_wind					NotHybrid		
SDCP_46659_PGE_PCC1_PV					NotHybrid		
SDCP_46659_PGE_PCC1_wind					NotHybrid		
IRP_ST RA_Thermal_2026					NotHybrid		
IRP_ST RA_Biogas_2026					NotHybrid		
IRP_ST RA_Geo_2026					NotHybrid		
IRP_ST RA_Hydro_2026					NotHybrid		
IRP_ST RA_4hrBESS_2026					NotHybrid	YES	
IRP_ST RA_SolarNorCal_2026					NotHybrid		
IRP_ST RA_SolarSocal_2026					NotHybrid		
IRP_ST RA_SolarTrackingNorcal_2026					NotHybrid		
IRP_ST RA_SolarTrackingSoCal_2026					NotHybrid		
IRP_ST RA_WindNorCal_2026					NotHybrid		
IRP_ST RA_WindSoCal_2026					NotHybrid		
IRP_ST RA_Thermal_2027					NotHybrid		
IRP_ST RA_4hrBESS_2027					NotHybrid	YES	
IRP_ST RA_SolarSocal_2027					NotHybrid		
IRP_ST RA_Thermal_2028					NotHybrid		
IRP_ST RA_Thermal_2029					NotHybrid		
IRP_ST RA_Thermal_2030					NotHybrid		
IRP_ST RA_Thermal_2031					NotHybrid		
IRP_ST RA_Thermal_2032					NotHybrid		
IRP_ST RA_Thermal_2033					NotHybrid		
IRP_ST RA_Thermal_2034					NotHybrid		
IRP_ST RA_Thermal_2035					NotHybrid		
IRP_ST RA_Thermal_2036					NotHybrid		
IRP_ST RA_Thermal_2037					NotHybrid		
IRP_ST RA_Thermal_2038					NotHybrid		
IRP_ST RA_Thermal_2039					NotHybrid		
IRP_ST RA_Thermal_2040					NotHybrid		
IRP_ST RA_Thermal_2041					NotHybrid		

lse_unique_contract_id	contracted_generator_mw	total_storage_mw	contracted_storage_mw	solar_technology_sub_type	storage_technology_sub_type	total_storage_depth_mwh	contracted_storage_depth_mwh
SDCP_4160_SENTNL_2_CTG1	[redacted]	[redacted]	[redacted]				[redacted]
SDCP_4161_WSTWND_2_SBSBT1					Li	320	
SDCP_4162_EDWARD_2_E21SB1				Axis	Li	1501	
SDCP_4162_Ortega Grid Energy Storage					Li	40	
SDCP_4164_GATEWY_2_GESBT1					Li	1000	
SDCP_4164_JOANEC_2_STABT2					Li	80	
SDCP_4164_KEARNY_6_NESBT1					Li	40	
SDCP_4164_KEARNY_6_SESBT2					Li	40	
SDCP_4164_Bright Canyon Energy Los Alamitos Energy Stor					Li	80	
SDCP_4164_VSTAES_6_VESBT1					Li	160	
SDCP_4165_VLCNTR_6_VCEBT1					Li	216	
SDCP_4165_VLCNTR_6_VCEBT2					Li	200	
SDCP_2964_Oberon_PCC1_1_SDCP							
SDCP_3838_SCE_PCC1_4_SDCP							
SDCP_3973_SDGE_PCC1_2_SDCP							
SDCP_3590_DURANMESA_PCC1_LT_1_SDCP							
VAMO_LT_Solar							
VAMO_LT_Wind							
SDCP_5010_SDGE_PCC1_PV							
SDCP_5010_SDGE_PCC1_wind							
SDCP_46659_PGE_PCC1_PV							
SDCP_46659_PGE_PCC1_wind							
IRP_ST RA_Thermal_2026							
IRP_ST RA_Biogas_2026							
IRP_ST RA_Geo_2026							
IRP_ST RA_Hydro_2026							
IRP_ST RA_4hrBESS_2026						984.9858357	
IRP_ST RA_SolarNorCal_2026							
IRP_ST RA_SolarSocal_2026							
IRP_ST RA_SolarTrackingNorcal_2026							
IRP_ST RA_SolarTrackingSoCal_2026							
IRP_ST RA_WindNorCal_2026							
IRP_ST RA_WindSoCal_2026							
IRP_ST RA_Thermal_2027							
IRP_ST RA_4hrBESS_2027						791.56	
IRP_ST RA_SolarSocal_2027							
IRP_ST RA_Thermal_2028							
IRP_ST RA_Thermal_2029							
IRP_ST RA_Thermal_2030							
IRP_ST RA_Thermal_2031							
IRP_ST RA_Thermal_2032							
IRP_ST RA_Thermal_2033							
IRP_ST RA_Thermal_2034							
IRP_ST RA_Thermal_2035							
IRP_ST RA_Thermal_2036							
IRP_ST RA_Thermal_2037							
IRP_ST RA_Thermal_2038							
IRP_ST RA_Thermal_2039							
IRP_ST RA_Thermal_2040							
IRP_ST RA_Thermal_2041							

lse_unique_contract_id	viability_cod_reasonableness	viability_technical_feasibility	viability_financing_sitecontrol	resource_mix	cam_d1911016_vamo_gh	buy_sell_own	counterparty	generator_supplier	developer_name
SDCP_4160_SENTNL_2_CTG1	[redacted]					Buy	San Diego Gas & Electric Company		
SDCP_4161_WSTWND_2_SBSBT1						Buy	San Diego Gas & Electric Company		
SDCP_4162_EDWARD_2_E21SB1						Buy	San Diego Gas & Electric Company		
SDCP_4162_Ortega Grid Energy Storage						Buy	San Diego Gas & Electric Company		
SDCP_4164_GATEWY_2_GESBT1						Buy	San Diego Gas & Electric Company		
SDCP_4164_JOANEC_2_STABT2						Buy	San Diego Gas & Electric Company		
SDCP_4164_KEARNY_6_NESBT1						Buy	San Diego Gas & Electric Company		
SDCP_4164_KEARNY_6_SESBT2						Buy	San Diego Gas & Electric Company		
SDCP_4164_Bright Canyon Energy Los Alamitos Energy St						Buy	San Diego Gas & Electric Company		
SDCP_4164_VSTAES_6_VESBT1						Buy	San Diego Gas & Electric Company		
SDCP_4165_VLCNTR_6_VCEBT1						Buy	San Diego Gas & Electric Company		
SDCP_4165_VLCNTR_6_VCEBT2						Buy	San Diego Gas & Electric Company		
SDCP_2964_Oberon_PCC1_1_SDCP						Buy	OBERON - IP Oberon, LLC		
SDCP_3838_SCE_PCC1_4_SDCP						Buy	Southern California Edison Company		
SDCP_3973_SDGE_PCC1_2_SDCP						Buy	San Diego Gas & Electric Company		
SDCP_3590_DURANMESA_PCC1_LT_1_SDCP							Duran Mesa, LLC		
VAMO_LT_Solar					VAMO	Buy	San Diego Gas & Electric Company		
VAMO_LT_Wind					VAMO	Buy	San Diego Gas & Electric Company		
SDCP_5010_SDGE_PCC1_PV						Buy	San Diego Gas & Electric Company		
SDCP_5010_SDGE_PCC1_wind						Buy	San Diego Gas & Electric Company		
SDCP_46659_PGE_PCC1_PV						Buy	Pacific Gas & Electric Company		
SDCP_46659_PGE_PCC1_wind						Buy	Pacific Gas & Electric Company		
IRP_ST RA_Thermal_2026						Buy	Multiple non-IOU LSEs		
IRP_ST RA_Biogas_2026						Buy	Multiple non-IOU LSEs		
IRP_ST RA_Geo_2026						Buy	Multiple non-IOU LSEs		
IRP_ST RA_Hydro_2026						Buy	Multiple non-IOU LSEs		
IRP_ST RA_4hrBESS_2026						Buy	Multiple non-IOU LSEs		
IRP_ST RA_SolarNorCal_2026						Buy	Multiple non-IOU LSEs		
IRP_ST RA_SolarSocal_2026						Buy	Multiple non-IOU LSEs		
IRP_ST RA_SolarTrackingNorcal_2026						Buy	Multiple non-IOU LSEs		
IRP_ST RA_SolarTrackingSoCal_2026						Buy	Multiple non-IOU LSEs		
IRP_ST RA_WindNorCal_2026						Buy	Multiple non-IOU LSEs		
IRP_ST RA_WindSoCal_2026						Buy	Multiple non-IOU LSEs		
IRP_ST RA_Thermal_2027						Buy	Multiple non-IOU LSEs		
IRP_ST RA_4hrBESS_2027						Buy	Multiple non-IOU LSEs		
IRP_ST RA_SolarSocal_2027						Buy	Multiple non-IOU LSEs		
IRP_ST RA_Thermal_2028						Buy	non-LSE supplier		
IRP_ST RA_Thermal_2029						Buy	non-LSE supplier		
IRP_ST RA_Thermal_2030						Buy	non-LSE supplier		
IRP_ST RA_Thermal_2031						Buy	non-LSE supplier		
IRP_ST RA_Thermal_2032						Buy	non-LSE supplier		
IRP_ST RA_Thermal_2033						Buy	non-LSE supplier		
IRP_ST RA_Thermal_2034						Buy	non-LSE supplier		
IRP_ST RA_Thermal_2035						Buy	non-LSE supplier		
IRP_ST RA_Thermal_2036						Buy	non-LSE supplier		
IRP_ST RA_Thermal_2037						Buy	non-LSE supplier		
IRP_ST RA_Thermal_2038						Buy	non-LSE supplier		
IRP_ST RA_Thermal_2039						Buy	non-LSE supplier		
IRP_ST RA_Thermal_2040						Buy	non-LSE supplier		
IRP_ST RA_Thermal_2041						Buy	non-LSE supplier		

lse_unique_contract_id	capacity_area	capacity_sub_area	cpuc_approval_ref	county	COD_year	COD_month	COD_day	contract_start_date_year	contract_start_date_month	contract_start_date_day	contract_end_date_year
SDCP_4160_SENTNL_2_CTG1	LABasin			RiversideCounty							
SDCP_4161_WSTWND_2_SBSBT1	SCE			KernCounty							
SDCP_4162_EDWARD_2_E21SB1	SCE			KernCounty							
SDCP_4162_Ortega Grid Energy Storage	SCE			RiversideCounty							
SDCP_4164_GATEWY_2_GESBT1	SanDiegoImperialValley			SanDiegoCounty							
SDCP_4164_JOANEC_2_STABT2	SanDiegoImperialValley			OrangeCounty							
SDCP_4164_KEARNY_6_NESBT1	SanDiegoImperialValley			SanDiegoCounty							
SDCP_4164_KEARNY_6_SESBT2	SanDiegoImperialValley			SanDiegoCounty							
SDCP_4164_Bright Canyon Energy Los Alamitos Energy Sto	SanDiegoImperialValley			OrangeCounty							
SDCP_4164_VSTAES_6_VESBT1	SanDiegoImperialValley			SanDiegoCounty							
SDCP_4165_VLCNTR_6_VCEBT1	SanDiegoImperialValley			SanDiegoCounty							
SDCP_4165_VLCNTR_6_VCEBT2	SanDiegoImperialValley			SanDiegoCounty							
SDCP_2964_Oberon_PCC1_1_SDCP				RiversideCounty							
SDCP_3838_SCE_PCC1_4_SDCP											
SDCP_3973_SDGE_PCC1_2_SDCP				LassenCounty							
SDCP_3590_DURANMESA_PCC1_LT_1_SDCP				NewMexico							
VAMO_LT_Solar				SanDiegoCounty							
VAMO_LT_Wind				SanDiegoCounty							
SDCP_5010_SDGE_PCC1_PV				Various							
SDCP_5010_SDGE_PCC1_wind				Various							
SDCP_46659_PGE_PCC1_PV				Various							
SDCP_46659_PGE_PCC1_wind				Various							
IRP_ST RA_Thermal_2026											
IRP_ST RA_Biogas_2026											
IRP_ST RA_Geo_2026											
IRP_ST RA_Hydro_2026											
IRP_ST RA_4hrBESS_2026											
IRP_ST RA_SolarNorCal_2026											
IRP_ST RA_SolarSocal_2026											
IRP_ST RA_SolarTrackingNorcal_2026											
IRP_ST RA_SolarTrackingSoCal_2026											
IRP_ST RA_WindNorCal_2026	Kern	Kern Westpark		ContraCostaCounty							
IRP_ST RA_WindSoCal_2026	SanDiegoImperialValley	San Diego/Imperial Valley San Diego		SanDiegoCounty							
IRP_ST RA_Thermal_2027											
IRP_ST RA_4hrBESS_2027											
IRP_ST RA_SolarSocal_2027	SanDiegoImperialValley	San Diego/Imperial Valley San Diego									
IRP_ST RA_Thermal_2028											
IRP_ST RA_Thermal_2029											
IRP_ST RA_Thermal_2030											
IRP_ST RA_Thermal_2031											
IRP_ST RA_Thermal_2032											
IRP_ST RA_Thermal_2033											
IRP_ST RA_Thermal_2034											
IRP_ST RA_Thermal_2035											
IRP_ST RA_Thermal_2036											
IRP_ST RA_Thermal_2037											
IRP_ST RA_Thermal_2038											
IRP_ST RA_Thermal_2039											
IRP_ST RA_Thermal_2040											
IRP_ST RA_Thermal_2041											

lse_unique_contract_id	contract_end_date_month	contract_end_date_day	contract_execution_date_year	contract_execution_date_month	contract_execution_date_day	contract_type	contract_price	contract_price_unit	tx_upgrades	tx_upgrade_date_year
SDCP_4160_SENTNL_2_CTG1	[redacted]									
SDCP_4161_WSTWND_2_SBSBT1										
SDCP_4162_EDWARD_2_E21SB1										
SDCP_4162_Ortega Grid Energy Storage										
SDCP_4164_GATEWY_2_GESBT1										
SDCP_4164_JOANEC_2_STABT2										
SDCP_4164_KEARNY_6_NESBT1										
SDCP_4164_KEARNY_6_SESBT2										
SDCP_4164_Bright Canyon Energy Los Alamitos Energy St										
SDCP_4164_VSTAES_6_VESBT1										
SDCP_4165_VLCNTR_6_VCEBT1										
SDCP_4165_VLCNTR_6_VCEBT2										
SDCP_2964_Oberon_PCC1_1_SDCP										
SDCP_3838_SCE_PCC1_4_SDCP										
SDCP_3973_SDGE_PCC1_2_SDCP										
SDCP_3590_DURANMESA_PCC1_LT_1_SDCP										
VAMO_LT_Solar										
VAMO_LT_Wind										
SDCP_5010_SDGE_PCC1_PV										
SDCP_5010_SDGE_PCC1_wind										
SDCP_46659_PGE_PCC1_PV										
SDCP_46659_PGE_PCC1_wind										
IRP_ST RA_Thermal_2026										
IRP_ST RA_Biogas_2026										
IRP_ST RA_Geo_2026										
IRP_ST RA_Hydro_2026										
IRP_ST RA_4hrBESS_2026										
IRP_ST RA_SolarNorCal_2026										
IRP_ST RA_SolarSocal_2026										
IRP_ST RA_SolarTrackingNorcal_2026										
IRP_ST RA_SolarTrackingSoCal_2026										
IRP_ST RA_WindNorCal_2026										
IRP_ST RA_WindSoCal_2026										
IRP_ST RA_Thermal_2027										
IRP_ST RA_4hrBESS_2027										
IRP_ST RA_SolarSocal_2027										
IRP_ST RA_Thermal_2028										
IRP_ST RA_Thermal_2029										
IRP_ST RA_Thermal_2030										
IRP_ST RA_Thermal_2031										
IRP_ST RA_Thermal_2032										
IRP_ST RA_Thermal_2033										
IRP_ST RA_Thermal_2034										
IRP_ST RA_Thermal_2035										
IRP_ST RA_Thermal_2036										
IRP_ST RA_Thermal_2037										
IRP_ST RA_Thermal_2038										
IRP_ST RA_Thermal_2039										
IRP_ST RA_Thermal_2040										
IRP_ST RA_Thermal_2041										

lse_unique_contract_id	tx_upgrade_date_month	tx_upgrade_date_day	tx_upgrade_description	d2106035_procurement_cat	mtr_tranche1_NQC	mtr_tranche2_NQC	mtr_tranche3_NQC	mtr_tranche4_NQC	mtr_tranche5_NQC	mtr_tranche6_NQC
SDCP_4160_SENTNL_2_CTG1	1									
SDCP_4161_WSTWND_2_SBSBT1	3									
SDCP_4162_EDWARD_2_E21SB1	3									
SDCP_4162_Ortega Grid Energy Storage	3									
SDCP_4164_GATEWY_2_GESBT1	3									
SDCP_4164_JOANEC_2_STABT2	2									
SDCP_4164_KEARNY_6_NESBT1	1									
SDCP_4164_KEARNY_6_SESBT2	1									
SDCP_4164_Bright Canyon Energy Los Alamitos Energy Sto	2									
SDCP_4164_VSTAES_6_VESBT1	1									
SDCP_4165_VLCNTR_6_VCEBT1	1									
SDCP_4165_VLCNTR_6_VCEBT2	1									
SDCP_2964_Oberon_PCC1_1_SDCP	NA									
SDCP_3838_SCE_PCC1_4_SDCP	NA									
SDCP_3973_SDGE_PCC1_2_SDCP	NA									
SDCP_3590_DURANMESA_PCC1_LT_1_SDCP	NA									
VAMO_LT_Solar	NA									
VAMO_LT_Wind	NA									
SDCP_5010_SDGE_PCC1_PV	NA									
SDCP_5010_SDGE_PCC1_wind	NA									
SDCP_46659_PGE_PCC1_PV	NA									
SDCP_46659_PGE_PCC1_wind	NA									
IRP_ST RA_Thermal_2026	NA									
IRP_ST RA_Biogas_2026	NA									
IRP_ST RA_Geo_2026	NA									
IRP_ST RA_Hydro_2026	NA									
IRP_ST RA_4hrBESS_2026	NA									
IRP_ST RA_SolarNorCal_2026	NA									
IRP_ST RA_SolarSocal_2026	NA									
IRP_ST RA_SolarTrackingNorcal_2026	NA									
IRP_ST RA_SolarTrackingSoCal_2026	NA									
IRP_ST RA_WindNorCal_2026	NA									
IRP_ST RA_WindSoCal_2026	NA									
IRP_ST RA_Thermal_2027	NA									
IRP_ST RA_4hrBESS_2027	NA									
IRP_ST RA_SolarSocal_2027	NA									
IRP_ST RA_Thermal_2028										
IRP_ST RA_Thermal_2029										
IRP_ST RA_Thermal_2030										
IRP_ST RA_Thermal_2031										
IRP_ST RA_Thermal_2032										
IRP_ST RA_Thermal_2033										
IRP_ST RA_Thermal_2034										
IRP_ST RA_Thermal_2035										
IRP_ST RA_Thermal_2036										
IRP_ST RA_Thermal_2037										
IRP_ST RA_Thermal_2038										
IRP_ST RA_Thermal_2039										
IRP_ST RA_Thermal_2040										
IRP_ST RA_Thermal_2041										

lse_unique_contract_id	mtr_NQC_ZE_gen_paired_dr	mtr_tranche7_NQC	mtr_tranche8_NQC	mtr_tranche9_NQC	mtr_bridge_to	contract_RA_compliant	engineering_assement_included
SDCP_4160_SENTNL_2_CTG1							
SDCP_4161_WSTWND_2_SBSBT1							
SDCP_4162_EDWARD_2_E21SB1							
SDCP_4162_Ortega Grid Energy Storage							
SDCP_4164_GATEWY_2_GESBT1							
SDCP_4164_JOANEC_2_STABT2							
SDCP_4164_KEARNY_6_NESBT1							
SDCP_4164_KEARNY_6_SESBT2							
SDCP_4164_Bright Canyon Energy Los Alamitos Energy Storage							
SDCP_4164_VSTAES_6_VESBT1							
SDCP_4165_VLCNTR_6_VCEBT1							
SDCP_4165_VLCNTR_6_VCEBT2							
SDCP_2964_Oberon_PCC1_1_SDCP							
SDCP_3838_SCE_PCC1_4_SDCP							
SDCP_3973_SDGE_PCC1_2_SDCP							
SDCP_3590_DURANMESA_PCC1_LT_1_SDCP							
VAMO_LT_Solar							
VAMO_LT_Wind							
SDCP_5010_SDGE_PCC1_PV							
SDCP_5010_SDGE_PCC1_wind							
SDCP_46659_PGE_PCC1_PV							
SDCP_46659_PGE_PCC1_wind							
IRP_ST RA_Thermal_2026							
IRP_ST RA_Biogas_2026							
IRP_ST RA_Geo_2026							
IRP_ST RA_Hydro_2026							
IRP_ST RA_4hrBESS_2026							
IRP_ST RA_SolarNorCal_2026							
IRP_ST RA_SolarSocal_2026							
IRP_ST RA_SolarTrackingNorcal_2026							
IRP_ST RA_SolarTrackingSoCal_2026							
IRP_ST RA_WindNorCal_2026							
IRP_ST RA_WindSoCal_2026							
IRP_ST RA_Thermal_2027							
IRP_ST RA_4hrBESS_2027							
IRP_ST RA_SolarSocal_2027							
IRP_ST RA_Thermal_2028							
IRP_ST RA_Thermal_2029							
IRP_ST RA_Thermal_2030							
IRP_ST RA_Thermal_2031							
IRP_ST RA_Thermal_2032							
IRP_ST RA_Thermal_2033							
IRP_ST RA_Thermal_2034							
IRP_ST RA_Thermal_2035							
IRP_ST RA_Thermal_2036							
IRP_ST RA_Thermal_2037							
IRP_ST RA_Thermal_2038							
IRP_ST RA_Thermal_2039							
IRP_ST RA_Thermal_2040							
IRP_ST RA_Thermal_2041							

lse_unique_contract_id	capacity_factor	contract_changed	previous_COD_year	previous_COD_month	previous_COD_day	remediation_plan	signed_contract	notice_to_proceed	public_contract	buying_energy_capacity
SDCP_4160_SENTNL_2_CTG1							YES		No	CapacityOnly
SDCP_4161_WSTWND_2_SBSBT1							YES		No	CapacityOnly
SDCP_4162_EDWARD_2_E21SB1							YES		No	CapacityOnly
SDCP_4162_Ortega Grid Energy Storage							YES		No	CapacityOnly
SDCP_4164_GATEWY_2_GESBT1							YES		No	CapacityOnly
SDCP_4164_JOANEC_2_STABT2							YES		No	CapacityOnly
SDCP_4164_KEARNY_6_NESBT1							YES		No	CapacityOnly
SDCP_4164_KEARNY_6_SESBT2							YES		No	CapacityOnly
SDCP_4164_Bright Canyon Energy Los Alamitos Energy Storage							YES		No	CapacityOnly
SDCP_4164_VSTAES_6_VESBT1							YES		No	CapacityOnly
SDCP_4165_VLCNTR_6_VCEBT1							YES		No	CapacityOnly
SDCP_4165_VLCNTR_6_VCEBT2							YES		No	CapacityOnly
SDCP_2964_Oberon_PCC1_1_SDCP							YES		No	EnergyOnly
SDCP_3838_SCE_PCC1_4_SDCP							YES		No	EnergyOnly
SDCP_3973_SDGE_PCC1_2_SDCP							YES		No	EnergyOnly
SDCP_3590_DURANMESA_PCC1_LT_1_SDCP							YES		No	EnergyOnly
VAMO_LT_Solar							YES		No	EnergyOnly
VAMO_LT_Wind							YES		No	EnergyOnly
SDCP_5010_SDGE_PCC1_PV							YES		No	EnergyOnly
SDCP_5010_SDGE_PCC1_wind							YES		No	EnergyOnly
SDCP_46659_PGE_PCC1_PV							YES		No	EnergyOnly
SDCP_46659_PGE_PCC1_wind							YES		No	EnergyOnly
IRP_ST RA_Thermal_2026							YES			CapacityOnly
IRP_ST RA_Biogas_2026							YES			CapacityOnly
IRP_ST RA_Geo_2026							YES			CapacityOnly
IRP_ST RA_Hydro_2026							YES			CapacityOnly
IRP_ST RA_4hrBESS_2026							YES			CapacityOnly
IRP_ST RA_SolarNorCal_2026							YES			CapacityOnly
IRP_ST RA_SolarSocal_2026							YES			CapacityOnly
IRP_ST RA_SolarTrackingNorcal_2026							YES			CapacityOnly
IRP_ST RA_SolarTrackingSoCal_2026							YES			CapacityOnly
IRP_ST RA_WindNorCal_2026							YES			CapacityOnly
IRP_ST RA_WindSoCal_2026							YES			CapacityOnly
IRP_ST RA_Thermal_2027							YES			CapacityOnly
IRP_ST RA_4hrBESS_2027							YES			CapacityOnly
IRP_ST RA_SolarSocal_2027							YES			CapacityOnly
IRP_ST RA_Thermal_2028							NO			CapacityOnly
IRP_ST RA_Thermal_2029							NO			CapacityOnly
IRP_ST RA_Thermal_2030							NO			CapacityOnly
IRP_ST RA_Thermal_2031							NO			CapacityOnly
IRP_ST RA_Thermal_2032							NO			CapacityOnly
IRP_ST RA_Thermal_2033							NO			CapacityOnly
IRP_ST RA_Thermal_2034							NO			CapacityOnly
IRP_ST RA_Thermal_2035							NO			CapacityOnly
IRP_ST RA_Thermal_2036							NO			CapacityOnly
IRP_ST RA_Thermal_2037							NO			CapacityOnly
IRP_ST RA_Thermal_2038							NO			CapacityOnly
IRP_ST RA_Thermal_2039							NO			CapacityOnly
IRP_ST RA_Thermal_2040							NO			CapacityOnly
IRP_ST RA_Thermal_2041							NO			CapacityOnly

lse_unique_contract_id	NQC_reporting_source	procurement_origin	planned_project_retention_priority	csp_resource_category	csp_annual_2028	csp_annual_2030	csp_annual_2035	csp_annual_2040	csp_annual_2045	macro_supertype	notes
SDCP_4160_SENTNL_2_CTG1	In the contract	RA		NA						physical	
SDCP_4161_WSTWND_2_SBSBT1	In the contract	RA		NA						newgeneric	
SDCP_4162_EDWARD_2_E21SB1	In the contract	RA		NA						newgeneric	
SDCP_4162_Ortega Grid Energy Storage	In the contract	RA		NA						newgeneric	
SDCP_4164_GATEWY_2_GESBT1	In the contract	RA		NA						physical	
SDCP_4164_JOANEC_2_STABT2	In the contract	RA		NA						existinggeneric	
SDCP_4164_KEARNY_6_NESBT1	In the contract	RA		NA						physical	
SDCP_4164_KEARNY_6_SESBT2	In the contract	RA		NA						physical	
SDCP_4164_Bright Canyon Energy Los Alamitos Energy Sto	In the contract	RA		NA						newgeneric	
SDCP_4164_VSTAES_6_VESBT1	In the contract	RA		NA						physical	
SDCP_4165_VLCNTR_6_VCEBT1	In the contract	RA		NA						physical	
SDCP_4165_VLCNTR_6_VCEBT2	In the contract	RA		NA						physical	
SDCP_2964_Oberon_PCC1_1_SDCP		RPS		Solar New SCE SDG&E (GWh)		455.548	446.298	434.736		newgeneric	
SDCP_3838_SCE_PCC1_4_SDCP		RPS		Biomass (GWh)						existinggeneric	
SDCP_3973_SDGE_PCC1_2_SDCP		RPS		Biomass (GWh)						physical	
SDCP_3590_DURANMESA_PCC1_LT_1_SDCP		RPS		Wind New Mexico (GWh)		170.76	170.76	170.76		newresolve	
VAMO_LT_Solar		allocation		Solar Baseline California (GWh)		1525.81	1002.08	286.96		existinggeneric	
VAMO_LT_Wind		allocation		Wind Baseline California (GWh)		1304.36	640.68	183.47		existinggeneric	
SDCP_5010_SDGE_PCC1_PV		RPS		Solar Baseline California (GWh)		239.88	206.77	27.12		existinggeneric	
SDCP_5010_SDGE_PCC1_wind		RPS		Wind Baseline California (GWh)		79.96	68.92	9.04		existinggeneric	
SDCP_46659_PGE_PCC1_PV		RPS		Solar Baseline California (GWh)		81.90	21.40	6.69		existinggeneric	
SDCP_46659_PGE_PCC1_wind		RPS		Wind Baseline California (GWh)		10.63	7.13	2.23		existinggeneric	
IRP_ST RA_Thermal_2026	In the contract	RA		NA						existinggeneric	
IRP_ST RA_Biogas_2026	In the contract	RA		NA						existinggeneric	
IRP_ST RA_Geo_2026	In the contract	RA		NA						existinggeneric	
IRP_ST RA_Hydro_2026	In the contract	RA		NA						existinggeneric	
IRP_ST RA_4hrBESS_2026	In the contract	RA		NA						existinggeneric	
IRP_ST RA_SolarNorCal_2026	In the contract	RA		NA						existinggeneric	
IRP_ST RA_SolarSocal_2026	In the contract	RA		NA						existinggeneric	
IRP_ST RA_SolarTrackingNorcal_2026	In the contract	RA		NA						existinggeneric	
IRP_ST RA_SolarTrackingSoCal_2026	In the contract	RA		NA						existinggeneric	
IRP_ST RA_WindNorCal_2026	In the contract	RA		NA						existinggeneric	
IRP_ST RA_WindSoCal_2026	In the contract	RA		NA						existinggeneric	
IRP_ST RA_Thermal_2027	In the contract	RA		NA						existinggeneric	
IRP_ST RA_4hrBESS_2027	In the contract	RA		NA						existinggeneric	
IRP_ST RA_SolarSocal_2027	In the contract	RA		NA						existinggeneric	
IRP_ST RA_Thermal_2028		RA		NA						existinggeneric	
IRP_ST RA_Thermal_2029		RA		NA						existinggeneric	
IRP_ST RA_Thermal_2030		RA		NA						existinggeneric	
IRP_ST RA_Thermal_2031		RA		NA						existinggeneric	
IRP_ST RA_Thermal_2032		RA		NA						existinggeneric	
IRP_ST RA_Thermal_2033		RA		NA						existinggeneric	
IRP_ST RA_Thermal_2034		RA		NA						existinggeneric	
IRP_ST RA_Thermal_2035		RA		NA						existinggeneric	
IRP_ST RA_Thermal_2036		RA		NA						existinggeneric	
IRP_ST RA_Thermal_2037		RA		NA						existinggeneric	
IRP_ST RA_Thermal_2038		RA		NA						existinggeneric	
IRP_ST RA_Thermal_2039		RA		NA						existinggeneric	
IRP_ST RA_Thermal_2040		RA		NA						existinggeneric	
IRP_ST RA_Thermal_2041		RA		NA						existinggeneric	

lse_unique_contract_id	resource	alternative_resource_name	contract_status	project_interconnection_position	interconnection_substation	marginal_addition	marginal_addition_to	total_nameplate_capacity
IRP_ST RA_Thermal_2042	_EXISTING_GENERIC_COMBINED_CYCLE		PlannedExisting					
IRP_ST RA_Thermal_2043	_EXISTING_GENERIC_COMBINED_CYCLE		PlannedExisting					
IRP_ST RA_Thermal_2044	_EXISTING_GENERIC_COMBINED_CYCLE		PlannedExisting					
IRP_ST RA_Thermal_2045	_EXISTING_GENERIC_COMBINED_CYCLE		PlannedExisting					
IRP_ST RPS_2030	_NEW_GENERIC_SOLAR_1AXIS		PlannedNew					
IRP_ST RPS_2035	_NEW_GENERIC_SOLAR_1AXIS		PlannedNew					
IRP_ST RPS_2045	_NEW_GENERIC_SOLAR_1AXIS		PlannedNew					
IRP_DER_1	_NEW_GENERIC_BATTERY_STORAGE		PlannedNew					
IRP_DER1_1	_NEW_GENERIC_BATTERY_STORAGE		PlannedNew					
IRP_DER2_1	_NEW_GENERIC_BATTERY_STORAGE		PlannedNew					
IRP_SCE Wind_1	_NEW_GENERIC_WIND_CA		PlannedNew					
IRP_Geo_1	_NEW_GENERIC_GEOTHERMAL		PlannedNew					
IRP_Wind_1	_NEW_GENERIC_WIND_OOS_AZNM		PlannedNew					
IRP_Imperial PV_2	_EXISTING_GENERIC_SOLAR_1AXIS		PlannedNew					
IRP_SD PV_2	_EXISTING_GENERIC_SOLAR_1AXIS		PlannedNew					
IRP_Hybrid PV_2033_2	_EXISTING_GENERIC_SOLAR_1AXIS		PlannedNew					
IRP_Hybrid PV_2035_2	_EXISTING_GENERIC_SOLAR_1AXIS		PlannedNew					
IRP_Hybrid PV_2038_2	_EXISTING_GENERIC_SOLAR_1AXIS		PlannedNew					
IRP_Hybrid PV_2039_2	_EXISTING_GENERIC_SOLAR_1AXIS		PlannedNew					
IRP_Hybrid PV_2040_2	_EXISTING_GENERIC_SOLAR_1AXIS		PlannedNew					
IRP_Hybrid PV_2041_2	_EXISTING_GENERIC_SOLAR_1AXIS		PlannedNew					
IRP_Hybrid PV_2042_2	_EXISTING_GENERIC_SOLAR_1AXIS		PlannedNew					
IRP_Hybrid PV_2044_2	_EXISTING_GENERIC_SOLAR_1AXIS		PlannedNew					
IRP_Hybrid PV_2045_2	_EXISTING_GENERIC_SOLAR_1AXIS		PlannedNew					
IRP_Wind East_2	_NEW_GENERIC_WIND_CA		PlannedNew					
IRP_Wind NM_2	_NEW_GENERIC_WIND_OOS_AZNM		PlannedNew					
IRP_Wind South_2	_NEW_GENERIC_WIND_CA		PlannedNew					
IRP_Hybrid BESS_2033_2	_NEW_GENERIC_BATTERY_STORAGE		PlannedNew					
IRP_Hybrid BESS_2035_2	_NEW_GENERIC_BATTERY_STORAGE		PlannedNew					
IRP_Hybrid BESS_2036_2	_NEW_GENERIC_BATTERY_STORAGE		PlannedNew					
IRP_Hybrid BESS_2037_2	_NEW_GENERIC_BATTERY_STORAGE		PlannedNew					
IRP_Hybrid BESS_2038_2	_NEW_GENERIC_BATTERY_STORAGE		PlannedNew					
IRP_Hybrid BESS_2039_2	_NEW_GENERIC_BATTERY_STORAGE		PlannedNew					
IRP_Hybrid BESS_2040_2	_NEW_GENERIC_BATTERY_STORAGE		PlannedNew					
IRP_Hybrid BESS_2041_2	_NEW_GENERIC_BATTERY_STORAGE		PlannedNew					
IRP_Hybrid BESS_2042_2	_NEW_GENERIC_BATTERY_STORAGE		PlannedNew					
IRP_Hybrid BESS_2044_2	_NEW_GENERIC_BATTERY_STORAGE		PlannedNew					
IRP_Hybrid BESS_2045_2	_NEW_GENERIC_BATTERY_STORAGE		PlannedNew					
IRP_Imperial BESS_2	_NEW_GENERIC_BATTERY_STORAGE		PlannedNew					
IRP_SD BESS_2	_NEW_GENERIC_BATTERY_STORAGE		PlannedNew					
IRP_LDS_2040_2	_NEW_GENERIC_BATTERY_STORAGE		PlannedNew					
IRP_LDS_2045_2	_NEW_GENERIC_BATTERY_STORAGE		PlannedNew					
IRP_Geo_2040_2	_NEW_GENERIC_GEOTHERMAL		PlannedNew					
IRP_Geo_2045_3	_NEW_GENERIC_GEOTHERMAL		PlannedNew					

lse_unique_contract_id	contracted_nameplate_capacity	sep_contracted_mw_nqc	contract_gwh_annual	is_hybrid_paired	can_charge_from_grid	total_generator_mw	contracted_generator_mw	total_storage_mw
IRP_ST RA_Thermal_2042	[redacted]	[redacted]	[redacted]	NotHybrid		[redacted]	[redacted]	[redacted]
IRP_ST RA_Thermal_2043				NotHybrid				
IRP_ST RA_Thermal_2044				NotHybrid				
IRP_ST RA_Thermal_2045				NotHybrid				
IRP_ST RPS_2030				NotHybrid				
IRP_ST RPS_2035				NotHybrid				
IRP_ST RPS_2045				NotHybrid				
IRP_DER_1				NotHybrid	YES			
IRP_DER1_1				NotHybrid	YES			
IRP_DER2_1				NotHybrid	YES			
IRP_SCE Wind_1				NotHybrid				
IRP_Geo_1				NotHybrid				
IRP_Wind_1				NotHybrid				
IRP_Imperial PV_2				NewSolarNewStorage				
IRP_SD PV_2				NewSolarNewStorage				
IRP_Hybrid PV_2033_2				NewSolarNewStorage				
IRP_Hybrid PV_2035_2				NewSolarNewStorage				
IRP_Hybrid PV_2038_2				NewSolarNewStorage				
IRP_Hybrid PV_2039_2				NewSolarNewStorage				
IRP_Hybrid PV_2040_2				NewSolarNewStorage				
IRP_Hybrid PV_2041_2				NewSolarNewStorage				
IRP_Hybrid PV_2042_2				NewSolarNewStorage				
IRP_Hybrid PV_2044_2				NewSolarNewStorage				
IRP_Hybrid PV_2045_2				NewSolarNewStorage				
IRP_Wind East_2				NewWindNewStorage				
IRP_Wind NM_2				NewWindNewStorage				
IRP_Wind South_2				NewWindNewStorage				
IRP_Hybrid BESS_2033_2				NewSolarNewStorage	YES			
IRP_Hybrid BESS_2035_2				NewSolarNewStorage	YES			
IRP_Hybrid BESS_2036_2				NewSolarNewStorage	YES			
IRP_Hybrid BESS_2037_2				NewSolarNewStorage	YES			
IRP_Hybrid BESS_2038_2				NewSolarNewStorage	YES			
IRP_Hybrid BESS_2039_2				NewSolarNewStorage	YES			
IRP_Hybrid BESS_2040_2				NewSolarNewStorage	YES			
IRP_Hybrid BESS_2041_2				NewSolarNewStorage	YES			
IRP_Hybrid BESS_2042_2				NewSolarNewStorage	YES			
IRP_Hybrid BESS_2044_2				NewSolarNewStorage	YES			
IRP_Hybrid BESS_2045_2				NewSolarNewStorage	YES			
IRP_Imperial BESS_2				NewSolarNewStorage	YES			
IRP_SD BESS_2				NewSolarNewStorage	YES			
IRP_LDS_2040_2				NotHybrid	YES			
IRP_LDS_2045_2				NotHybrid	YES			
IRP_Geo_2040_2				NotHybrid				
IRP_Geo_2045_3				NotHybrid				

lse_unique_contract_id	contracted_storage_mw	solar_technology_sub_type	storage_technology_sub_type	total_storage_depth_mwh	contracted_storage_depth_mwh	viability_cod_reasonableness	viability_technical_feasibility	viability_financing_sitecontrol
IRP_ST RA_Thermal_2042	[redacted]				[redacted]			
IRP_ST RA_Thermal_2043								
IRP_ST RA_Thermal_2044								
IRP_ST RA_Thermal_2045								
IRP_ST RPS_2030								
IRP_ST RPS_2035								
IRP_ST RPS_2045								
IRP_DER_1				133.16				
IRP_DER1_1				240				
IRP_DER2_1				240				
IRP_SCE Wind_1								
IRP_Geo_1								
IRP_Wind_1								
IRP_Imperial PV_2								
IRP_SD PV_2								
IRP_Hybrid PV_2033_2								
IRP_Hybrid PV_2035_2								
IRP_Hybrid PV_2038_2								
IRP_Hybrid PV_2039_2								
IRP_Hybrid PV_2040_2								
IRP_Hybrid PV_2041_2								
IRP_Hybrid PV_2042_2								
IRP_Hybrid PV_2044_2								
IRP_Hybrid PV_2045_2								
IRP_Wind East_2								
IRP_Wind NM_2								
IRP_Wind South_2								
IRP_Hybrid BESS_2033_2				568				
IRP_Hybrid BESS_2035_2				2732				
IRP_Hybrid BESS_2036_2				968				
IRP_Hybrid BESS_2037_2				1124				
IRP_Hybrid BESS_2038_2				1048				
IRP_Hybrid BESS_2039_2				1348				
IRP_Hybrid BESS_2040_2				3696				
IRP_Hybrid BESS_2041_2				1324				
IRP_Hybrid BESS_2042_2				1812				
IRP_Hybrid BESS_2044_2				820				
IRP_Hybrid BESS_2045_2				1536				
IRP_Imperial BESS_2				392				
IRP_SD BESS_2				80				
IRP_LDS_2040_2				10000				
IRP_LDS_2045_2				2000				
IRP_Geo_2040_2								
IRP_Geo_2045_3								

lse_unique_contract_id	resource_mix	cam_d1911016_vamo_gh	buy_sell_own	counterparty	generator_supplier	developer_name	capacity_area	capacity_sub_area	cpuc_approval_ref	county
IRP_ST RA_Thermal_2042			Buy	non-LSE supplier						
IRP_ST RA_Thermal_2043			Buy	non-LSE supplier						
IRP_ST RA_Thermal_2044			Buy	non-LSE supplier						
IRP_ST RA_Thermal_2045			Buy	non-LSE supplier						
IRP_ST RPS_2030			Buy	Multiple non-IOU LSEs						
IRP_ST RPS_2035			Buy	Multiple non-IOU LSEs						
IRP_ST RPS_2045			Buy	Multiple non-IOU LSEs						
IRP_DER_1			Buy	non-LSE supplier						
IRP_DER1_1			Buy	non-LSE supplier						
IRP_DER2_1			Buy	non-LSE supplier						
IRP_SCE Wind_1			Buy	non-LSE supplier						
IRP_Geo_1			Buy	non-LSE supplier						
IRP_Wind_1			Buy	non-LSE supplier						
IRP_Imperial PV_2			Buy	non-LSE supplier						
IRP_SD PV_2			Buy	non-LSE supplier						
IRP_Hybrid PV_2033_2			Buy	non-LSE supplier						
IRP_Hybrid PV_2035_2			Buy	non-LSE supplier						
IRP_Hybrid PV_2038_2			Buy	non-LSE supplier						
IRP_Hybrid PV_2039_2			Buy	non-LSE supplier						
IRP_Hybrid PV_2040_2			Buy	non-LSE supplier						
IRP_Hybrid PV_2041_2			Buy	non-LSE supplier						
IRP_Hybrid PV_2042_2			Buy	non-LSE supplier						
IRP_Hybrid PV_2044_2			Buy	non-LSE supplier						
IRP_Hybrid PV_2045_2			Buy	non-LSE supplier						
IRP_Wind East_2			Buy	non-LSE supplier						
IRP_Wind NM_2			Buy	non-LSE supplier						
IRP_Wind South_2			Buy	non-LSE supplier						
IRP_Hybrid BESS_2033_2			Buy	non-LSE supplier						
IRP_Hybrid BESS_2035_2			Buy	non-LSE supplier						
IRP_Hybrid BESS_2036_2			Buy	non-LSE supplier						
IRP_Hybrid BESS_2037_2			Buy	non-LSE supplier						
IRP_Hybrid BESS_2038_2			Buy	non-LSE supplier						
IRP_Hybrid BESS_2039_2			Buy	non-LSE supplier						
IRP_Hybrid BESS_2040_2			Buy	non-LSE supplier						
IRP_Hybrid BESS_2041_2			Buy	non-LSE supplier						
IRP_Hybrid BESS_2042_2			Buy	non-LSE supplier						
IRP_Hybrid BESS_2044_2			Buy	non-LSE supplier						
IRP_Hybrid BESS_2045_2			Buy	non-LSE supplier						
IRP_Imperial BESS_2			Buy	non-LSE supplier						
IRP_SD BESS_2			Buy	non-LSE supplier						
IRP_LDS_2040_2			Buy	non-LSE supplier						
IRP_LDS_2045_2			Buy	non-LSE supplier						
IRP_Geo_2040_2			Buy	non-LSE supplier						
IRP_Geo_2045_3			Buy	non-LSE supplier						

lse_unique_contract_id	COD_year	COD_month	COD_day	contract_start_date_year	contract_start_date_month	contract_start_date_day	contract_end_date_year	contract_end_date_month	contract_end_date_day	contract_execution_date_year
IRP_ST RA_Thermal_2042	[redacted]									
IRP_ST RA_Thermal_2043										
IRP_ST RA_Thermal_2044										
IRP_ST RA_Thermal_2045										
IRP_ST RPS_2030										
IRP_ST RPS_2035										
IRP_ST RPS_2045										
IRP_DER_1										
IRP_DER1_1										
IRP_DER2_1										
IRP_SCE Wind_1										
IRP_Geo_1										
IRP_Wind_1										
IRP_Imperial PV_2										
IRP_SD PV_2										
IRP_Hybrid PV_2033_2										
IRP_Hybrid PV_2035_2										
IRP_Hybrid PV_2038_2										
IRP_Hybrid PV_2039_2										
IRP_Hybrid PV_2040_2										
IRP_Hybrid PV_2041_2										
IRP_Hybrid PV_2042_2										
IRP_Hybrid PV_2044_2										
IRP_Hybrid PV_2045_2										
IRP_Wind East_2										
IRP_Wind NM_2										
IRP_Wind South_2										
IRP_Hybrid BESS_2033_2										
IRP_Hybrid BESS_2035_2										
IRP_Hybrid BESS_2036_2										
IRP_Hybrid BESS_2037_2										
IRP_Hybrid BESS_2038_2										
IRP_Hybrid BESS_2039_2										
IRP_Hybrid BESS_2040_2										
IRP_Hybrid BESS_2041_2										
IRP_Hybrid BESS_2042_2										
IRP_Hybrid BESS_2044_2										
IRP_Hybrid BESS_2045_2										
IRP_Imperial BESS_2										
IRP_SD BESS_2										
IRP_LDS_2040_2										
IRP_LDS_2045_2										
IRP_Geo_2040_2										
IRP_Geo_2045_3										

lse_unique_contract_id	contract_execution_date_month	contract_execution_date_day	contract_type	contract_price	contract_price_unit	tx_upgrades	tx_upgrade_date_year	tx_upgrade_date_month	tx_upgrade_date_day	tx_upgrade_description
IRP_ST RA_Thermal_2042	[redacted]									
IRP_ST RA_Thermal_2043										
IRP_ST RA_Thermal_2044										
IRP_ST RA_Thermal_2045										
IRP_ST RPS_2030										
IRP_ST RPS_2035										
IRP_ST RPS_2045										
IRP_DER_1										
IRP_DER1_1										
IRP_DER2_1										
IRP_SCE Wind_1										
IRP_Geo_1										
IRP_Wind_1										
IRP_Imperial PV_2										
IRP_SD PV_2										
IRP_Hybrid PV_2033_2										
IRP_Hybrid PV_2035_2										
IRP_Hybrid PV_2038_2										
IRP_Hybrid PV_2039_2										
IRP_Hybrid PV_2040_2										
IRP_Hybrid PV_2041_2										
IRP_Hybrid PV_2042_2										
IRP_Hybrid PV_2044_2										
IRP_Hybrid PV_2045_2										
IRP_Wind East_2										
IRP_Wind NM_2										
IRP_Wind South_2										
IRP_Hybrid BESS_2033_2										
IRP_Hybrid BESS_2035_2										
IRP_Hybrid BESS_2036_2										
IRP_Hybrid BESS_2037_2										
IRP_Hybrid BESS_2038_2										
IRP_Hybrid BESS_2039_2										
IRP_Hybrid BESS_2040_2										
IRP_Hybrid BESS_2041_2										
IRP_Hybrid BESS_2042_2										
IRP_Hybrid BESS_2044_2										
IRP_Hybrid BESS_2045_2										
IRP_Imperial BESS_2										
IRP_SD BESS_2										
IRP_LDS_2040_2										
IRP_LDS_2045_2										
IRP_Geo_2040_2										
IRP_Geo_2045_3										

lse_unique_contract_id	d2106035_procurement_cat	mtr_tranche1_NQC	mtr_tranche2_NQC	mtr_tranche3_NQC	mtr_tranche4_NQC	mtr_tranche5_NQC	mtr_tranche6_NQC	mtr_NQC_ZE_gen_paired_dr	mtr_tranche7_NQC	mtr_tranche8_NQC
IRP_ST RA_Thermal_2042										
IRP_ST RA_Thermal_2043										
IRP_ST RA_Thermal_2044										
IRP_ST RA_Thermal_2045										
IRP_ST RPS_2030										
IRP_ST RPS_2035										
IRP_ST RPS_2045										
IRP_DER_1										
IRP_DER1_1										
IRP_DER2_1										
IRP_SCE Wind_1										
IRP_Geo_1										
IRP_Wind_1										
IRP_Imperial PV_2										
IRP_SD PV_2										
IRP_Hybrid PV_2033_2										
IRP_Hybrid PV_2035_2										
IRP_Hybrid PV_2038_2										
IRP_Hybrid PV_2039_2										
IRP_Hybrid PV_2040_2										
IRP_Hybrid PV_2041_2										
IRP_Hybrid PV_2042_2										
IRP_Hybrid PV_2044_2										
IRP_Hybrid PV_2045_2										
IRP_Wind East_2										
IRP_Wind NM_2										
IRP_Wind South_2										
IRP_Hybrid BESS_2033_2										
IRP_Hybrid BESS_2035_2										
IRP_Hybrid BESS_2036_2										
IRP_Hybrid BESS_2037_2										
IRP_Hybrid BESS_2038_2										
IRP_Hybrid BESS_2039_2										
IRP_Hybrid BESS_2040_2										
IRP_Hybrid BESS_2041_2										
IRP_Hybrid BESS_2042_2										
IRP_Hybrid BESS_2044_2										
IRP_Hybrid BESS_2045_2										
IRP_Imperial BESS_2										
IRP_SD BESS_2										
IRP_LDS_2040_2										
IRP_LDS_2045_2										
IRP_Geo_2040_2										
IRP_Geo_2045_3										

lse_unique_contract_id	mtr_tranche9_NQC	mtr_bridge_to	contract_RA_compliant	engineering_assement_included	capacity_factor	contract_changed	previous_COD_year	previous_COD_month
IRP_ST RA_Thermal_2042								
IRP_ST RA_Thermal_2043								
IRP_ST RA_Thermal_2044								
IRP_ST RA_Thermal_2045								
IRP_ST RPS_2030								
IRP_ST RPS_2035								
IRP_ST RPS_2045								
IRP_DER_1								
IRP_DER1_1								
IRP_DER2_1								
IRP_SCE Wind_1								
IRP_Geo_1								
IRP_Wind_1								
IRP_Imperial PV_2								
IRP_SD PV_2								
IRP_Hybrid PV_2033_2								
IRP_Hybrid PV_2035_2								
IRP_Hybrid PV_2038_2								
IRP_Hybrid PV_2039_2								
IRP_Hybrid PV_2040_2								
IRP_Hybrid PV_2041_2								
IRP_Hybrid PV_2042_2								
IRP_Hybrid PV_2044_2								
IRP_Hybrid PV_2045_2								
IRP_Wind East_2								
IRP_Wind NM_2								
IRP_Wind South_2								
IRP_Hybrid BESS_2033_2								
IRP_Hybrid BESS_2035_2								
IRP_Hybrid BESS_2036_2								
IRP_Hybrid BESS_2037_2								
IRP_Hybrid BESS_2038_2								
IRP_Hybrid BESS_2039_2								
IRP_Hybrid BESS_2040_2								
IRP_Hybrid BESS_2041_2								
IRP_Hybrid BESS_2042_2								
IRP_Hybrid BESS_2044_2								
IRP_Hybrid BESS_2045_2								
IRP_Imperial BESS_2								
IRP_SD BESS_2								
IRP_LDS_2040_2								
IRP_LDS_2045_2								
IRP_Geo_2040_2								
IRP_Geo_2045_3								

lse_unique_contract_id	previous_COD_day	remediation_plan	signed_contract	notice_to_proceed	public_contract	buying_energy_capacity	NQC_reporting_source	procurement_origin	planned_project_retention_priority
IRP_ST RA_Thermal_2042			NO			CapacityOnly		RA	
IRP_ST RA_Thermal_2043			NO			CapacityOnly		RA	
IRP_ST RA_Thermal_2044			NO			CapacityOnly		RA	
IRP_ST RA_Thermal_2045			NO			CapacityOnly		RA	
IRP_ST RPS_2030			NO			EnergyOnly		RPS	
IRP_ST RPS_2035			NO			EnergyOnly		RPS	
IRP_ST RPS_2045			NO			EnergyOnly			
IRP_DER_1			NO			CapacityOnly		RA	
IRP_DER1_1			NO			CapacityOnly		RA	
IRP_DER2_1			NO			CapacityOnly		RA	
IRP_SCE Wind_1			NO			EnergyCapacity		RPS, RA	
IRP_Geo_1			NO			EnergyCapacity		RPS, RA	
IRP_Wind_1			NO			EnergyCapacity		RPS, RA	
IRP_Imperial PV_2			NO			EnergyCapacity		RPS, RA	
IRP_SD PV_2			NO			EnergyCapacity		RPS, RA	
IRP_Hybrid PV_2033_2			NO			EnergyCapacity		RPS, RA	
IRP_Hybrid PV_2035_2			NO			EnergyCapacity		RPS, RA	
IRP_Hybrid PV_2038_2			NO			EnergyCapacity		RPS, RA	
IRP_Hybrid PV_2039_2			NO			EnergyCapacity		RPS, RA	
IRP_Hybrid PV_2040_2			NO			EnergyCapacity		RPS, RA	
IRP_Hybrid PV_2041_2			NO			EnergyCapacity		RPS, RA	
IRP_Hybrid PV_2042_2			NO			EnergyCapacity		RPS, RA	
IRP_Hybrid PV_2044_2			NO			EnergyCapacity		RPS, RA	
IRP_Hybrid PV_2045_2			NO			EnergyCapacity		RPS, RA	
IRP_Wind East_2			NO			EnergyCapacity		RPS, RA	
IRP_Wind NM_2			NO			EnergyCapacity		RPS, RA	
IRP_Wind South_2			NO			EnergyCapacity		RPS, RA	
IRP_Hybrid BESS_2033_2			NO			EnergyCapacity		RPS, RA	
IRP_Hybrid BESS_2035_2			NO			EnergyCapacity		RPS, RA	
IRP_Hybrid BESS_2036_2			NO			EnergyCapacity		RPS, RA	
IRP_Hybrid BESS_2037_2			NO			EnergyCapacity		RPS, RA	
IRP_Hybrid BESS_2038_2			NO			EnergyCapacity		RPS, RA	
IRP_Hybrid BESS_2039_2			NO			EnergyCapacity		RPS, RA	
IRP_Hybrid BESS_2040_2			NO			EnergyCapacity		RPS, RA	
IRP_Hybrid BESS_2041_2			NO			EnergyCapacity		RPS, RA	
IRP_Hybrid BESS_2042_2			NO			EnergyCapacity		RPS, RA	
IRP_Hybrid BESS_2044_2			NO			EnergyCapacity		RPS, RA	
IRP_Hybrid BESS_2045_2			NO			EnergyCapacity		RPS, RA	
IRP_Imperial BESS_2			NO			EnergyCapacity		RPS, RA	
IRP_SD BESS_2			NO			EnergyCapacity		RPS, RA	
IRP_LDS_2040_2			NO			EnergyCapacity		RA	
IRP_LDS_2045_2			NO			EnergyCapacity		RA	
IRP_Geo_2040_2			NO			EnergyCapacity		RPS, RA	
IRP_Geo_2045_3			NO			EnergyCapacity		RPS, RA	

lse_unique_contract_id	csp_resource_category	csp_annual_2028	csp_annual_2030	csp_annual_2035	csp_annual_2040	csp_annual_2045	macro_supertype	notes
IRP_ST RA_Thermal_2042	NA						existinggeneric	
IRP_ST RA_Thermal_2043	NA						existinggeneric	
IRP_ST RA_Thermal_2044	NA						existinggeneric	
IRP_ST RA_Thermal_2045	NA						existinggeneric	
IRP_ST RPS_2030	Solar Baseline California (GWh)		614.92	0	0	0	newgeneric	
IRP_ST RPS_2035	Solar Baseline California (GWh)		0	1000	0	0	newgeneric	
IRP_ST RPS_2045	Solar Baseline California (GWh)		0	1000	1000	1000	newgeneric	
IRP_DER_1	Battery Storage (MWh Energy Capacity)		133.16	133.16	133.16		newgeneric	
IRP_DER1_1	Battery Storage (MWh Energy Capacity)		240	240	240		newgeneric	
IRP_DER2_1	Battery Storage (MWh Energy Capacity)		240	240	240		newgeneric	
IRP_SCE Wind_1	Wind New SCE SDG&E (GWh)		2,015.63	2,015.00	2,015.00	2,015.00	newgeneric	
IRP_Geo_1	Geothermal (GWh)		760.00	760.00	760.00	760.00	newgeneric	
IRP_Wind_1	Wind New Mexico (GWh)		534.00	1,581.00	1,581.00	1,581.00	newgeneric	
IRP_Imperial PV_2	Hybrid_or_Paired_Solar_and_Battery (GWh)		-	279.00	272.00	265.00	newgeneric	
IRP_SD PV_2	Hybrid_or_Paired_Solar_and_Battery (GWh)		-	57.00	55.00	54.00	newgeneric	
IRP_Hybrid PV_2033_2	Hybrid_or_Paired_Solar_and_Battery (GWh)		-	2,109.00	2,055.00	2,000.00	newgeneric	
IRP_Hybrid PV_2035_2	Hybrid_or_Paired_Solar_and_Battery (GWh)		-	2,920.00	2,905.00	2,890.00	newgeneric	
IRP_Hybrid PV_2038_2	Hybrid_or_Paired_Solar_and_Battery (GWh)		-	-	753.00	747.00	newgeneric	
IRP_Hybrid PV_2039_2	Hybrid_or_Paired_Solar_and_Battery (GWh)		-	-	968.00	960.00	newgeneric	
IRP_Hybrid PV_2040_2	Hybrid_or_Paired_Solar_and_Battery (GWh)		-	-	730.00	722.00	newgeneric	
IRP_Hybrid PV_2041_2	Hybrid_or_Paired_Solar_and_Battery (GWh)		-	-	-	950.00	newgeneric	
IRP_Hybrid PV_2042_2	Hybrid_or_Paired_Solar_and_Battery (GWh)		-	-	-	1,303.00	newgeneric	
IRP_Hybrid PV_2044_2	Hybrid_or_Paired_Solar_and_Battery (GWh)		-	-	-	594.00	newgeneric	
IRP_Hybrid PV_2045_2	Hybrid_or_Paired_Solar_and_Battery (GWh)		-	-	-	1,360.00	newgeneric	
IRP_Wind East_2	Wind Baseline California (GWh)		421.00	415.00	410.00	405.00	newgeneric	
IRP_Wind NM_2	Wind New Mexico (GWh)		-	-	-	1,419.00	newgeneric	
IRP_Wind South_2	Wind New SCE SDG&E (GWh)		-	703.00	1,148.00	1,140.00	newgeneric	
IRP_Hybrid BESS_2033_2	Battery Storage (MWh Energy Capacity)						newgeneric	
IRP_Hybrid BESS_2035_2	Battery Storage (MWh Energy Capacity)						newgeneric	
IRP_Hybrid BESS_2036_2	Battery Storage (MWh Energy Capacity)						newgeneric	
IRP_Hybrid BESS_2037_2	Battery Storage (MWh Energy Capacity)						newgeneric	
IRP_Hybrid BESS_2038_2	Battery Storage (MWh Energy Capacity)						newgeneric	
IRP_Hybrid BESS_2039_2	Battery Storage (MWh Energy Capacity)						newgeneric	
IRP_Hybrid BESS_2040_2	Battery Storage (MWh Energy Capacity)						newgeneric	
IRP_Hybrid BESS_2041_2	Battery Storage (MWh Energy Capacity)						newgeneric	
IRP_Hybrid BESS_2042_2	Battery Storage (MWh Energy Capacity)						newgeneric	
IRP_Hybrid BESS_2044_2	Battery Storage (MWh Energy Capacity)						newgeneric	
IRP_Hybrid BESS_2045_2	Battery Storage (MWh Energy Capacity)						newgeneric	
IRP_Imperial BESS_2	Battery Storage (MWh Energy Capacity)						newgeneric	
IRP_SD BESS_2	Battery Storage (MWh Energy Capacity)						newgeneric	
IRP_LDS_2040_2	Battery Storage (MWh Energy Capacity)				10000	10000	newgeneric	
IRP_LDS_2045_2	Battery Storage (MWh Energy Capacity)					2000	newgeneric	
IRP_Geo_2040_2	Geothermal (GWh)				1,104.00	1,104.00	newgeneric	
IRP_Geo_2045_3	Geothermal (GWh)					400.00	newgeneric	

Reliability Need - updated with 2025 Filing Requirements release

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
CAISO gross peak (MW)				60,556	62,505	64,292	66,076	68,093	69,939	71,976	73,218	74,668	76,057	77,338	78,968	79,726	80,523	81,423	82,089	82,936
PRM (%)	16%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	14%	14%	14%	14%	14%	14%	14%	14%
CAISO Total Reliability Need (TRN) (MW)				69,522	71,597	73,685	75,771	78,127	80,290	82,674	83,983	85,527	86,996	88,337	90,073	90,937	91,846	92,873	93,633	94,599
CAISO Reliability Procurement Need (RPN) (MW)				50,516	45,606	47,269	48,932	50,595	52,259	53,922	55,180	56,437	57,695	58,953	60,210	60,949	61,688	62,427	63,167	63,906
LSE share of load during critical hours (%)				4.63%	4.59%	4.60%	4.61%	4.62%	4.63%	4.64%	4.64%	4.64%	4.64%	4.64%	4.63%	4.63%	4.62%	4.62%	4.61%	4.60%	4.60%
LSE reliability procurement requirement (RPR) (MW)				2,341	2,092	2,173	2,255	2,337	2,420	2,503	2,560	2,617	2,674	2,731	2,788	2,818	2,848	2,879	2,909	2,939

BTM PV Forecast - updated with 2025 Filing Requirements release

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Capacity (MW)				1,341	1,408	1,471	1,526	1,580	1,612	1,635	1,663	1,690	1,716	1,741	1,758	1,782	1,806	1,830	1,853	1,877

ELCC (%) - updated with 2025 Filing Requirements release

Resource Type	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
in_state_wind_south	20%	18%	15%	15%	15%	16%	17%	18%	19%	19%	18%	16%	14%	12%	11%	11%	11%	11%	12%	12%
in_state_wind_north	30%	28%	26%	31%	35%	35%	35%	35%	35%	35%	33%	31%	28%	26%	24%	24%	24%	25%	25%	26%
out_of_state_wind_WY	44%	44%	44%	41%	37%	38%	39%	40%	41%	41%	39%	37%	35%	33%	30%	32%	33%	35%	36%	38%
out_of_state_wind_IDWAOR	27%	22%	17%	21%	25%	26%	27%	27%	28%	29%	27%	25%	23%	22%	20%	20%	20%	19%	19%	19%
out_of_state_wind_AZNM	43%	43%	43%	39%	36%	37%	38%	40%	41%	42%	39%	37%	34%	32%	29%	30%	31%	32%	33%	34%
offshore_wind_north	62%	65%	69%	63%	57%	55%	53%	51%	48%	46%	44%	42%	40%	38%	36%	36%	36%	36%	36%	36%
offshore_wind_south	42%	45%	47%	39%	30%	29%	28%	26%	25%	23%	22%	20%	19%	18%	16%	17%	19%	20%	21%	22%
utility_pv	8%	9%	10%	10%	10%	11%	11%	11%	11%	11%	11%	12%	12%	13%	13%	13%	12%	12%	11%	11%
btm_pv	7%	8%	8%	8%	7%	8%	8%	8%	9%	9%	10%	10%	10%	11%	11%	11%	10%	10%	9%	9%
4hr_batteries	92%	84%	75%	49%	22%	21%	20%	19%	18%	17%	17%	17%	17%	17%	17%	17%	17%	16%	16%	16%
8hr_batteries	97%	92%	87%	63%	39%	36%	32%	29%	25%	22%	24%	25%	27%	28%	30%	30%	31%	31%	32%	32%
12hr_batteries	94%	92%	91%	69%	47%	42%	37%	32%	27%	22%	24%	25%	27%	28%	30%	30%	31%	31%	32%	32%
24hr_batteries	96%	94%	92%	74%	56%	50%	44%	37%	31%	25%	27%	29%	30%	32%	34%	34%	34%	34%	34%	35%
100hr_batteries	99%	99%	98%	86%	74%	69%	64%	58%	53%	48%	49%	50%	51%	52%	53%	53%	52%	52%	51%	51%
pumped_storage	90%	87%	85%	66%	48%	43%	37%	32%	27%	22%	24%	25%	27%	28%	30%	30%	31%	31%	32%	32%
demand_response	94%	85%	76%	59%	42%	36%	30%	24%	18%	12%	12%	11%	11%	11%	11%	10%	10%	10%	9%	9%
hydro	69%	66%	63%	57%	50%	48%	46%	44%	43%	41%	40%	39%	39%	38%	37%	36%	36%	35%	35%	34%
small_hydro	42%	39%	36%	33%	30%	28%	26%	24%	22%	21%	21%	21%	21%	21%	21%	20%	20%	20%	19%	19%
geothermal	91%	91%	92%	89%	87%	87%	87%	87%	87%	87%	87%	88%	88%	88%	88%	89%	89%	89%	89%	90%
biomass_wood	100%	99%	99%	99%	99%	99%	99%	98%	98%	98%	98%	98%	99%	99%	99%	99%	98%	98%	98%	98%
biogas	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%
nuclear	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
gas_cc	86%	85%	85%	83%	82%	82%	82%	83%	83%	83%	84%	85%	86%	87%	88%	87%	87%	86%	85%	84%
gas_ct	69%	69%	69%	65%	62%	62%	62%	62%	61%	61%	64%	66%	69%	71%	74%	72%	71%	70%	68%	67%
cogen	92%	91%	91%	91%	90%	90%	90%	90%	90%	90%	91%	92%	92%	93%	N/A	N/A	N/A	N/A	N/A	N/A
ice	94%	94%	94%	94%	93%	93%	93%	93%	93%	93%	94%	94%	95%	95%	96%	95%	95%	95%	94%	94%

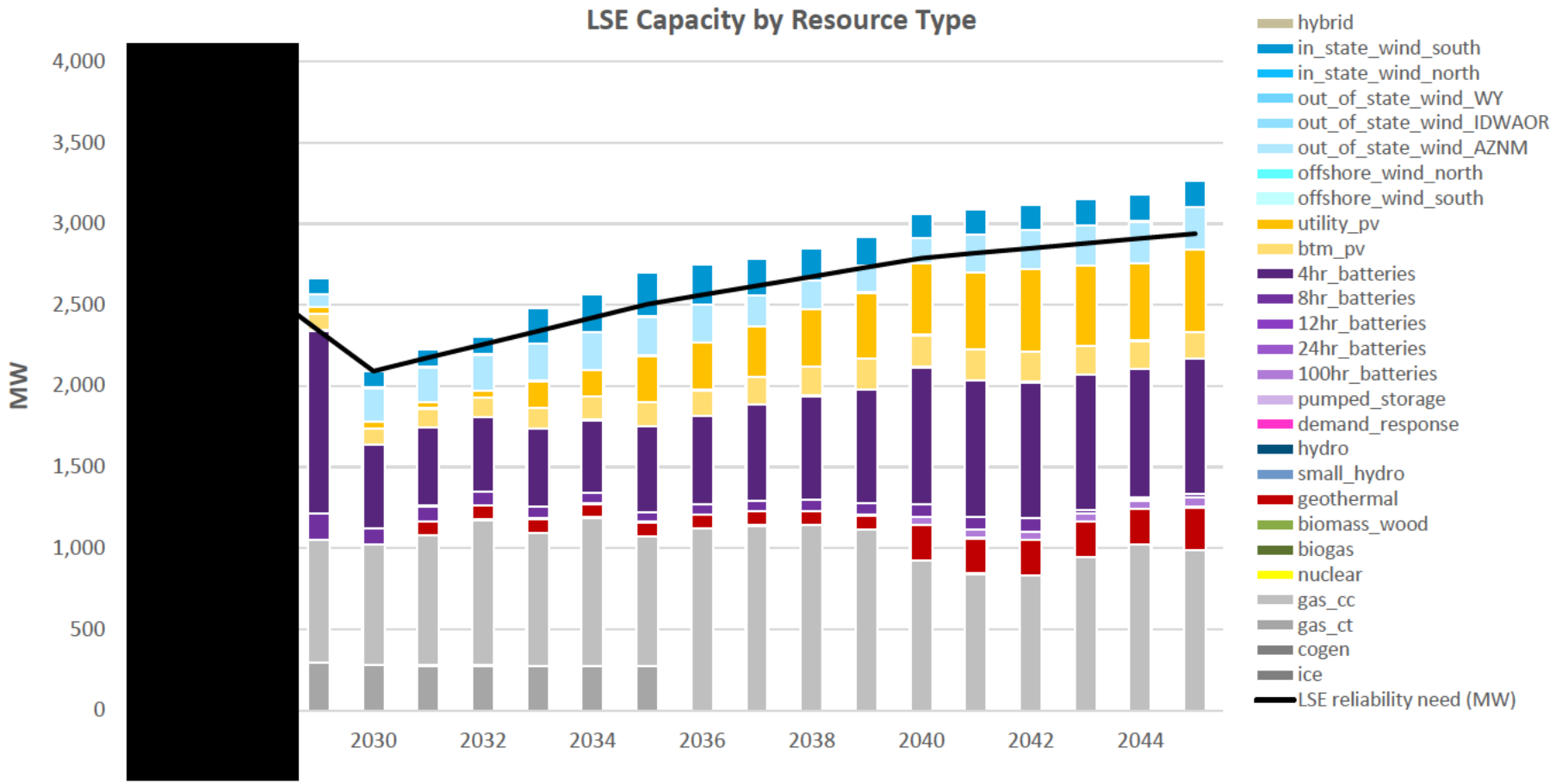
Contract ELCC (effective MW)

Resource Type	Conrtact Status	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
hybrid	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
in_state_wind_south	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
in_state_wind_north	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
out_of_state_wind_WY	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
out_of_state_wind_IDWAOR	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
out_of_state_wind_AZNM	Online				79	72	75	77	79	82	84	79	55	51	48	44	-	-	-	-	-
offshore_wind_north	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
offshore_wind_south	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
utility_pv	Online				18	18	18	18	19	19	19	20	20	21	22	23	22	21	21	5	-
btm_pv	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4hr_batteries	Online				385	175	166	157	148	139	130	100	100	101	101	100	82	78	78	6	-
8hr_batteries	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12hr_batteries	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24hr_batteries	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100hr_batteries	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
pumped_storage	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
demand_response	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
hydro	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
small_hydro	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
geothermal	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
biomass_wood	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
biogas	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
nuclear	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
gas_cc	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
gas_ct	Online				292	277	277	276	275	274	273	-	-	-	-	-	-	-	-	-	-
cogen	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ice	Online				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
hybrid	Development				4	2	2	2	2	2	-	-	-	-	-	-	-	-	-	-	-
in_state_wind_south	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
in_state_wind_north	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
out_of_state_wind_WY	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
out_of_state_wind_IDWAOR	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
out_of_state_wind_AZNM	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
offshore_wind_north	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
offshore_wind_south	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
utility_pv	Development				23	23	23	23	23	23	24	25	26	26	27	16	16	15	15	14	10
btm_pv	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4hr_batteries	Development				670	305	289	274	253	237	222	223	224	225	226	211	176	111	110	109	102
8hr_batteries	Development				163	101	92	84	75	66	57	61	65	69	73	77	79	80	19	19	19
12hr_batteries	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24hr_batteries	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100hr_batteries	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
pumped_storage	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
demand_response	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
hydro	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
small_hydro	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
geothermal	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
biomass_wood	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
biogas	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
nuclear	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
gas_cc	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
gas_ct	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
cogen	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ice	Development				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
hybrid	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
in_state_wind_south	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
in_state_wind_north	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
out_of_state_wind_WY	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
out_of_state_wind_IDWAOR	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
out_of_state_wind_AZNM	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
offshore_wind_north	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
offshore_wind_south	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
utility_pv	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
btm_pv	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4hr_batteries	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8hr_batteries	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12hr_batteries	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24hr_batteries	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100hr_batteries	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
pumped_storage	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
demand_response	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
hydro	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
small_hydro	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
geothermal	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
biomass_wood	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
biogas	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
nuclear	Review				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

gas_cc	Review	[redacted]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
gas_ct	Review		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
cogen	Review		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ice	Review		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
hybrid	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
in_state_wind_south	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
in_state_wind_north	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
out_of_state_wind_WY	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
out_of_state_wind_IDWAOR	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
out_of_state_wind_AZNM	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
offshore_wind_north	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
offshore_wind_south	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
utility_pv	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
btm_pv	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4hr_batteries	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8hr_batteries	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12hr_batteries	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24hr_batteries	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100hr_batteries	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
pumped_storage	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
demand_response	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
hydro	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
small_hydro	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
geothermal	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
biomass_wood	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
biogas	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
nuclear	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
gas_cc	PlannedExisting		758	744	803	899	818	915	801	1,121	1,140	1,141	1,116	923	843	830	943	1,023	986	
gas_ct	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
cogen	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ice	PlannedExisting		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
hybrid	PlannedNew		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
in_state_wind_south	PlannedNew		103	103	108	114	225	235	272	248	224	199	175	151	154	157	160	162	165	
in_state_wind_north	PlannedNew		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
out_of_state_wind_WY	PlannedNew		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
out_of_state_wind_IDWAOR	PlannedNew		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
out_of_state_wind_AZNM	PlannedNew		-	135	140	144	149	153	158	148	139	129	120	110	236	243	250	257	264	
offshore_wind_north	PlannedNew		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
offshore_wind_south	PlannedNew		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
utility_pv	PlannedNew		-	-	-	-	122	123	242	253	263	305	359	406	434	474	456	462	495	
btm_pv	PlannedNew		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4hr_batteries	PlannedNew		75	34	32	31	78	73	181	222	270	315	373	531	582	653	647	675	731	
8hr_batteries	PlannedNew		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12hr_batteries	PlannedNew		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24hr_batteries	PlannedNew		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100hr_batteries	PlannedNew		-	-	-	-	-	-	-	-	-	-	-	53	53	52	52	51	61	
pumped_storage	PlannedNew		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
demand_response	PlannedNew		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
hydro	PlannedNew		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
small_hydro	PlannedNew		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
geothermal	PlannedNew		-	-	87	87	87	87	87	87	88	88	88	218	219	220	220	221	267	
biomass_wood	PlannedNew		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
biogas	PlannedNew		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
nuclear	PlannedNew		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
gas_cc	PlannedNew		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
gas_ct	PlannedNew		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
cogen	PlannedNew		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ice	PlannedNew		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LSE total supply (effective MW)			2,569	1,990	2,113	2,185	2,352	2,428	2,549	2,585	2,613	2,671	2,730	2,865	2,896	2,933	2,970	3,004	3,101	

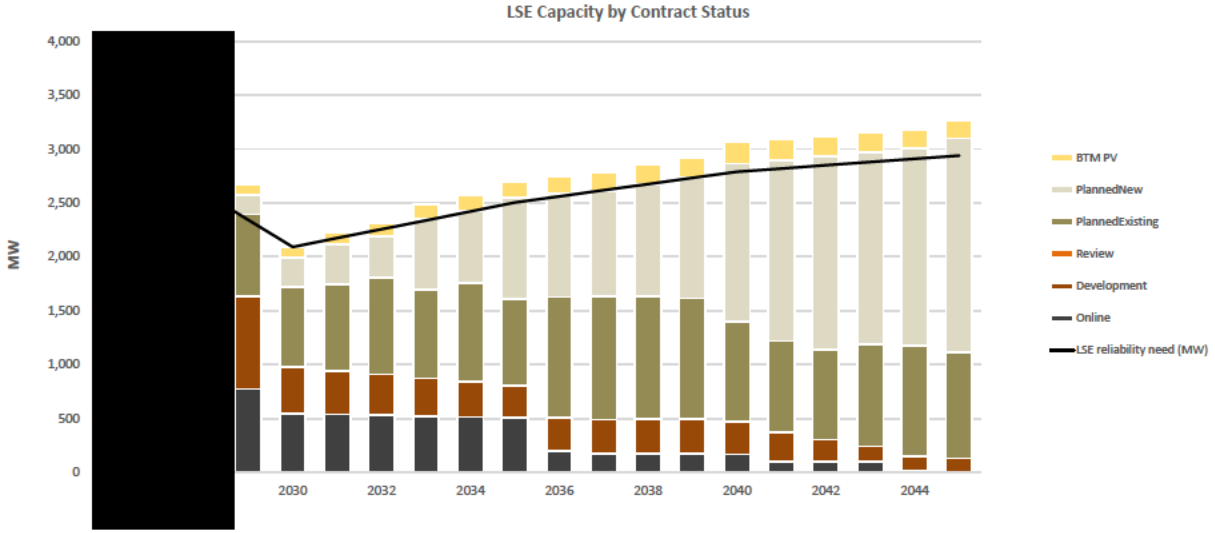
Load and Resource Table by Resource Type

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
LSE reliability need (MW)	[redacted]			2,341	2,092	2,173	2,255	2,337	2,420	2,503	2,560	2,617	2,674	2,731	2,788	2,818	2,848	2,879	2,909	2,939
ELCC by resource type (effective MW)																				
hybrid				4	2	2	2	2	2	-	-	-	-	-	-	-	-	-	-	-
in_state_wind_south				103	103	108	114	225	235	272	248	224	199	175	151	154	157	160	162	165
in_state_wind_north				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
out_of_state_wind_WY				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
out_of_state_wind_IDWAOR				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
out_of_state_wind_AZNM				79	208	214	221	228	235	242	227	194	181	168	154	236	243	250	257	264
offshore_wind_north				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
offshore_wind_south				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
utility_pv				41	41	41	41	164	165	285	297	309	353	409	445	472	510	491	481	505
btm_pv				101	103	113	123	134	142	151	160	170	180	189	199	193	186	180	173	166
4hr_batteries				1,129	514	488	461	479	450	533	544	594	640	700	842	841	841	834	789	834
8hr_batteries				163	101	92	84	75	66	57	61	65	69	73	77	79	80	19	19	19
12hr_batteries				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24hr_batteries				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100hr_batteries				-	-	-	-	-	-	-	-	-	-	-	53	53	52	52	51	61
pumped_storage				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
demand_response				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
hydro				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
small_hydro				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
geothermal				-	-	87	87	87	87	87	87	88	88	88	218	219	220	220	221	267
biomass_wood				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
biogas				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
nuclear				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
gas_cc				758	744	803	899	818	915	801	1,121	1,140	1,141	1,116	923	843	830	943	1,023	986
gas_ct				292	277	277	276	275	274	273	-	-	-	-	-	-	-	-	-	-
cogen				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ice				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LSE total supply (effective MW)				2,671	2,093	2,226	2,308	2,485	2,570	2,700	2,745	2,783	2,851	2,919	3,064	3,089	3,120	3,150	3,177	3,267
Net capacity position (+ve = excess, -ve = shortfall) (effective MW)				330	1	53	53	148	150	197	185	165	177	188	276	270	271	271	269	328


LSE Capacity by Resource Type
MW
4,000
3,500
3,000
2,500
2,000
1,500
1,000
500
0
2030
2032
2034
2036
2038
2040
2042
2044
hybrid
in_state_wind_south
in_state_wind_north
out_of_state_wind_WY
out_of_state_wind_IDWAOR
out_of_state_wind_AZNM
offshore_wind_north
offshore_wind_south
utility_pv
btm_pv
4hr_batteries
8hr_batteries
12hr_batteries
24hr_batteries
100hr_batteries
pumped_storage
demand_response
hydro
small_hydro
geothermal
biomass_wood
biogas
nuclear
gas_cc
gas_ct
cogen
ice
LSE reliability need (MW)

Load and Resource Table by Contract Status

	[redacted]	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
LSE reliability need (MW)		2,341	2,092	2,173	2,255	2,337	2,420	2,503	2,560	2,617	2,674	2,731	2,788	2,818	2,848	2,879	2,909	2,939
ELCC by contract status (effective MW)																		
Online		773	543	536	529	521	514	507	199	176	174	171	167	105	100	98	10	-
Development		860	431	406	382	352	328	302	308	314	321	327	305	271	206	143	142	131
Review		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PlannedExisting		758	744	803	899	818	915	801	1,121	1,140	1,141	1,116	923	843	830	943	1,023	986
PlannedNew		178	273	368	376	660	671	939	958	982	1,037	1,116	1,470	1,678	1,798	1,785	1,828	1,983
BTM PV		101	103	113	123	134	142	151	160	170	180	189	199	193	186	180	173	166
LSE total supply (effective MW)		2,671	2,093	2,226	2,308	2,485	2,570	2,700	2,745	2,783	2,851	2,919	3,064	3,089	3,120	3,150	3,177	3,267
Net capacity position (+ve = excess, -ve = shortfall) (effective MW)		330	1	53	53	148	150	197	185	165	177	188	276	270	271	271	269	328



Clean System Power ("CSP")

Full Portfolio Supply Inputs: Values should be pasted directly from the Resource Data Template using Excel's "Paste Values" option

Full Portfolio (Online + In-Development + Review + Planned)

Resource	2028	2030	2035	2040	2045	Units	*Type*
Large Hydro	[redacted]	-				GWh	GHG-Free
Imported Hydro		-	-	-	-	GWh	GHG-Free
Asset Controlling Supplier		-	-	-	-	GWh	GHG-Free (Partial)
Nuclear		-	-	-	-	GWh	GHG-Free
Biogas		-	-	-	-	GWh	RPS Eligible
Biomass		-	-	-	-	GWh	RPS Eligible
Geothermal		-	760	1,864	2,264	GWh	RPS Eligible
Small Hydro		-	-	-	-	GWh	RPS Eligible
Wind Resources							
Wind Baseline California	[redacted]	1,395	1,132	605	405	GWh	RPS Eligible
Wind New PG&E		-	-	-	-	GWh	RPS Eligible
Wind New SCE SDG&E		2,016	2,718	3,163	3,155	GWh	RPS Eligible
Wind Pacific Northwest		-	-	-	-	GWh	RPS Eligible
Wind Wyoming		-	-	-	-	GWh	RPS Eligible
Wind New Mexico		1,179	2,055	2,055	3,000	GWh	RPS Eligible
Wind Offshore Morro Bay		-	-	-	-	GWh	RPS Eligible
Wind Offshore Humboldt		-	-	-	-	GWh	RPS Eligible
Solar Resources							
Solar Baseline California	[redacted]	2,413	2,230	321	1,000	GWh	RPS Eligible
Solar New PG&E		-	-	-	-	GWh	RPS Eligible
Solar New SCE SDG&E		456	446	-	-	GWh	RPS Eligible
Solar Distributed		-	-	-	-	GWh	RPS Eligible
Hybrid							
Hybrid_or_Paired_Solar_and_Battery	[redacted]	3,740	9,007	10,169	12,116	GWh	RPS Eligible
Storage & DR							
Shed DR	[redacted]	-	-	-	-	MW	GHG-Free
Pumped Storage		-	-	-	-	MW	n/a
Battery Storage		5,349	5,349	13,896	12,000	MWh Energy Capacity	n/a
User-Specified Profies							
Storage Resource Custom Profile	[redacted]	-	-	-	-	MW	n/a
RPS Resource Custom Profile		-	-	-	-	GWh	RPS Eligible
GHG-free non-RPS Resource		-	-	-	-	GWh	GHG-Free
Coal							
Coal	[redacted]	-	-	-	-	GWh	n/a

Online and In-Development Portfolio Supply Inputs: Values should be pasted directly from the Resource Data Template using Excel's "Paste Val

Online + In-Development Only

Resource	2028	2030	2035	2040	2045	Units	*RPS or GHG-Free*
Large Hydro		-	-	-	-	GWh	GHG-Free
Imported Hydro		-	-	-	-	GWh	GHG-Free
Asset Controlling Supplier		-	-	-	-	GWh	GHG-Free (Partial)
Nuclear		-	-	-	-	GWh	GHG-Free
Biogas		-	-	-	-	GWh	RPS
Biomass		-	-	-	-	GWh	RPS
Geothermal		-	-	-	-	GWh	RPS
Small Hydro		-	-	-	-	GWh	RPS
Wind Resources							
Wind Baseline California		1,395	717	195	-	GWh	RPS
Wind New PG&E		-	-	-	-	GWh	RPS
Wind New SCE SDG&E		-	-	-	-	GWh	RPS
Wind Pacific Northwest		-	-	-	-	GWh	RPS
Wind Wyoming		-	-	-	-	GWh	RPS
Wind New Mexico		645	474	474	-	GWh	RPS
Wind Offshore Morro Bay		-	-	-	-	GWh	RPS
Wind Offshore Humboldt		-	-	-	-	GWh	RPS
Solar Resources							
Solar Baseline California		1,798	1,230	321	-	GWh	RPS
Solar New PG&E		-	-	-	-	GWh	RPS
Solar New SCE SDG&E		456	446	-	-	GWh	RPS
Solar Distributed		-	-	-	-	GWh	RPS
Hybrid/Paired							
Hybrid or Paired Solar and Battery		3,740	3,642	2,431	271	GWh	RPS
Storage & DR							
Shed DR		-	-	-	-	MW	GHG-Free
Pumped Storage		-	-	-	-	MW	n/a
Battery Storage		4,736	4,736	3,283		MWh Energy Capacity	n/a
User-Specified Profiles							
Storage Resource Custom Profile		-	-	-	-	MW	n/a
RPS Resource Custom Profile		-	-	-	-	GWh	RPS
GHG-free non-RPS Resource Custom Profile		-	-	-	-	GWh	GHG-Free
Coal							
Coal		-	-	-	-	GWh	n/a

Demand Inputs

	Units	2028	2030	2035	2040	2045	Notes
Managed Retail Sales Forecast (assigned to LSE)	GWh	9,241	10,411	13,411	15,645	16,973	Must be entered regardless of demand modifiers selected. Includes impact of BTM PV, Energy
Behind-The-Meter Photovoltaics (BTM PV) Forecast (assigned to LSE)	GWh	1,978	2,168	2,495	2,628	2,748	Measured at customer, not grossed up for T&D losses
Retail Sales without BTM PV reduction	GWh	11,219	12,580	15,906	18,273	19,721	Used to allocate demand modifiers
Behind-The-Meter Photovoltaics (BTM PV) grossed up for T&D losses	GWh	2,136	2,341	2,694	2,837	2,967	At generator bus-bar
Calculated share of CAISO system demand (% of Retail Sales)	%	4%	4%	4%	4%	5%	Do not edit

Commercial & Industrial Fraction of Baseline Demand	Use Custom?	Units	2028	2030	2035	2040	2045	Notes
Default C&I Percentage of Total	No	%	51%	52%	55%	55%	55%	Default, do not change. Does not include demand from Light Duty EVs.
Custom C&I Percentage of Total (OPTIONAL)		%						Will be used instead of default if "Use Custom?" = Yes

Calculated Demand, based on sales-weighted share of total from IEPR	Units	2028	2030	2035	2040	2045	Notes
Baseline net energy for load	GWh	10,912	11,277	12,280	13,128	13,523	Grossed up for T&D losses; demand met by BTM CHP excluded
Electric Vehicle Load	GWh	693	1,219	2,765	4,011	4,879	Grossed up for T&D losses
Building Electrification	GWh	320	614	1,371	1,706	1,956	Grossed up for T&D losses
Energy Efficiency	GWh	(288)	(362)	(491)	(497)	(522)	Grossed up for T&D losses
Data Center Load	GWh	523	874	1,278	1,393	1,440	Grossed up for T&D losses
Climate Change Impact Load Increases	GWh	30	48	82	125	170	Grossed up for T&D losses
Climate Change Impact Load Decreases	GWh	(8)	(12)	(20)	(30)	(40)	Grossed up for T&D losses
Behind-The-Meter Photovoltaics (BTM PV)	GWh	(2,136)	(2,341)	(2,694)	(2,837)	(2,967)	Grossed up for T&D losses
Behind-The-Meter Storage Losses (BTM Storage)	GWh	15	21	31	36	41	Grossed up for T&D losses
Behind-The-Meter Storage Capacity (BTM Storage)	Nameplate MW	161	204	285	321	370	For information only

Custom Demand Inputs (OPTIONAL; overwrites sales-weighted IEPR values from Calculated Demand sectio	Use Custom?	Units	2028	2030	2035	2040	2045	Notes
Baseline net energy for load	No	GWh						To overwrite, set "Use Custom" to "Yes" and input forecast. For use in Alternative Plans only.
Electric Vehicle Load	No	GWh						
Building Electrification	No	GWh						Custom demand values should be grossed up for T&D losses.
Energy Efficiency	No	GWh						User-specified demand profiles should be input in the "Custom Profiles" tab.
Data Center Load	No	GWh						Energy efficiency and BTM PV subtract from demand and therefore should be entered as negative values.
Climate Change Impact Load Increases	No	GWh						
Climate Change Impact Load Decreases	No	GWh						Demand categories should be non-overlapping (e.g., baseline net energy for load does not
Behind-The-Meter Photovoltaics (BTM PV)	No	GWh						include EV load, climate change impacts, etc.)
Behind-The-Meter Storage Capacity (BTM Storage)	No	Nameplate MW						Custom BTM storage should be entered in terms of Nameplate MW
Behind-The-Meter Storage Losses (BTM Storage)		GWh						

Active Demand Inputs	Source	Units	2028	2030	2035	2040	2045	Notes
Baseline net energy for load	IEPR	GWh	10,912	11,277	12,280	13,128	13,523	Grossed up for T&D losses; demand met by BTM CHP excluded
Non-commercial/industrial portion of baseline (included in baseline total)	IEPR	GWh	5,352	5,363	5,580	5,942	6,121	Grossed up for T&D losses; demand met by BTM CHP excluded
Commercial/industrial portion of baseline (included in baseline total)	IEPR	GWh	5,560	5,914	6,700	7,185	7,402	Grossed up for T&D losses; demand met by BTM CHP excluded
Electric Vehicle Load	IEPR	GWh	693	1,219	2,765	4,011	4,879	Grossed up for T&D losses
Building Electrification	IEPR	GWh	320	614	1,371	1,706	1,956	Grossed up for T&D losses
Energy Efficiency	IEPR	GWh	(288)	(362)	(491)	(497)	(522)	Grossed up for T&D losses
Data Center Load	IEPR	GWh	523	874	1,278	1,393	1,440	Grossed up for T&D losses
Climate Change Impact Load Increases	IEPR	GWh	30	48	82	125	170	Grossed up for T&D losses
Climate Change Impact Load Decreases	IEPR	GWh	(8)	(12)	(20)	(30)	(40)	Grossed up for T&D losses
Behind-The-Meter Photovoltaics (BTM PV)	IEPR	GWh	(2,136)	(2,341)	(2,694)	(2,837)	(2,967)	Grossed up for T&D losses
Behind-The-Meter Storage Losses (BTM Storage)	IEPR	GWh	15	21	31	36	41	Grossed up for T&D losses

	Units	2028	2030	2035	2040	2045	Notes
Calculated demand at utility-scale generator bus-bar	GWh	10,062	11,337	14,602	17,034	18,480	Total of "Active Demand Inputs"
Total Load (demand at utility-scale generator bus-bar + BTM PV)	GWh	12,198	13,678	17,296	19,871	21,447	For reference

IFM CHP Calculation			2028	2030	2035	2040	2045	
CASIO-wide in front of the meter (IFM) Combined Heat and Power (CHP) generation		GWh	8347	7644	7705	0	0	Input data - do not change. Values are from SERVM disparch
LSE share of IFM CHP		GWh	341	318	339	-	-	Calculation - do not change

Checks	2028	2030	2035	2040	2045
Correct sign (positive/negative) on demand inputs	TRUE	TRUE	TRUE	TRUE	TRUE
If custom C&I percentage is used, positive percentage is used	TRUE	TRUE	TRUE	TRUE	TRUE

Emissions Summary

Emissions Total	***Unit***	**2028**	**2030**	**2035**	**2040**	**2045**	***Notes***
CO_2	*MMt/yr*	*1.38*	*0.96*	*0.67*	*0.42*	*0.401*	*Includes both in-CAISO and import emissions*
PM2.5	*tonnes/yr*	*85*	*59*	*45*	*28*	*32*	*Only In-CAISO emissions*
SO_2	*tonnes/yr*	*8*	*6*	*4*	*3*	*3*	*Only In-CAISO emissions*
NOx	*tonnes/yr*	*117*	*85*	*67*	*66*	*36*	*Only In-CAISO emissions*

Emissions by resource type

CO_2	***Unit***	**2028**	**2030**	**2035**	**2040**	**2045**	***Notes***
Coal	*MMt/yr*	-	-	-	-	-	*Included in GHG emissions total*
IFM CHP	*MMt/yr*	*0.19*	*0.18*	*0.19*	-	-	
Biogas	*MMt/yr*	-	-	-	-	-	
Biomass	*MMt/yr*	-	-	-	-	-	
System Power Unadjusted	*MMt/yr*	*1.33*	*0.88*	*0.61*	*0.51*	*0.59*	*Includes emissions from in-CAISO dispatchable gas and unspecified imports*
System Power	*MMt/yr*	*1.19*	*0.78*	*0.47*	*0.42*	*0.40*	*Includes emissions from in-CAISO dispatchable gas and unspecified imports. After CSP - RESOLVE adjustment.*
Asset Controlling Supplier	*MMt/yr*	-	-	-	-	-	
Total	***MMt/yr***	*1.38*	*0.96*	*0.67*	*0.42*	*0.40*	*Includes both in-CAISO and import emissions*
Average emissions intensity	*tCO2/MWh*	*0.150*	*0.092*	*0.050*	*0.027*	*0.024*	*Emissions per MWh of sales*
Oversupply Emissions Credits	*MMt/yr*	*0.02*	*0.11*	*0.28*	*0.53*	*0.25*	*When hourly supply exceeds hourly load and system power is on the margin, LSE recieves credit at the system power emissions rate. Impact included in Total.*

PM2.5	***Unit***	**2028**	**2030**	**2035**	**2040**	**2045**	***Notes***
Coal	*tonnes/yr*	-	-	-	-	-	*Information only, not included in total*
IFM CHP	*tonnes/yr*	*11*	*10*	*11*	-	-	
Biogas	*tonnes/yr*	-	-	-	-	-	
Biomass	*tonnes/yr*	-	-	-	-	-	
System Power	*tonnes/yr*	*75*	*49*	*34*	*28*	*32*	*In-CAISO emissions only - unspecified import emissions excluded*
Total	***tonnes/yr***	*85*	*59*	*45*	*28*	*32*	*Only In-CAISO emissions*
Average emissions intensity	*kg/MWh*	*0.0092*	*0.0057*	*0.0034*	*0.0018*	*0.0019*	*Emissions per MWh of sales*

SO_2	***Unit***	**2028**	**2030**	**2035**	**2040**	**2045**	***Notes***
Coal	*tonnes/yr*	-	-	-	-	-	*Information only, not included in total*
IFM CHP	*tonnes/yr*	*1*	*1*	*1*	-	-	
Biogas	*tonnes/yr*	-	-	-	-	-	
Biomass	*tonnes/yr*	-	-	-	-	-	
System Power	*tonnes/yr*	*7*	*5*	*3*	*3*	*3*	*In-CAISO emissions only - unspecified import emissions excluded*
Total	***tonnes/yr***	*8*	*6*	*4*	*3*	*3*	*Only In-CAISO emissions*
Average emissions intensity	*kg/MWh*	*0.0009*	*0.0005*	*0.0003*	*0.0002*	*0.0002*	*Emissions per MWh of sales*

NOx	***Unit***	**2028**	**2030**	**2035**	**2040**	**2045**	***Notes***
Coal	*tonnes/yr*	-	-	-	-	-	*Information only, not included in total*
IFM CHP	*tonnes/yr*	*32*	*30*	*32*	-	-	
Biogas	*tonnes/yr*	-	-	-	-	-	
Biomass	*tonnes/yr*	-	-	-	-	-	
System Power	*tonnes/yr*	*85*	*55*	*35*	*66*	*36*	*In-CAISO emissions only - unspecified import emissions excluded*
Total	***tonnes/yr***	*117*	*85*	*67*	*66*	*36*	*Only In-CAISO emissions*
Average emissions intensity	*kg/MWh*	*0.0126*	*0.0081*	*0.0050*	*0.0042*	*0.0021*	*Emissions per MWh of sales*

Supply and Demand Balance

Demand Summary	***Unit***	**2028**	**2030**	**2035**	**2040**	**2045**	
Managed Retail Sales Forecast (assigned to LSE)	*GWh*	*9,241*	*10,411*	*13,411*	*15,645*	*16,973*	*Sales forecast (before T&D losses increase demand at generator bus-bar)*
Baseline Demand, non-C&I	*GWh*	*5,352*	*5,363*	*5,580*	*5,942*	*6,121*	
Baseline Demand, C&I	*GWh*	*5,560*	*5,914*	*6,700*	*7,185*	*7,402*	
Electric Vehicle Load	*GWh*	*693*	*1,219*	*2,765*	*4,011*	*4,879*	
Building Electrification	*GWh*	*320*	*614*	*1,371*	*1,706*	*1,956*	
Energy Efficiency	*GWh*	*(288)*	*(362)*	*(491)*	*(497)*	*(522)*	*Summary of active inputs from Demand Inputs tab*
Data Center Load	*GWh*	*523*	*874*	*1,278*	*1,393*	*1,440*	
Climate Change Impact	*GWh*	*30*	*48*	*82*	*125*	*170*	
BTM PV	*GWh*	*(2,136)*	*(2,341)*	*(2,694)*	*(2,837)*	*(2,967)*	
Demand (at generator bus-bar)	*GWh*	*10,062*	*11,337*	*14,602*	*17,034*	*18,480*	

Supply Summary	***Unit***	**2028**	**2030**	**2035**	**2040**	**2045**	***Notes***
Large Hydro	*GWh*		-	-	-	-	
Imported Hydro	*GWh*		-	-	-	-	
Asset Controlling Supplier	*GWh*		-	-	-	-	
Nuclear	*GWh*		-	-	-	-	
Biogas	*GWh*		-	-	-	-	
Biomass	*GWh*		-	-	-	-	
Geothermal	*GWh*		-	*760*	*1,864*	*2,264*	
Small Hydro	*GWh*		-	-	-	-	
Wind CAISO	*GWh*		*3,411*	*3,850*	*3,768*	*3,560*	
Wind Out Of State	*GWh*		*1,179*	*2,055*	*2,055*	*3,000*	*Wind and solar values represent production potential (pre-curtailment).*
Wind Offshore	*GWh*		-	-	-	-	*Curtailment is calculated at the portfolio level (as opposed to the resource level), and is included as a line item below*
Solar Utility Scale	*GWh*		*2,868*	*2,677*	*321*	*1,000*	
Solar Distributed	*GWh*		-	-	-	-	*Distributed solar generation that is in front of the meter*
Hybrid or Paired Solar and Battery	*GWh*		*3,740*	*9,007*	*10,169*	*12,116*	
Shed DR	*GWh*		-	-	-	-	
Pumped Storage	*GWh*		-	-	-	-	*Negative because storage losses represent net negative energy production*
Battery Storage	*GWh*		*(273)*	*(277)*	*(722)*	*(607)*	*Negative because storage losses represent net negative energy production*
Storage Resource Custom Profile	*GWh*		-	-	-	-	*Negative because storage losses represent net negative energy production*
RPS Resource Custom Profile	*GWh*		-	-	-	-	
GHG-free non-RPS Resource Custom Profile	*GWh*		-	-	-	-	
Coal	*GWh*		-	-	-	-	
IFM CHP	*GWh*		*318*	*339*	-	-	

Supply Demand Balance Summary	***Unit***	**2028**	**2030**	**2035**	**2040**	**2045**	***Notes***
LSE Supply, before curtailment and exports	*GWh*	*7,590*	*11,242*	*18,410*	*17,455*	*21,333*	*Represents LSE's net power production, before curtailment and exports reduce the power available to dispace CAISO dispatchable gas/unspecified imports*
Net Purchases, before curtailment and exports	*GWh*	*2,472*	*95*	*(3,808)*	*(421)*	*(2,853)*	*The net system power that the LSE would consume (positive = consume from system, negative = supply to system) if dispatchable gas/unspecified imports we*
Curtailment	*GWh*	*(672)*	*(1,888)*	*(4,959)*	*(2,279)*	*(4,159)*	*Power that, if supplied to the system, would not displace CAISO dispatchable gas and/or unspecified import emissions and would instead be curtailed*
Exports	*GWh*	*(185)*	*(214)*	*(288)*	*(217)*	*(333)*	*Power that, if supplied to the system, would not displace CAISO dispatchable gas and/or unspecified import emissions and would instead be exported*
Zero Emissions Power From System	*GWh*	*33*	*20*	*0*	*928*	*294*	*Power supplied to meet LSE demand that does not incur emissions. Oversupply conditions at the system level result in surplus zero emissions power in some h*
Net System Power (incurs emissions)	***GWh***	*3,296*	*2,177*	*1,439*	*1,147*	*1,345*	*Power supplied by the system (or sent back to the system from if negative) in hours when CAISO dispatchable gas and/or unspecified imports are on the marg*
Check: Supply equals demand		*TRUE*	*TRUE*	*TRUE*	*TRUE*	*TRUE*	

Renewable and GHG-Free %	***Unit***	**2028**	**2030**	**2035**	**2040**	**2045**	***Notes***
Retail Sales	GWh	*9,241*	*10,411*	*13,411*	*15,645*	*16,973*	
RPS-Eligible Delivered Renewable	GWh	*6,843*	*9,309*	*13,390*	*15,898*	*17,781*	Represents delivered renewable energy. Not directly comparable to production from an LSE's RPS-eligible resources.
GHG free	GWh	*6,876*	*9,329*	*13,390*	*16,826*	*18,075*	A small fraction of Asset Controlling Supplier imports are not counted as GHG-free
RPS-Eligible Delivered Renewable Percentage	*% of retail sales*	*74%*	*89%*	*100%*	*102%*	*105%*	Represents delivered renewable energy. Not directly comparable to production from an LSE's RPS-eligible resources.
GHG-free Percentage	*% of retail sales*	*74%*	*90%*	*100%*	*108%*	*106%*	

ITEM 10
ATTACHMENT B

RESOLUTION NO. 2026-09

A RESOLUTION OF THE BOARD OF DIRECTORS OF SAN DIEGO COMMUNITY POWER
Approving San Diego Community Power's 2026 Integrated Resource Plan (IRP)

THE BOARD OF DIRECTORS OF SAN DIEGO COMMUNITY POWER DOES HEREBY FIND, RESOLVE, AND ORDER AS FOLLOWS:

A. San Diego Community Power ("Community Power") is a joint powers agency formed pursuant to the Joint Exercise of Powers Act (Cal. Gov. Code § 6500 *et seq.*), California Public Utilities Code § 366.2, and a Joint Powers Agreement effective on October 1, 2019, and amended and restated December 16, 2021 ("JPA Agreement").

B. Pursuant to Section 4.6.16 of its JPA Agreement, the Community Power Board of Directors ("Board") has the responsibility to exercise the Specific Powers identified in Section 3.2 except those which the Board may elect to delegate to the Chief Executive Officer.

C. Section 6.3 of its JPA Agreement requires Community Power to prepare an Integrated Resource Plan in accordance with California Public Utilities Commission regulations that will ensure the long-term development and administration of a variety of energy programs that promote local renewable resources, conservation, demand response, and energy efficiency, while maintaining compliance with other regulatory requirements including the State Renewables Portfolio Standard (RPS) and customer rate competitiveness. SDCP shall prioritize the development of cost competitive clean energy projects in San Diego and adjacent counties.

D. Public Utilities Code Section 454.52(b)(3) requires Community Choice Aggregators (CCAs) to submit their IRPs to their governing boards for approval and certification.

E. Public Utilities Code Sections 454.51 and 454.52 require the California Public Utilities Commission (Commission) to adopt a process for load serving entities (LSEs) to file an IRP that will accomplish the following:

A. Meet the greenhouse gas (GHG) emissions reduction targets required by the state;
B. Procure at least 60% eligible renewable energy resources by December 31, 2030;
C. Serve customers with just and reasonable rates;
D. Minimize impacts on ratepayers' bills;
E. Ensure system and local reliability;
F. Maintain at least 65% of its Renewable Portfolio Standard ("RPS") portfolio from long-term contracts;
G. Strengthen the diversity, sustainability, and resilience of the bulk transmission and distribution systems, and local communities;
H. Enhance distribution systems and demand-side energy management;
I. Minimize localized air pollutants and other greenhouse gas emissions, with early priority on disadvantaged communities; and
J. Maintain a diverse portfolio of energy resources, which may include eligible energy resources procured by the Department of Water Resources.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of San Diego Community Power as follows:

1. The Board of Directors adopt Resolution No. 2026-09, approving Community Power's Integrated Resource Plan.

2. By approving Community Power's IRP, the Board of Directors confirms that it achieves the following:
    A. Economic, reliability, environmental, security, and other benefits and performance characteristics that are consistent with the above listed requirements A-J;
    B. A diversified procurement portfolio consisting of short-term, midterm, and long-term electricity, electricity-related, and demand reduction products; and
    C. RA requirements consistent with Public Utilities Code Section 380.

3. If any provision of this resolution, or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the resolution which can be given effect without the invalid provision or application, and to this end the provisions of this resolution are severable. The Board of Directors hereby declares that it would have adopted this resolution irrespective of the invalidity of any particular portion thereof.

4. This resolution shall take effect immediately upon its adoption and shall remain in effect except as amended or until repealed by the Board of Directors.

PASSED, APPROVED AND ADOPTED at a meeting of the Board of Directors of San Diego Community Power held on June 25, 2026.

AYES:
NOES:
ABSTAIN:
ABSENT:

_____
Terra Lawson-Remer, Chair
Board of Directors
San Diego Community Power

ATTEST:

_____
Maricela Hernandez, MMC, CPMC
Clerk of the Board/Board Secretary
San Diego Community Power

APPROVED AS TO FORM:

_____
Veera Tyagi, General Counsel
San Diego Community Power

SAN DIEGO COMMUNITY POWER
Staff Report – Item 11

To:	Board of Directors
From:	Colin Santulli, Senior Director of Programs
Via:	Jack Clark, Acting Chief Executive Officer
Subject:	Update on the California Energy Commission's Equitable Building Decarbonization Direct Install Program
Date:	June 25, 2026

Recommendation

Receive and File Informational Update on the California Energy Commission's ("CEC") Equitable Building Decarbonization ("EBD") Direct Install Program ("Program").

Background

The EBD Program is a Statewide initiative to decarbonize buildings in a just and equitable transition. In the EBD Program Guidelines, the CEC acknowledges that "building decarbonization must prioritize low-income, disadvantaged, and tribal communities, who bear the highest energy burden and have suffered the most from historical environmental injustices, economic disparities, and the current climate crisis. The participation of all California communities will be needed for the state to achieve its climate and energy goals."

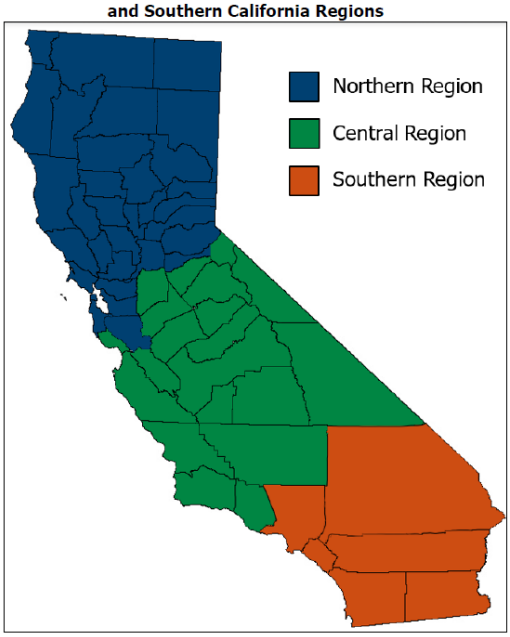
The EBD Program is available to single-family homes, multifamily homes (including apartments and condos) and mobile/manufactured homes located in under-resourced communities identified by the CEC as disadvantaged communities as designated by CalEnviroScreen 4.0 and/or designated as low-income (where median household incomes are at or below 80 percent of the statewide median income or at/or below the threshold designated as low-income by the Department of Housing and Community Development). The EBD Program is open to low-income homeowners and renters and includes tenant protection mechanisms for participating homes. The Program will provide direct installation of measures and equipment that:

- Electrify homes by replacing existing gas-fired space heating and cooling equipment, water heaters, and ranges or cooktops.

- Increase the homes' energy efficiency through insulation, air sealing, lighting, and/or solar window film.
- Upgrade electric panels to support the new electric equipment.
- Conduct basic remediation and safety upgrades, such as remediation of galvanized pipe, lead paint, asbestos, or mold, and energy efficiency work like air sealing and insulation.

The CEC divided the Statewide EBD Program into three regions – Northern, Central, and Southern, and allocated funding based on the relative population of under-resourced communities in each region. The Southern California region received $328.9 million in funding over five years, which includes $89 million of Federal Home Efficiency Rebates ("HOMES") funding.

Figure 1: Map of Northern, Central, and Southern California Regions



Source: CEC staff

Staff worked with a coalition of Southern California agencies, led by Los Angeles County ("LA County") in its role as the Southern California Regional Energy Network ("SoCalREN"), to serve as the Program Administrator for the southern region of the EBD Program. In August 2024, the CEC selected LA County as the Program Administrator for the southern region, and in December 2025, the CEC formalized the agreement with LA County to administer the EBD Program.

In April 2025, Community Power's Board of Directors approved a memorandum of understanding (MOU) with LA County accepting $1.4 million for marketing, education, and outreach (ME&O), allocating $737,000 to community-based organizations (CBOs) to implement ME&O activities. With the MOU approved and executed, Community Power became a "Community Partner" with LA County and their program implementation team.

Analysis and Discussion

Program Launch

The EBD Program is now open for enrollment for eligible residents in eligible communities. Although the EBD program was initially expected to launch in summer 2025, it was delayed to the end of Q1 2026. Interested residents can complete an Interest Form at socalebd.org and a coalition member will follow up with next steps. We have begun following up with residents that have submitted an Interest Form. Community Power will work with CBOs to initiate targeted ME&O activities in eligible communities to inform eligible residents about the program and recruit participants.

Initial Community Focus Areas

In September 2025, the CEC announced the communities eligible for the program's first phase, known as the Initial Community Focus Areas (ICFAs). The areas were selected by the Program Administrator and approved by the CEC based on criteria established in the guidelines, including communities that are:

- Vulnerable to extreme heat, high fire risk, high levels of ambient air pollution or other climate risks,
- Underserved by existing programs that fund building decarbonization, weatherization, and related measures.
- Likely to experience higher than average energy burdens
- More likely to experience utility bill savings as a result of decarbonization

Staff suggested that the Program Administrator consider our Communities of Concern for the Initial Community Focus Areas. The list of Initial Community Focus Areas includes communities in incorporated and unincorporated areas of Chula Vista, El Cajon, Escondido, Oceanside, Ramona, San Marcos, Vista, and communities affected by January 2024 rainstorm and flooding (Figure 2). A full list of the ICFA can be found on the CEC's EBD Statewide Direct Install Program webpage.

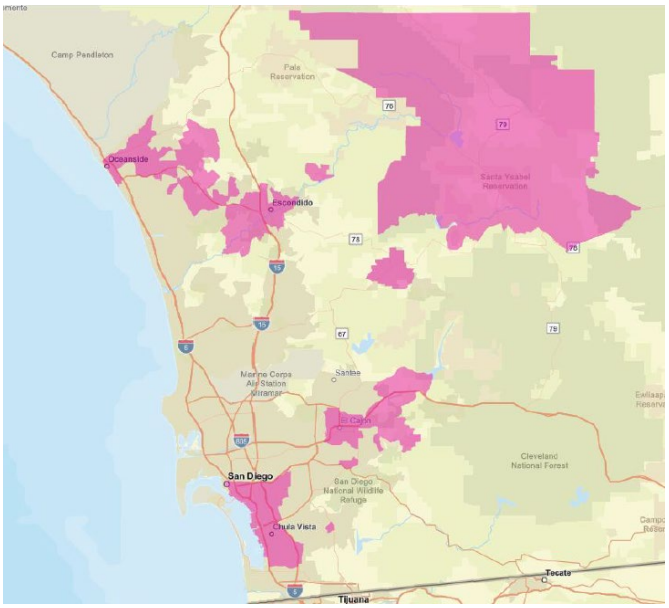


Figure 2

The CEC has indicated that additional communities will be eligible to participate in future phases of the program. An application process is being developed; however, no additional details have been provided on the process or timing for adding additional communities. Staff will provide updates to the Community Advisory Committee and Board of Directors when more guidance has been provided by the CEC on the timing and mechanism for adding communities to be eligible for the EBD Program.

Marketing, Education and Outreach (ME&O)

Staff worked with Community Power's Public Affairs and outreach teams to activate the Power Network and contract with CBOs to inform and enroll eligible residents. The outreach team issued a request for quotes to CBOs within the Power Network seeking support for ME&O activities. Staff proposed three levels of support, Lite, Core, and Advanced, to accommodate varying levels of a CBO's organizational capacity. Each level of support corresponded with a range of potential, but not guaranteed, funding. Lite focused on lower-resource activities such as social media, digital campaigns, and newsletters, with a budget range of $10,000 to $30,000 per year. Core included everything in Lite plus more resource-intensive efforts such as tabling at events and co-hosting workshops, with a budget range of $30,000 to $40,000 per year. Advanced included Lite and Core activities plus more resource intensive activities such as door-to-door canvassing, co-hosting contractor trainings, and providing direct resident support, with a budget range of $50,000 to $60,000 per year.

Sixteen Power Network CBOs responded to the request for quotes. Staff evaluated the proposals for reach and experience, including serving communities considered ICFAs, and selected level of support and alignment of proposed activities and budget requested. Staff executed agreements with eight CBOs:

- Groundwork San Diego
- Good for Others Foundation

- Center for Community Energy
- SanDiego350
- I Am Green
- I Love a Clean San Diego
- Urban Collaborative Project
- United Women of East Africa

Staff are waiting for budget approval by the CEC for two additional CBOs.

A kick-off meeting with Power Network CBOs was held on June 23 to educate partners on the program, begin coordination on ME&O strategies and materials, and provide administrative training. The goal of the meeting was to prepare CBOs to begin ME&O activities that encourage eligible residents in ICFAs to complete an enrollment form.

On the participant experience side, once an enrollment form is submitted, an EBD Program Advisor will assist residents through the program by completing eligibility checks, scheduling home assessments, selecting measures and equipment, coordinating installers, and conducting quality assurance checks. San Diego County will have two assigned Program Advisors, hired by Clean Energy Alliance and the San Diego Urban Sustainability Coalition; however, they will serve all eligible residents in eligible ICFA regardless of utility service territory.

Staff are coordinating with other Community Partners in San Diego, including GRID Alternatives, Clean Energy Alliance and Urban Sustainability Coalition on ME&O efforts to share lessons learned and support successful implementation of the EBD program. Staff will share outreach materials and resources with staff at our member agencies to support outreach and recruitment.

Retrofit Targets

The EBD program is targeting to retrofit nearly 10,500 units across the Southern California Region. In San Diego County, the program is targeting to retrofit more than 1,700 units. For the portion of San Diego represented by Community Power, the program is targeting to retrofit just under 1,400 units. The tables below show the total targets by year and building type:

YEAR	UNIT GOAL	Single Family (SF)	Mobile Home (MH)	Multifamily (MF)
2026	139	63	0	76
2027	500	139	0	361
2028	500	139	0	361
2029	250	69	0	181
Total	**1,389**	**410**	**0**	**979**

The EBD Program implementation team has indicated that an EBD Program budget reduction in FY 2027–2028 will affect unit targets. Additional information is expected in Q3 2026.

Rapid Start Project

As part of the EBD solicitation, the CEC strongly encouraged program administrators to identify "Rapid Start" projects that could begin EBD-funded retrofits while the broader program infrastructure (e.g., enrollment forms, application tracking systems, ME&O) was developed. This would allow the program to generate valuable insights and lessons learned into the retrofit process (e.g., permitting, installation) and deliver benefits to low-income households.

The southern region EBD Program Administrator selected McKinney Manor in San Diego as a Rapid Start project. This low-income, affordable housing development for seniors is located in an eligible ICFA. The McKinney Manor Rapid Start project successfully retrofitted 50 units with new heat pump water heaters, induction ranges and wiring. Total project costs were approximately $1.3 million (avg. $25,800 per unit). Although Community Power was not involved in selecting the Rapid Start project, we attended the ribbon-cutting and it is encouraging to see a successful project in our communities.

Fiscal Impact

N/A

Strategic Plan

The EBD Program supports the Community Power strategic goal of increasing program funding opportunities from external sources.

Attachments

N/A

SAN DIEGO COMMUNITY POWER
Staff Report – Item 12

To:	Board of Directors
From:	Chandra Pugh, Senior Director of People Operations and Administration
Via:	Jack Clark, Acting Chief Executive Officer
Subject:	Public Hearing on the Status of Vacancies, Recruitment and Retention Efforts
Date:	June 25, 2026

Recommendation

Hold a public hearing, receive comments, and accept report on the status of Community Power employee vacancy rates and recruitment and retention efforts.

Background

Effective January 1, 2025, Assembly Bill (AB) 2561 (McKinnor) amended the Myers-Milias-Brown Act (MMBA) to add Government Code Section 3502.3, which created a new obligation for public agencies to present the status of vacancies and recruitment and retention efforts. The public hearing must be held at least once per fiscal year prior to adopting an annual budget. During the hearing, the public agency shall identify any necessary changes to policies, procedures, and recruitment activities that may lead to obstacles in the hiring process. The law also allows recognized employee organizations, which Community Power does not have, giving them an opportunity to present at the public hearing.

Analysis and Discussion

Status of Job Vacancies

For the Fiscal Year 2026, there were twenty-eight vacancies. Of these vacancies, twenty employees have been hired, two of which were filled by internal candidates, three positions are currently open, and four positions have not been posted. As shown in Table 1 below, the

three current vacancies are: Program Associate – SDREN, Data Engineer, and Marketing and Communications Associate - SDREN.

Community Power has been highly successful in recruiting vacant positions this past fiscal year, including fulfillment of critical Chief Commercial Officer, Chief Financial Officer, and Associate Director of Finance roles. Outside recruitment firms were utilized to minimize length of vacancy and disruption to the organization.

Table 1

Position	Department	Posted	Hired	Reason For Vacancy
Chief Commercial Officer	Power Services	4/9/2025	Yes	Backfill
Sr. Origination Associate	Power Services	2/26/2025	Yes	Budgeted
Community Engagement Coordinator	Public Affairs	4/3/2025	Yes, filled by an internal candidiate	Budgeted
Community Outreach Representative	Public Affairs	5/21/2025	Yes, full-time role split into 2 part-time roles	Backfill
Portfolio Analyst	Power Services	7/1/2025	Yes	Budgeted
Account Services Analyst	IT and Data Analytics	7/8/2025	Yes, filled by an internal candidiate	Budgeted
Key Account Services Analyst	IT and Data Analytics	7/8/2025	Yes	Budgeted
Facilities Lead	Operations	8/22/2025	Yes	Budgeted
Information Systems Manager	IT and Data Analytics	2/19/2026	Yes	Budgeted
Paralegal	Legal	9/25/2025	Yes	Budgeted
Communications Associate	Public Affairs	12/5/2025	Yes	Budgeted
Program Associate	Programs	9/17/2025	Yes	Budgeted
Programs Manager	Programs	4/2/2026	Yes, selected candidate start date is 6/22/2026	Budgeted
Procurement Analyst	Finance	9/25/2025	Yes	Budgeted
Associate Director of Finance	Finance	9/8/2025	Yes	Budgeted
IT Systems Engineer	IT and Data Analytics	Not posted	No	Budgeted
Sr Finance Analyst (REN Cost Recoverable)	Finance	12/12/2025	Yes	Budgeted
Application Developer (AI and API)	IT and Data Analytics	Not posted	No	Budgeted
IT Systems Administrator*	IT and Data Analytics	1/26/2026	Yes, position posted as IT Systems Analyst	Budgeted
Data Engineer	IT and Data Analytics	5/1/2026	Still Posted	Budgeted
Procurement Manager *	Finance	3/11/2026	Yes, position posted as Procurement Analyst	Budgeted
Executive Assistant for CEO	Operations	Not posted	No	Budgeted
Compliance and Contract Management Analyst	Power Services	2/9/2026	Yes, selected candidate start date is 6/17/2026	Backfill
Program Associate - SDREN	Programs	4/23/2026	Still Posted	Funded by SDREN
Chief Financial Officer	Finance	2/5/2026	Yes	Backfill
Marketing and Communication Associate	Public Affairs	5/12/2026	Still Posted	Funded by SDREN
Program Manager	Programs	Not posted	No	Budgeted

<u>Recruitment and Retention Efforts</u>

The recruitment process involves three interview stages including a virtual and two in-person panel interviews.

Employee turnover at Community Power this past fiscal year stood at 3.16%, and employee retention stood at 97%, as shown in Table 2 below. Of the twenty-eight vacancies, twenty-three were new positions; four positions were backfilled, and one position being backfilled was split into two part-time hires. Community Power's retention efforts include offering

competitive wages, 10% of base pay employer contribution to employee Money Purchase Plan retirement account, generous vacation and sick time, 11 paid holidays including a winter break, and a professional development stipend. Because Community Power has been highly successful in filling vacant positions this past fiscal year and retaining its employees, no changes are being recommended to its recruitment process and retention efforts.

Table 2

Fiscal Year	Turnover	Retention	Separated	Active
2024	8.62%	91.38%	5	58
2025	5.00%	95.00%	4	80
2026	3.16%	96.84%	3	95

Fiscal Impact

N/A

Committee Review

This item was presented at the Finance and Risk Management Committee meeting of June 18, 2026. Committee members recommended the Board hold a public hearing.

Strategic Plan

Hire top talent according to plan and budget.

Attachments

N/A

SAN DIEGO COMMUNITY POWER
Staff Report – Item 13

To:	Board of Directors
From:	Timothy Manglicmot, Senior Director of Finance and Risk Will Weisman, Associate Director of Finance Mark Alfaro, Finance Manager Chris Do, Senior Financial Analyst Kevin Bateman, Financial Analyst Julissa Mercedes, Financial Analyst
Via:	Jack Clark, Acting Chief Executive Officer
Subject:	Adoption of Resolution No. 2026-10, approving the FY 2026-2027 Operating Budget, the FY 2026-2027 Capital Budget, and the FY 2027-2031 Capital Investment Plan
Date:	June 25, 2026

Recommendation

Adoption of Resolution No. 2026-10, approving the FY 2026-2027 Operating Budget, the FY 2026-2027 Capital Budget, and the FY 2027-2031 Capital Investment Plan.

Background

On October 1, 2019, the Founding Members of San Diego Community Power (Community Power) adopted the Joint Powers Agreement (JPA) which was amended and restated on December 16, 2021. Section 4.6.2 of the JPA specifies that the Community Power Board of Directors (Board) shall adopt an annual budget prior to the commencement of the fiscal year. The JPA further provides that Community Power's fiscal year runs from July 1 to June 30, unless changed by the Board.

Section 7.3.1 of the JPA requires that Community Power budgets be prepared and approved by the Board in accordance with its fiscal management policies that should include a deadline for approval.

On July 28, 2022, the Board adopted a budget development schedule as part of the Community Power Budget Policy consistent with Table 1. This development schedule includes an annual budget review in May by the Finance and Risk Management Committee (FRMC), which occurs prior to the Community Power Board of Directors (Board) previewing the budget in May and prior to the Board potentially adopting the budget in June.

Table 1. Current Budget Development Schedule

February	March-April	May	June	★
Develop Operating Revenue Estimate Develop Operating Expense Estimate Develop financial plan for credit rating in 3-years	Staff develop operating budgets Baseline budget is developed	Strategic planning sessions with SDCP Board SDCP Board Preview (Information Item)	Financial and Risk Management Committee Review SDCP Board Approval	July 1st Budget Implemented Mid-year budget review (February) Budget amendments as necessary

Table 2 illustrates the Proposed FY 2026-2027 budget in comparison to Community Power's budgets from prior years.

Table 2. Community Power Budget History

Operating Budget	Net Revenues	Total Expenses	Net Position
FY 2020-2021 Amendment	$26,286,909	$34,135,000	($7,848,091)
FY 2021-2022 Amendment	$378,053,506	$342,177,063	$35,876,443
FY 2022-2023 Amendment	$929,791,929	$772,078,709	$157,713,220
FY 2023-2024 Amendment	$1,304,274,067	$1,070,891,284	$233,382,783
FY 2024-2025 Amendment	$1,221,258,172	$1,187,090,169	$34,168,003
FY 2025-2026 Amendment	$1,175,418,913	$1,025,004,360	$150,414,553
FY 2026-2027 Proposed	**$918,820,685**	**$914,910,136**	**$3,910,549**

Additionally, Community Power traditionally adopts an annual 5-year Capital Investment Plan (CIP). Community Power's first CIP was approved on June 22, 2023, under Resolution No. 2023-24. The CIP contains all the individual capital projects; major equipment purchases and major programs for the agency that are intended to span multiple years and that are considered one-time projects rather than recurring projects. Further, the first year of the CIP represents the capital budget appropriation for the upcoming fiscal year.

On May 21, 2026, the FRMC received a presentation and provided feedback on the draft FY 2026-2027 Operating Budget, FY 2026-2027 Capital Budget, and FY 2027-2031 Capital Investment Plan. The presentation additionally included a Quarterly Risk Oversight Committee Report, pursuant to Section 7.3 of the agency's Energy Risk Management Policy,

which reviewed the significant financial risks facing the agency most notably from the Power Charge Indifference Adjustment (PCIA).

Subsequently, on May 28, 2026, the Board received a similar presentation and provided feedback on the draft FY 2026-2027 Operating Budget, FY 2026-2027 Capital Budget, and FY 2027-2031 Capital Investment Plan, and the Quarterly Risk Oversight Committee Report.

Analysis and Discussion

The proposed FY 2026-2027 operating budget includes net operating revenue of $918,820,685 and total expenses of $914,910,136, resulting in net position of $3,910,549.

The proposed FY 2026-2027 capital budget includes $71,417,654 from a combination of internal and external sources to fund six projects. Including existing appropriations, a total of 19 active projects are proposed to be funded during the fiscal year.

The proposed FY 2027-2031 capital investment plan includes 19 projects that are planned to receive funding during the five-year period, totaling $310,265,290in investment. The first year of the FY 2027-2031 CIP reflects the proposed FY 2026-2027 capital budget. Additionally, $20,727,469 in unspent continuing funds were appropriated by the Board in prior fiscal years and is represented as carryforward budget. Separately, the Board authorized the full appropriation of $124,274,206for the San Diego Regional Energy network in 2025, of which $63,417,654 is included in the FY 2026-2027 capital budget.

Under the proposed FY 2026-2027 operating budget, Community Power is projected to have an ending reserve balance of $711.6 million- or 280-days cash on hand based on the operating expenses projected in FY 2026-2027.

The proposed budget includes the key assumptions outlined below.

Operating Revenue
Community Power's net operating revenue consists primarily of revenues from sales of electricity. Assumptions regarding net operating revenue include:

- Enrollment of customers is complete from member jurisdictions in Phases 1, 2, 3 and 4.
- 95% participation rate across all jurisdictions.
- An uncollectible rate of 1.5%, as compared to 1.75% in the prior fiscal year.
- Rates that were set and approved by the Board on April 23, 2026, for the period from May 1, 2026, to December 31, 2026.

- Power Charge Indifference Adjustment (PCIA) is consistent with SDG&E Partial Supplemental Advice Letter 4791-E-A filed on March 30, 2026, for the period from May 1, 2026, to December 31, 2026.
- Generation rates are projected to decrease between 15% to 20% between calendar years 2026 and 2027 and, within the FY27 Proposed Budget, for the period from January 1, 2027, to June 30, 2027.
- PCIA is expected to increase between 25% to 55% between calendar year 2026 and 2027 and, within the FY27 Proposed Budget, for the period from January 1, 2027, to June 30, 2027.
- Rates and PCIA for the period from January 1, 2027, to June 30, 2027, are forecasted based on Community Power's latest forecasted energy, resource adequacy, and renewable energy prices through April 30, 2026.
- Power100 and Power100 Green-e Certified (Green-e Plus) will maintain premiums of $0.01/kWh and $0.02/kWh, respectively, compared to PowerOn.
- Any further rate changes, including mid-year changes, are subject to Board discretion and approval.

Cost of Energy includes all the various services purchased from the power market through our counterparties to supply energy to Community Power's customers. Assumptions regarding cost of energy include:

- Forecasts are based on contracts, long-term load, and energy forward prices through April 30, 2026.
- Open positions not yet under contract for energy are generally assumed to be closed based on the forecasted energy forward price for the period.
- The Voluntary Allocation and Market Offer (VAMO) and Modified Cost Allocation Mechanism (MCAM) contracts with San Diego Gas & Electric (SDG&E) are based on Community Power's latest forecasted energy, resource adequacy, and renewable energy prices through April 30, 2026.

Operating Expenses
Community Power's non-energy operating expenses fall into four categories: "personnel costs", "professional services and consultants", "marketing and outreach", and "general and administration." Expense assumptions include the following:

- **Personnel** include salaries, payroll taxes, benefits, and excused absence and paid time off for staff. The recruitment strategy includes the addition of approximately five new staff members during the FY 2026-27 budget cycle, growing the agency to 106 total staff.

- **Professional Services and Consultants** include SDG&E fees, data management fees from Calpine, technical support (for rate setting, load analysis, energy scheduling, etc.),

legal/regulatory services and other general contracts related to IT services, audits and accounting services.

- **Strategic Communications and Outreach** includes expenses for mandatory notices and mailers, printing and outreach materials, communication consultants, and events and partnerships to increase awareness, drive customer enrollment, and build positive relationships.

- **General and Administration** budget covers the cost of office space, equipment, membership dues, and other general operational costs.

Non-Operating Expenses
Community Power's budget also includes non-operating expenses related to interest and related expenses used to finance its operations. These costs are comprised of associated interest costs as well as potential renewal fees on debt or letters of credit.

Capital Investment Plan (CIP)
In FY 2026-2027 Community Power is continuing its Capital Investment Plan (CIP) which contains all the individual capital projects, equipment purchases, and major programs for the agency that are intended to span multiple years. The proposed FY 2026-2027 operating budget proposes a one-time transfer to the CIP as a continuing fund in which any unspent funds are kept within that fund and carried forward to the subsequent fiscal year to support internally funded programs. Operating budget contributions are funded through a combination of net operating revenues and non-operating investment income as appropriate based on program restrictions. The first year of the CIP is the proposed FY 2026-2027 capital budget.

For FY 2026-2027, Community Power proposes a one-time investment of $8.0 million into the agency's Capital Investment Plan to support internally funded programs. This proposed contribution is primarily supporting the following programs:

- **Solar Battery Savings:** $3.5 million will continue investment in Solar Battery Savings, which offers upfront and performance-based incentives for home battery systems that boost resilience and reduce grid demand.

- **Customer Pilot Programs:** $2.5 million will support Customer Pilot Programs which represent small-scale, short-duration projects that can provide Community Power and stakeholders data on program design, technology acceptance and other information helpful for broader program delivery.

- **Distributed Energy Resources Management Systems Software Platform:** $1.5 million will support the Distributed Energy Resources Management Systems Software Platform to support the organization's Flexible Load Strategy.

- **EV Load Growth Study:** $0.3 million will evaluate how increasing EV adoption will affect electricity demand across Community Power's service territory, including impacts from different charging behaviors on load shape, peak demand, and system risk.

- **IT Projects:** $0.2 million will fund the optimization and expanded rollout of the agency's central Enterprise Resource Planning (ERP) platform. While Phase 1 successfully established core budgeting functionalities, Phase 2 is being considered for strategic rescoping to prioritize immediate agency-wide operational controls and financial efficiencies. Once deployed, this phase will streamline cross-departmental workflows, enhance internal financial controls, and automate routine processes. This targeted optimization ensures the finance, non-energy procurement team and broader agency possess the scalable infrastructure required to support expanding community programs and minimize administrative overhead.

Net Income
The proposed FY 2026-2027 budget results in a net position of $3,910,549.

Reserves
Under Resolution No. 2025-23, Community Power's revised Financial Reserves Policy established a minimum reserve requirement of 180 days cash on hand, a reserve target of 225 days cash on hand, and a maximum reserve of 270 days cash on hand.

Additionally, pursuant to Resolution No. 2026-07, Community Power established a Rate Stabilization Reserve (RSR). Under the resolution, the Target RSR Balance may be an amount up to or equivalent to 45 Days Cash on Hand, representing the Reserves between the Target Reserve Balance and Maximum Reserve Balance of Community Power's Financial Reserves, as defined in the Financial Reserves Policy.

Under the proposed FY 2026-2027 operating budget, Community Power is projected to have an ending reserve balance of $711.6 million- or 280-days cash on hand based on the operating expenses projected in FY 2026-2027. Staff note that based on operating expenses projected in FY 2025-2026, the ending reserve balance would only have been 255 days cash on hand. Pursuant to Community Power's Reserve Policy, should fiscal year-end reserves exceed the maximum reserve balance of 270 days cash on hand, the Board may authorize excess reserve distributions at their discretion, including for Strategic Uses for a Programmatic Reserve. Staff recommend building reserves to 280-days cash on hand given the significant downside risk that staff project in calendar year 2027 and as discussed in the Risk Oversight Committee (ROC) Report in May 2026. Total projected ending liquidity (including unrestricted cash, investment holdings, and available lines of credit) for FY 2026-2027 is 370 days liquidity on hand. The following table illustrates Community Power's proposed FY 2026-2027 operating budget compared to the amended budgets for FY 2024-2025 and FY 2025-2026. Staff note

certain figures presented in the associated attachments to the staff report may vary slightly due solely to rounding.

Table 3. Proposed FY 2026-2027 Budget compared to FY 2024-2025 and FY 2025-2026 Amended Budgets.

	FY25 Amended	FY26 Amended	FY27 Proposed
Gross Revenue	1,243.0	1,194.8	932.8
Less Uncollectible Accounts	-21.8	-19.4	-14.0
Net Operating Revenues	**1,221.3**	**1,175.4**	**918.8**
Cost of Energy	1,116.8	969.9	872.3
Non-Energy Costs	50.8	50.0	55.7
Subtotal Operating Expense	**1,167.6**	**1,019.9**	**928.1**
Investment Income	0.0	-18.3	-23.1
Debt Service	1.3	1.5	1.9
Capital Investment Plan (Transfer Out)	18.2	21.9	8.0
Total Expenses	**1,187.1**	**1,025.0**	**914.9**
Net Position	**34.2**	**150.4**	**3.9**

Amounts displayed in millions, $

The next table illustrates Community Power's proposed FY 2027-2031 Capital Investment Plan. The first year of the FY 2027-2031 Capital Investment Plan represents Community Power's FY 2026-2027 Capital Budget.

Table 4. Community Power FY 2027-2031 Capital Investment Plan

	Carryforward	FY27 Proposed	FY28	FY29	FY30	FY31	Total
External Funding							
Regional Energy Network	-	63.1	51.4	42	43.7	45.5	245.7
DAC-GT	0.3	0.3	-	-	-	-	0.6
Equitable Building Decarbonization	1.4	-	-	-	-	-	1.4
Planning and Studies	0.7	-					0.7
Total External Funding	**2.4**	**63.4**	**51.4**	**42**	**43.7**	**45.5**	**248.4**
Internal Funding							
Solar Battery Savings	10.8	3.5	10.4	8.3	8.5	7.6	49.1
Pilot Programs	2.0	2.5		-	-	-	4.5
Grants	1.3	-	-	-	-	-	1.3
Flexible Load	0.5	1.5	-	-	-	-	2.0
IT Projects	3.2	0.2	-	-	-	-	3.4
Planning and Studies	0.3	0.3	-	-	-	-	0.6
Application Assistance	0.3	-	0.3	-	-	0.3	0.9
Total Internal Funding	**18.4**	**8.0**	**10.7**	**8.3**	**8.5**	**7.9**	**61.8**
Total CIP Expenses	**20.8**	**71.4**	**62.1**	**50.3**	**52.2**	**53.4**	**310.2**

Amounts displayed in millions, $

Carryforward amounts reflect a point in time estimate during the budget development process. These amounts are subject to change over the remainder of the fiscal year and will be updated for the adopted budget.

Since the Board meeting on May 28, 2026, staff further reviewed Community Power's non-energy budget and are proposing to further reduce the non-energy budget by $0.8 million. The majority of the reductions were from decreasing total proposed staffing from 108 full-time employees to 106 full-time employees by removing positions within the Programs and IT and Data Analytics departments.

Table 5. Community Power FY 2026-2027 Budget Draft vs Proposed

	FY27 Draft May 28, 2026	FY27 Proposed June 18, 2026	FY27 Difference
Gross Revenue	932.8	932.8	-
Less Uncollectible Accounts	-14.0	-14.0	-
Net Operating Revenues	**918.8**	**918.8**	**-**
Cost of Energy	872.3	872.3	-
Non-Energy Costs	56.5	55.7	-0.8
Subtotal Operating Expense	**928.9**	**928.1**	**-0.8**
Investment Income	-23.1	-23.1	-
Debt Service	1.9	1.9	-
Capital Investment Plan (Transfer Out)	8.0	8.0	-
Total Expenses	**915.7**	**914.9**	**-0.8**
Net Position	**3.1**	**3.9**	**+0.8**

Amounts displayed in millions, $

Fiscal Impact

The proposed FY 2026-2027 budget is expected to result in a net position of $3.9 million, with an ending reserve balance of $711.6 million or 280-days cash on hand based on the operating expenses projected in FY 2026-2027.

Community Power proposes a one-time investment of $8.0 million in the agency's Capital Investment Plan, which is reflected in the operating budget.

Committee Review

At the June 18, 2026, meeting, the Finance and Risk Management Committee reviewed the proposed FY 2026-2027 Operating Budget, FY 2026-2027 Capital Budget, and FY 2027-2031 Capital Investment Plan and recommended for Board approval.

Strategic Plan

This activity supports the strategic plan goal for Financial Stability and to practice fiscal strategies to promote long-term organizational stability. Specifically, this action supports the strategic goals of (1) obtaining a public investment grade credit rating by November 2027, and (2) building reserves by $150M to maintain a reserve target of at least 180 Days Cash On Hand by December 2027.

Attachments

A: Proposed FY 2026-2027 Operating Budget, FY 2026-2027 Capital Budget, and FY 2027-2031 Capital Investment Plan (June 18 redlined).
B: Proposed FY 2026-2027 Operating Budget, FY 2026-2027 Capital Budget, and FY 2027-2031 Capital Investment Plan (Clean)
C: A Resolution of the Board of Directors of San Diego Community Power Adopting the Fiscal Year 2026-2027 Operating Budget, the Fiscal Year 2026-2027 Capital Budget (Exhibit A), and the Fiscal Year 2027-2031 Capital Investment Plan (Exhibit B)

ITEM 13
ATTACHMENT A



FY 2026-2027 Operating Budget

FY 2026-2027 Capital Budget

FY 2027-2031 Capital Investment Plan

for the period

July 1, 2026

through

June 30, 2027

TABLE 1: PROPOSED FY2026-2027 BUDGET

San Diego Community Power
~~Draft~~ Proposed FY 2026-27 Budget
Supplemental Details

	FY 2024-25 Amended Budget	FY 2025-26 Amended Budget	FY 2026-27 Proposed Budget	% of Net Revenues	
OPERATING REVENUES					
Gross Ratepayer Revenues	$ 1,243,010,863	$ 1,194,789,046	$ 932,812,878		
(Less Uncollectible Customer Accounts)	$ (21,752,690)	$ (19,370,133)	$ (13,992,193)		
Net Operating Revenues	$ 1,221,258,172	$ 1,175,418,914	$ 918,820,685	100.0%	
COST OF ENERGY					
Cost of Energy	$ 1,116,836,549	$ 969,916,628	$ 872,343,026		
Total Cost of Energy	$ 1,116,836,549	$ 969,916,628	$ 872,343,026	94.9%	
Gross Net Position	$ 104,421,623	$ 205,502,285	$ 46,477,659	5.1%	
OPERATING EXPENSES					
Professional Services and Consultants					
Data Management	$ 14,569,264	$ 13,819,264	$ 12,912,595		
SDG&E Fees	$ 3,435,746	$ 3,835,746	$ 3,456,000		
Technical Support	$ 2,098,333	$ 2,264,333	$ 3,015,235		
Legal/Regulatory	$ 2,138,000	$ 1,226,200	~~$ 1,576,200~~	$ 1,501,200	
Other Services	$ 2,104,999	$ 2,268,835	~~$ 2,915,831~~	$ 2,912,081	
Total Prof. Svcs. Costs	$ 24,346,342	$ 23,414,378	~~$ 23,875,861~~	$ 23,797,111	2.6%
Personnel Costs					
Salaries	$ 14,988,227	$ 15,298,873	~~$ 19,284,224~~	$ 18,676,333	
Benefits (retirement/health)	$ 2,549,522	$ 3,811,399	~~$ 4,210,527~~	$ 4,114,909	
Payroll Taxes	$ 1,030,146	$ 498,938	~~$ 640,131~~	$ 621,460	
Total Personnel Costs	$ 18,567,895	$ 19,609,209	~~$ 24,134,882~~	$ 23,412,702	~~2.6%~~ 2.5%
Strategic Communications and ~~Community~~ Outreach					
Printing	$ 1,107,143	$ 693,263	~~$ 640,865~~	$ 640,015	
Memberships	$ 1,201,450	$ 1,000,700	~~$ 214,790~~	$ 197,790	
Strategic Communications and ~~Community~~ Outreach	$ 670,000	$ 622,500	$	1,577,500	
Total Strat Comm and Outreach Costs	$ 2,978,593	$ 2,316,463	~~$ 2,433,155~~	$ 2,415,305	0.3%
General and Administration					
Other G & A	$ 3,637,905	$ 2,824,997	~~$ 4,223,983~~	$ 4,218,733	
Cal CCA Dues	$ 460,000	$ 555,000	$	555,000	
Rent	$ 744,264	$ 935,784	$	935,784	
Insurance	$ 67,592	$ 331,414	$	384,161	
Total G & A Costs	$ 4,909,761	$ 4,647,195	~~$ 6,098,928~~	$ 6,093,678	0.7%
Net Operating Expenses	$ 50,802,591	$ 49,987,246	~~$ 56,542,826~~	$ 55,718,796	~~6.2%~~ 6.1%
Total Operating Expenses	$ 1,167,639,140	$ 1,019,903,874	~~$ 928,885,852~~	$ 928,061,822	~~101.1%~~ 101.0%
Operating Income (Loss)	$ 53,619,033	$ 155,515,040	~~$ (10,065,167)~~	$ (9,241,136)	~~-1.1%~~ -1.0%
NON-OPERATING REVENUES (EXPENSES)					
Investment income	$ -	$ 18,294,938	$	23,101,021	
Interest and Related Expenses	$ (1,276,000)	$ (1,514,825)	$	(1,949,335)	
Transfer to Capital Investment Program	$ (18,200,000)	$ (21,880,600)	$	(8,000,000)	
Total Non-Operating Revenues (Expenses)	$ (19,476,000)	$ (5,100,487)	$	13,151,686	1.4%
CHANGE IN NET POSITION	**$ 34,143,033**	**$ 150,414,553**	**~~$ 3,086,519~~**	**$ 3,910,549**	**~~0.3%~~ 0.4%**

Proposed Budget Overview

Budget-in Brief

The Proposed FY 2026-2027 Operating Budget continues full enrollment from Phases 1, 2, 3 and 4 for all ratepayers, inclusive of net-energy metering customers, from Community Power's member jurisdictions within the San Diego region representing 8.3 million MWH of retail load in the fiscal year.

Energy costs represent the largest component of Community Power's budget. Current projections reflect a year-over-year decline in energy costs driven by lower market price assumptions associated with Market Price Benchmark (MPB) volatility. The Proposed FY 2026-2027 Operating Budget therefore reflects lower cost of energy assumptions due to the ability to close open energy positions at reduced prices and lower projected renewable prices under the VAMO contract with SDG&E.

At the same time, lower forward market prices are driving a more significant reduction in projected ratepayer revenue. As reflected through the Power Charge Indifference Adjustment (PCIA) and SDG&E bundled rates, MPB volatility remains the most significant financial risk to Community Power. Recent declines in market prices are expected to reduce revenues year-over-year as higher PCIA charges coincide with lower competing utility rates. As a result, both revenues and energy costs are projected to decline year-over-year, with energy cost reductions only partially offsetting anticipated revenue pressure.

Because current market price projections are based on data available through April 30, 2026, and remain preliminary, updated Market Price Benchmarks from the California Public Utilities Commission (CPUC) later in the year are expected to provide greater clarity on second half fiscal year impacts and inform future reserve funding recommendations.

The Proposed FY 2026-2027 Operating Budget additionally contains prudently-managed and modest growth in non-energy operating budget categories. As Community Power has scaled to full enrollment, the agency is thoughtfully and prudently managing staffing levels by adding 3 staff to grow from 103 to 106 total staff. In FY 2026-2027, Community Power is expected to have a generally comparable operating budget and staffing levels compared to its peer Community Choice Aggregators (CCA) of similar customer and load size, while supporting a broader portfolio of customer programs and strategic initiatives.

By the end of FY 2026-2027, Community Power's reserves are expected to grow to its maximum reserve level of 270 days cash on hand, mostly as a function of a lower operating expense base in FY 2026-2027. Based on operating expenses projected in FY 2025-2026, the ending reserve balance would have been 255 days cash on hand. Actual cash reserves are projected to remain at a consistent level with the prior fiscal year, which should allow Community Power to navigate the volatile energy market and maintain its investment-grade credit rating.

Lastly, this budget continues to include the Community Power Capital Investment Plan (CIP) that contains one-time revenue and one-time expenses for programs and projects over multi-year periods, including one-time investments from the operating budget to the CIP. The first year of the FY 2027-2031 CIP comprises the FY 2026-2027 capital budget, which proposes an investment of $8 million from the operating budget to support the CIP. This bolsters an overall project portfolio, including external funding sources, of $71.4 million for the fiscal year.

~~*Draft*~~ *Proposed Budget*

The Community Power ~~Draft~~ Proposed FY 2026-2027 (FY2027) Budget is presented in further detail in the following pages. The table below summarizes the revenue and expense budgets proposed for FY2027 in comparison to the FY2025 and FY2026 Amended Budgets.

TABLE 2: OPERATING BUDGET OVERVIEW

	FY25 Amended	FY26 Amended	FY27 ~~Draft~~ Proposed
Gross Revenue	1,243.0	1,194.8	932.8
Less Uncollectible Accounts	-21.8	-19.4	-14.0
Net Operating Revenues	**1,221.3**	**1,175.4**	**918.8**
Cost of Energy	1,116.8	969.9	872.3
Non-Energy Costs	50.8	50.0	~~56.6~~ 55.7
Subtotal Operating Expense	**1,167.6**	**1,019.9**	**~~928.9~~ 928.1**
Interest Income	0.0	-18.3	-23.1
Debt Service	1.3	1.5	1.9
CIP	~~18.5~~ 18.2	21.9	8.0
Total Expenses	**~~1,197.4~~ 1,187.1**	**1,025.0**	**~~915.7~~ 914.9**
Net Position	**~~33.9~~ 34.2**	**150.4**	**~~3.1~~ 3.9**

Amounts displayed in millions, $

Operating Revenue

Community Power's main source of revenue is from the retail sale of electricity to its customers. Revenue budgeted for FY 2026-2027 reflects a full fiscal cycle of retail sales to our commercial and industrial customer base and retail sales to our residential customer base. Generally, retail sales are calculated based on customer load (i.e. customer energy usage) multiplied by the associated rate class of the customer.

Additional assumptions for net operating revenue include:

- Enrollment of customers is complete from member jurisdictions in Phases 1, 2, 3 and 4.
- 95% participation rate across all jurisdictions.
- An uncollectible rate of 1.5%, as compared to 1.75% in the prior fiscal year.
    a. Rates that were set and approved by the Board on April 23, 2026, for the period from ~~July~~ May 1, 2026, to December 31, 2026.
    b. Power Charge Indifference Adjustment (PCIA) is consistent with SDG&E Partial Supplemental Advice Letter 4791-E-A filed on March 30, 2026, for the period from ~~July~~ May 1, 2026, to December 31, 2026.
    c. Generation rates are projected to decrease between 15% to 20% between calendar years 2026 and 2027 and, within the FY2027 ~~Draft~~ Proposed Budget, for the period from January 1, 2027, to June 30, 2027.
    d. PCIA is expected to increase between 25% to 55% between calendar year 2026 and 2027 and, within the FY2027 ~~Draft~~ Proposed Budget, for the period from January 1, 2027, to June 30, 2027.
- Rates and PCIA for the period from January 1, 2027, to June 30, 2027, are forecasted based on Community Power's latest forecasted energy, resource adequacy, and renewable energy prices through April 30, 2026.
    e. Power100 and Power100Green+ (Green-e® certified) service plans will maintain premiums of $0.01/kWh and $0.02/kWh, respectively, compared to PowerOn.
- Any further rate changes, including mid-year changes, are subject to Board discretion and approval.

The following table summarizes the revenues for FY2027 ~~Draft~~ Proposed Budget compared to the FY2025 and FY2026 Amended Budgets. Note that Gross Revenue and Less Uncollectible Accounts are based on projected numbers from rate setting that was approved by the Board on January 15, 2026.

TABLE 3: OPERATING REVENUE BY BUDGET LEVEL 2

	FY25 Amended	FY26 Amended	FY27 Proposed
Gross Revenue	1,243.0	1,194.8	932.8
Less Uncollectible Accounts	-21.8	-19.4	-14.0
Net Operating Revenues	**1,221.3**	**1,175.4**	**918.8**

Amounts displayed in millions, $

Operating Expenses

Expenses in the Community Power Operating Budget fall into five budget level 2 categories: cost of energy, personnel costs, professional services and consultants, marketing and outreach, and general and administration.

- ***Cost of Energy –*** Cost of Energy includes all the various services purchased from the power market through our suppliers. This includes purchased energy, capacity (Resource Adequacy), renewables, CAISO fees and other miscellaneous power market expenses.

- ***Personnel*** – Personnel costs include salaries, payroll taxes, benefits, and excused absence and paid time off for staff. In addition, costs include assumptions from the Board adopted compensation policy including potential merit and cost-of-living increases.

- ***Professional services and consultants***

    - Legal/Regulatory Services – Community Power retains outside legal counsel to assist with the complex aspects of the regulatory, compliance, power supply contract negotiations and its general legal needs. This line item will also allow for the retention of both a state and federal lobbyist to support Community Power's legislative and regulatory efforts.

    - Technical Support – Community Power engages consultants to assist with rate setting, policies, joint-rate comparisons with SDG&E, load analysis, and a scheduling coordinator. After electric power is scheduled for delivery to customers and consumed by those customers, the actual electric consumption must be trued up against the forecasted and scheduled energy. This true-up occurs through the settlement process. Settlements also entail addressing several other market and regulatory requirements. As Community Power grows its internal staff, it will look to continue to in-house portions of this service.

    - Other Services – Community Power contracts or plans to contract for Audit services (data and financial), Accounting services, and other services as needed. Community Power continues to examine if these services are more cost effective or efficient to bring in-house. As Community Power expands its in-house functions, Community Power expects a reduction in the related professional services support areas.

    - SDG&E Service Fees – Service fees paid to SDG&E consist of a charge of a fixed fee per account per month. The fees cover SDG&E's costs associated with meter reading, additional data processing, and bill coordination as mandated and regulated by the CPUC. There are also numerous small fees associated with data requests.

- Data Management – Broad scope of services that includes all “back office” billing data validation, bill coordination with SDG&E, call center services and billing technical support, customer enrollment database management, move- in/move-out services, customer research for enrollment support, and many support functions related to data reporting.

f. ***Strategic Communications and Outreach –*** Strategic Communications and Outreach involves promoting Community Power services and engaging with the community through campaigns, public relations, events, and educational programs to increase awareness, drive customer enrollment, and build positive relationships. It also includes outreach to underserved communities to ensure equitable access to Community Power’s clean, renewable energy services.

- ***General and Administration –*** General and Administration costs include leasing office space, industry fees, or memberships (e.g., CalCCA dues), equipment and software, as well as other general operational costs including Board and Committee expenses, Board stipends, staff travel or professional development, team building, etc.

The table below summarizes the expenses for the FY2027 ~~Draft~~ Proposed Budget compared to the FY2025 and FY2026 Amended Budgets.

TABLE 4: OPERATING EXPENSES BY BUDGET LEVEL 2

	FY25 Amended	FY26 Amended	FY27 ~~Draft~~ Proposed
Cost of Energy	1,116.8	969.9	872.3
Professional Services and Consultants	24.3	23.4	~~23.9~~ 23.8
Personnel Costs	18.6	19.6	~~24.1~~ 23.4
Strategic Communications and Community Outreach	3.0	2.3	2.4
General and Administration	4.9	4.7	6.1
Subtotal Operating Expenses	**1,167.6**	**1,019.9**	~~**928.9**~~ **928.1**
Interest Income	0.0	-18.3	-23.1
Debt Service	1.3	1.5	1.9
Capital Investment Program (Transfer Out)	18.2	21.9	8.0
Subtotal Non-Operating Expenses	**19.5**	**5.1**	**13.2**
Total Expenses	**1,187.1**	**1,025.0**	~~**915.7**~~ **914.9**

Amounts displayed in millions, $

Non-Operating Revenues (Expenses)

Non-operating revenue represents interest income earned on cash reserves. Non-operating expenses represent interest paid on borrowed funds under the bank credit facility maintained by Community Power used to finance a portion of its operations. Expenses also include other bank-related fees (i.e., letter of credit issuance fees, renewal fees, etc.).

Community Power Capital Investment ~~Program~~ Plan (CIP)

The CIP for FY 2027-2031 outlines the individual capital projects, major equipment purchases, and major programs for the agency that are intended to span multiple years. Contributions are considered one-time in nature and do not reflect future funding commitments. The first year of the FY 2027-2031 CIP is Community Power's proposed capital budget for the upcoming fiscal year.

The ~~Draft~~ Proposed FY 2026-2027 Capital Budget totals $71.4 million, and the ~~Draft~~ Proposed FY 2027-2031 CIP totals $310.7 million over the outlook period. The total CIP includes $21.3 million in unspent continuing funds which were appropriated by the Board in prior fiscal years and is reflected as carryforward budget. Carryforward amounts are point-in-time estimates during the budget development process and will be updated for the adopted budget. In addition to carryforward funds, the ~~Draft~~ Proposed FY 2026-2027 Capital Budget includes $63.1 million for the San Diego Regional Energy Network, recoverable through the California Public Utilities Commission, which was authorized by the Board in January 2025. Specifically, in January 2025, the Board approved, accepted and appropriated $124.3 million in funds for the San Diego Regional Energy Network, and $63.1 million of those previously authorized funds are expected to be expended in FY 2026-2027.

The ~~Draft~~ Proposed FY 2026-2027 operating budget proposes an $8.0 million transfer from operations into the CIP. This transfer is funded by a combination of net-operating revenue and non-operating investment income based on the nature of the project or program being funded. In contrast to the operating budget, these contributions are carried forward to subsequent fiscal years within the CIP, where they remain until expended or reappropriated through subsequent action. The ~~draft~~ proposed operating contribution primarily supports the following programs:

- **$3.5 million, Solar Battery Savings:** Community Power's Residential Solar Battery Savings Program is designed to help single-family homeowners in Community Power's service territory invest in clean energy and support the grid by installing solar and battery storage in their homes or complement an existing solar system with a new battery system. The program provides two financial incentives for participating customers: an upfront incentive to minimize the initial cost of the battery system and a performance incentive for a daily discharge of the battery (during a specified dispatch window during on-peak periods) to maximize benefits for the customer and the grid.

    g. **$2.5 million, Customer Pilot Programs:** Pilot programs are small-scale, short-duration projects (6–18 months) that can provide Community Power and stakeholders data on program design, technology acceptance and other information helpful for broader program delivery. Pilot programs support Community Power staff's ability to properly and efficiently design and implement programs. Additionally, pilot programs can cover all customer segments and a variety of technologies or activities, including managed charging for electric vehicles and energy efficiency.

h. **$1.5 million, Distributed Energy Resources Management Systems Software Platform:** Central to Community Power's Flexible Load Strategy is the selection and implementation of a Distributed Energy Resource Management System (DERMS). A DERMS is a software platform that incorporates various data points, such as weather, market/price data and customer preferences, to optimize the operation of distributed energy resources (DERs) in support of various grid services. Once operational, this system will allow Community Power to help customers reduce usage during high-cost on-peak periods, while managing portfolio-wide power procurement and resource adequacy costs and risk.

i. **$0.3 million, EV Load Growth Study:** The Regional EV Load Analysis will forecast how growing EV adoption can impact electricity demand across Community Power's service territory, including hourly load profiles, adoption scenarios and geographic variation. It will evaluate how different charging behaviors — especially unmanaged vs. managed charging — affect load shape, peak demand and system risks, with a focus on strategies (for example, time-of-use rates or managed charging) that can shift or mitigate EV-related peaks. Overall, the study aims to provide insights that support long-term planning, helping Community Power understand both the risks and opportunities of transportation electrification for load forecasting, Resource Adequacy and program design.

j. **$0.2 million, IT Projects:** Focus on Community Power's commitment to fiscal stewardship and operational scaling, this project funds the optimization and expanded rollout of the agency's central Enterprise Resource Planning (ERP) platform. While Phase 1 successfully established core budgeting functionalities, Phase 2 is being considered for strategic rescoping to prioritize immediate agency-wide operational controls and financial efficiencies. Once deployed, this phase will streamline cross-departmental workflows, enhance internal financial controls, and automate routine processes. This targeted optimization ensures the finance, non-energy procurement team and broader agency possess the scalable infrastructure required to support expanding community programs and minimize administrative overhead.

TABLE 5: ~~DRAFT~~ PROPOSED FY 2026-2027 CAPITAL BUDGET

	Carryforward	FY27 Authorized Budget	FY27 ~~Draft~~ Proposed Appropriation
Operating Transfer In	~~18.2~~ 18.4	-	**8.0**
Regional Energy Network	-	63.1	-
DAC-GT	0.3	0.3	-
~~CDFA~~	~~0.7~~	-	-
Equitable Building Decarbonization	1.4	-	-
~~Other~~ Planning and Studies	0.7	-	

Total	~~**21.3**~~ **20.8**	**63.4**	**8.0**

Amounts displayed in millions, $

TABLE 6: ~~DRAFT~~ PROPOSED FY 2026-2027 CAPITAL INVESTMENT PLAN

	Carryforward [1]	FY27	FY28	FY29	FY30	FY31	Total
External Funding							
Regional Energy Network	-	63.1	51.4	42.0	43.7	45.5	245.7
DAC-GT	0.3	0.3	-	-	-	-	0.6
~~CDFA~~	~~0.7~~	~~-~~	~~-~~	~~-~~	~~-~~	~~-~~	~~0.7~~
Equitable Building Decarbonization	1.4	-	-	-	-	-	1.4
~~Programs Evaluation~~ Planning and Studies	0.7	-	-	-	-	-	0.7
Subtotal	~~**3.1**~~ **2.4**	**63.4**	**51.4**	**42.0**	**43.7**	**45.5**	~~**249.1**~~ **248.4**
Internal Funding							
Solar Battery Savings	10.8	3.5	10.4	8.3	8.5	7.6	49.1
Pilot Programs	~~1.8~~ 2.0	2.5	-	-	-	-	~~4.3~~ 4.5
Grants	1.3	-	-	-	-	-	1.3
Flexible Load	0.5	1.5	-	-	-	-	2.0
IT Projects	3.2	0.2	-	-	-	-	3.4
~~Programs Evaluation~~ Planning and Studies	0.3	0.3	-	-	-	-	0.6
Application Assistance	0.3	-	0.3	-	-	0.3	0.9
Subtotal	~~**18.2**~~ **18.4**	**8.0**	**10.7**	**8.3**	**8.5**	**7.9**	~~**61.6**~~ **61.8**
Total CIP Expenses	~~**21.3**~~ **20.8**	**71.4**	**62.1**	**50.3**	**52.2**	**53.4**	~~**310.7**~~ **310.2**

Amounts displayed in millions, $

[1] *The carryforward amount reflects actual financial data through January 31, 2026.*
Carryforward amounts will be updated for the adopted budget and will be reconciled until the close of fiscal year 2025-2026

Operating Expenses by Department

The table below summarizes the ~~Draft~~ Proposed FY2027 Operating Budget expenses by department. All personnel costs including fringe benefits are included in the Operations department. The Power Services department includes Cost of Energy in their Expenses.

TABLE 7: OPERATING EXPENSES BY DEPARTMENT

	FY25 Amended	FY26 Amended	FY27 ~~Draft~~ Proposed
Power Services	1,118.9	972.0	875.3
Executive	0.2	0.1	0.4
Operations	20.7	20.9	~~24.3~~ 23.6
Finance	2.1	2.8	5.0
Customer Operations	19.3	18.5	17.2
IT and Data Analytics	1.4	1.5	2.0
Public Affairs	1.8	1.7	1.8
Programs	0.0	0.0	0.0
Regulatory and Legislative Affairs	0.7	0.5	0.5
Human Resources and Administration	0.7	0.9	1.0
Legal	1.8	1.0	~~1.4~~ 1.3
Total Operating Expenses	**1,167.6**	**1,019.9**	**~~928.9~~ 928.1**

Amounts displayed in millions, $

Personnel by Department

The table below summarizes the projected personnel for the ~~Draft~~ Proposed FY2027 Operating Budget and the full-time equivalent (FTE) personnel in the FY2025 and FY2026 Amended Operating Budgets. While personnel may be authorized, they must be filled. Detailed information showing filled and proposed FTE transfers by department is included in the following personnel by department section below. The personnel budget is included within the Operations department.

TABLE 8: PERSONNEL BY DEPARTMENT

	FY25 Amended	FY26 Amended	FY27 Proposed
Power Services	16.0	15.0	16.0
Executive	5.0	5.0	5.0
Operations	5.0	6.0	~~6.0~~ 5.0
Finance	9.0	13.0	13.0
Customer Operations	8.0	6.0	~~7.0~~ 8.0
IT and Data Analytics	9.0	16.0	~~16.0~~ 13.0
Public Affairs	12.0	11.0	~~13.0~~ 14.0
Programs	12.0	16.0	~~17.0~~ 16.0
Regulatory and Legislative Affairs	5.0	5.0	5.0
Human Resources and Administration	4.0	7.0	~~7.0~~ 8.0
Legal	2.0	3.0	3.0
Total FTEs	**87.0**	**103.0**	**~~108.0~~ 106.0**

Budget by Department

Power Services

Budget Highlights

- The cost of energy, the largest cost in Community Power's budget, has decreased from $969.9 million to $872.3 million.
- The largest drivers reducing energy costs are market decreases to forward prices for energy which allows Community Power to close open energy positions at a lower cost. Additionally, lower forward prices for renewables drove down projected costs from Community Power's Voluntary Allocation Market Offer (VAMO) contract with SDG&E.
    k. Open positions for energy, resource adequacy, and renewable energy for FY 2026-2027 are priced at the forward energy curves as of April 30, 2026.
    l. The FY 2026-2027 figures include long-term power-purchase agreements that are online or expected to be online during the fiscal year.
- The SDG&E VAMO contract is priced at Community Power's latest CPUC Market Price Benchmark (MPB) projections as of April 30, 2026, which is markedly lower than the CPUC MPB from September 2026.
- The SDG&E Modified Cost Allocation Mechanism contract is similarly priced at Community Power's latest CPUC MPB projection which has increased slightly since September 2026.
- Power Services proposes adding one position for a Load Forecast Manager.

Department Positions

	FY25 Amended	FY26 Amended	FY27 ~~Draft~~ Proposed
Power Services	16.0	15.0	16.0

TABLE 9: POWER SERVICES POSITIONS

Executive

Budget Highlights

- Executive budget has increased by $280,000 to support leadership and manager development, research projects, strategic planning and affordability efforts.

Department Positions

	FY25 Amended	FY26 Amended	FY27 ~~Draft~~ Proposed
Executive	5.0	5.0	5.0

TABLE 10: EXECUTIVE POSITIONS

Operations

Budget Highlights

- The Operations department includes the Chief Executive Officer, Chief Operating Officer, Clerk of the Board, Office of Strategic Initiatives, and Project Management Office.
- Decreased funding for travel costs across the agency.
- Operations budget increases are largely due to personnel costs for proposed positions and for positions from last fiscal year being actualized over an entire fiscal year.
- Healthcare costs increased as rates have increased since last year in addition to increased healthcare costs to support newly hired positions.
- Accrued PTO has increased as additional staff has been hired and as staff tenure has increased annual PTO earnings.
- Payroll taxes have increased as Community Power has completed Section 218 enrollment and has adjusted the resulting Federal Insurance Contributions Act (FICA) federal payroll tax.
- Utilities for office space have increased consistent with recent burn rates and as Community Power has hired additional staff.

Department Positions

	FY25 Amended	FY26 Amended	FY27 ~~Draft~~ Proposed
Operations	5.0	6.0	~~6.0~~ 5.0

TABLE 11: OPERATIONS POSITIONS

Finance

Budget Highlights

- Bank service fees within Other G&A increased by approximately $1.4M, reflecting an updated utilization factor, higher transaction volume and program scale.
    m. Accounting services increased consistent with the annual escalation clause in the contract with Maher Accountancy, with additional pass-through costs as SDCP utilizes

more software resources, and with anticipated use of the contingency given usage in FY 2025-2026.

- Finance proposes to contribute an additional $217,500 into the Enterprise Resource Planning project and an additional $60,000 for ongoing operating costs to maintain the software.
- Licenses for Microsoft Dynamics 365 were included as Community Power's Enterprise Resource Planning project reaches substantial completion and ongoing licensing fees are included.

Department Positions

	FY25 Amended	FY26 Amended	FY27 ~~Draft~~ Proposed
Finance	9.0	13.0	13.0

TABLE 12: FINANCE POSITIONS

Customer Operations

Budget Highlights

- Customer Operations manages contact center operations, supports key accounts and provides analytical insights to guide rate setting, forecasting and customer service enhancements.
- Calpine Energy Solutions budget saw a $0.9 million reduction to reflect per-account billing agreement consistent with the agreement approved by the Board on March 26, 2026.
- The Calpine Energy Solutions professional services agreement remains Community Power's largest non-energy contract and provides significant data management separate from the IT and Data Analytics department.
    n. San Diego Gas and Electric Service Fees had nominal reduction consistent with burn rates from FY 2025-2026.
- The Neyenesch Printers contract was reduced as Community Power is pursuing more electronic delivery channels reducing paper mail volumes.
- The Financial Credit Network budget had a small increase assuming a modest recovery for expected collections.
- Customer Operations proposes adding one position, Rates Analyst, to provide additional support needed for the shift to dynamic rates pursuant to SDG&E's 2026 Demand Flex Rate Application proceeding and Community Power's California Energy Commission Load Management Standards plan, large load rate design, and other improvements and innovations in rate design to better serve our various customer classes. Positions between the FY2025 Amended budget and FY2026 Amended budget also included a reclassification of positions to the IT and Data Analytics department.

Department Positions

	FY25 Amended	FY26 Amended	FY27 ~~Draft~~ Proposed
Customer Operations	8.0	6.0	~~7.0~~ 8.0

TABLE 13: CUSTOMER OPERATIONS POSITIONS

IT and Data Analytics

Budget Highlights

- Budget has increased largely due to expenses associated with maintaining ongoing costs for the Enterprise Data Platform, Customer Relationship Management system and artificial intelligence exploration.
- AI Managed Services for AI enablement and implementation is included as an ask for this fiscal year.

Department Positions

	FY25 Amended	FY26 Amended	FY27 ~~Draft~~ Proposed
IT and Data Analytics	9.0	16.0	~~16.0~~ 13.0

TABLE 14: IT AND DATA ANALYTICS

Public Affairs

Budget Highlights

- Continued outreach to educate the community of the benefits of community choice and to encourage awareness of our mission, our programs, our rates, and our community activities.
    o. Public Affairs proposes adding two positions, Outreach Manager and SDREN Outreach Associate, the latter which would be supported by the SDREN budget.

Department Positions

	FY25 Amended	FY26 Amended	FY27 ~~Draft~~ Proposed
Public Affairs	12.0	11.0	~~13.0~~ 14.0

TABLE 15: PUBLIC AFFAIRS POSITIONS

Programs

Budget Highlights

p. An additional $8 million has been allocated to CIP projects including Solar Battery Savings, Distributed Energy Resource Management System (DERMS), various pilot programs, Enterprise Resource Planning, and the EV Load Growth study.
q. Programs proposes to add one position, a Senior Program Associate, to support the DERMS as the technical lead.

Department Positions

	FY25 Amended	FY26 Amended	FY27 ~~Draft~~ Proposed
Programs	12.0	16.0	~~17.0~~ 16.0

TABLE 16: PROGRAMS POSITIONS

Regulatory and Legislative Affairs

Budget Highlights

r. Budget remains the same as FY2026 with a transition of Federal Lobbyist services to the Public Affairs budget as a part of the LEAN Membership.

Department Positions

	FY25 Amended	FY26 Amended	FY27 ~~Draft~~ Proposed
Regulatory Affairs	5.0	5.0	5.0

TABLE 17: REGULATORY AND LEGISLATIVE AFFAIRS POSITIONS

Human Resources and Administration

Budget Highlights

- The budget had very nominal increases to account for talent acquisition and supporting employee professional development.
- Increased budget for a Human Resources Intern which is not included in department positions.

Department Positions

	FY25 Amended	FY26 Amended	FY27 ~~Draft~~ Proposed
Human Resources	4.0	7.0	~~7.0~~ 8.0

TABLE 18: HUMAN RESOURCES POSITIONS

Legal

Budget Highlights

- Budget increases to support necessary external counsel to bolster regulatory counsel and other outside counsel to support strategic initiatives and other internal goals.
- Additional support for Legal staff to attend mandatory training and conferences.

Department Positions

	FY25 Amended	FY26 Amended	FY27 ~~Draft~~ Proposed
Legal	2.0	3.0	3.0

TABLE 19: LEGAL POSITIONS

Significant Budget Adjustments

The following section summarizes the most significant changes between the FY 2025-2026 Amended Budget and the FY 2026- 2027 ~~Draft~~ Proposed Budget across the operating budget, capital budget, and Capital Investment Plan (CIP). These adjustments reflect the combined impact of evolving market conditions, including lower energy price assumptions and associated revenue changes, as well as targeted investments in staffing, programs, and strategic initiatives. The table below highlights key year-over-year changes in major revenue, expense, and capital categories to provide a consolidated view of the primary drivers shaping Community Power's financial outlook for FY 2026-27.

Adjustment	Description	Department	FTE Increases	Expenses	Revenues
Operating Revenues					
Gross Ratepayer Revenues Decrease	Generation rates are projected to decrease between 15% to 20% and PCIA is expected to increase between 25% and 55% between calendar years 2026 and 2027, driving down operating revenue and resulting from lower projected forward market prices.	Finance	–	–	($256,598,228)
Uncollectible Adjustment	Reduced uncollectible allowance assumptions from 1.75% to 1.5% in alignment with uncollectible data through April 30, 2026.	Finance	–	–	+5,377,940
Operating Expenses					
Professional Services and Consultants					
Data Management Decrease	Calpine Energy Solutions budget saw a $0.9 million reduction to reflect per-account billing agreement consistent with the agreement approved by the Board on March 26, 2026.	Customer Operations	–	($906,669)	–
SDG&E Fees Decrease	San Diego Gas and Electric Service Fees had nominal reduction consistent with burn rates from FY 2025-26 and pursuant to the SDG&E fee schedule outlined in SDG&E Electric Rule 27 and Schedule CCA.	Customer Operations	–	($379,746)	–
Scheduling Coordinator Decrease	Lower usage anticipated with Tenaska Power Services as Community Power unbundled services and added new vendors for short-term load forecasting and asset optimization.	Power Services	–	($131,000)	–
Printing Decrease	Reduction in expected printing costs under the professional services agreement with Neyenesch Printers due to the optimization of	Customer Operations	–	($104,560)	–

	electronic delivery channels by reducing paper mail volumes.				
Incremental Load Forecast Services Decrease	Moved budget from Tenaska to Yes Energy.	Power Services	–	($100,000)	–
Renewable Energy Storage Optimization Increase	Pursuant to the master-services agreement with Ascend Analytics approved by the Board in December 2025, to deploy advanced battery optimization software, ensuring clean energy grid reliability during peak demand. This cost is based on the number of online projects, which increased by 8 (~1GW of capacity) in 2026.	Power Services	–	+$695,000	–
Regulatory Counsel Increase	Increase in legal support for regulatory proceedings before the CPUC consistent with the contract approved by the Board in April 2026.	Legal	–	+$250,000	-
AI Managed Services Increase	AI Managed Services for AI enablement and implementation to expand functionality and potential productivity within the agency.	IT and Data Analytics	–	+$200,000	-
Accounting Services Increase	Accounting services increased consistent with the annual escalation clause in the contract with Maher Accountancy, approved by the Board in January 2025, with additional pass-through costs as SDCP utilizes more software resources, and with anticipated use of the contingency given prior usage in FY 2025-2026.	Finance	–	+$175,842	-
Direct Access Managed Service Increase	Remaining not-to-exceed expected to be spent in FY2027, pursuant to contract with Aspen Environmental Group approved by the Board in October 2025.	IT and Data Analytics	–	+$160,00	-
Long-Term Load Forecasting Increase	Remaining not-to-exceed expected to be spent in FY2027, pursuant to contract with Aspen Environmental Group approved by the Board in October 2025.	Power Services	–	+$125,000	-
Personnel Costs					
Healthcare Increase	Updated with the most current premiums and factors in inflation for the upcoming renewal cycle. Also factors in additional hires.	Operations	–	+$557,478	-
Accrued PTO Increase	PTO accrual has increased as staff tenure increases and as PTO balances increase.	Operations	–	+$520,648	-
Retirement Payout Increase	Retirement contributions have increased pursuant to Community Power retirement benefits as additional staff are hired.	Operations	–	~~+$294,406~~ +214,396	-

FICA Increase	FICA payroll taxes have increased as additional staff are hired and in alignment with Community Power's Section 218 election.	Operations	–	~~+$149,000~~ +122,522	-
Cost-Recoverable Salary and Benefits	Updated salary budget for cost-recoverable positions from mid-year review.	Operations	–	($1,186,612)	-
Lodging	Reduced agency-wide staff travel in the upcoming fiscal year.	Operations	–	($111,552)	-
Community Engagement Manager	Supports expansion of community partnerships and engagement strategy.	Public Affairs	1	+$159,000	-
Load Forecast Manager	Improves forecasting accuracy for procurement and planning decisions.	Power Services	1	+$159,000	-
Senior Program Associate (DERMS Technical Lead)	Provides technical leadership for DERMS implementation and grid integration.	Programs	1	~~+$110,400~~ +$132,500	-
SDREN Outreach Associate (Cost Recoverable)	Expands outreach capacity tied to externally funded SDREN programs.	Public Affairs	1	+$110,400	-
Rates Analyst	Strengthens rate design and financial sustainability analysis.	Customer Operations	1	+$110,400	-
Strategic Communications and ~~Community~~ Outreach					
Strategic Communications and ~~Community~~ Outreach Increase	Consolidates previously separate communications, marketing, outreach and engagement functions into a single category to better reflect how work is executed through targeted activities that include customer education campaigns, community events, partnerships with community-based organizations, media relations, digital communications (e.g. website, social media, newsletters), and multilingual outreach. The increased year-over-year budget supplements current budget activities and contracts to improve customer awareness and participation in Community Power's expanding portfolio of programs, including new pilots.	Public Affairs	–	~~+116,692~~ +98,842	-
General Administration					
Bank Service Fees Increase	Increase reflects an updated utilization factor for unused credit, higher transaction volume and program scale.	Finance	–	+$1,353,852	-
Non-Operating Revenues (Expenses)					
Investment Income					
Investment Income Increase	Additional investment income is anticipated as Community Power has grown its reserve	Finance	–	($4,806,083)	–

	balance consistent with the reserve policy adopted by the Board in December 2025.				
Interest and Related Expenses					
Interest and Related Expenses Increase	Forecasted additional interest based on latest projections for interest rates and assuming $30.0 million usage of the Community Power line-of-credit.	Finance	–	+$434,510	–
Capital Investment Plan (CIP)					
CIP – DERMS Platform	Central to Community Power's Flexible Load Strategy is the Distributed Energy Resource Management System (DERMS) platform. The DERMS platform allows Community Power to help customers reduce usage during high-cost on-peak periods, while managing portfolio-wide power procurement and resource adequacy costs and risk. Funding supports annual platform fees and service for the remainder of the Board-approved contract, including a 20% contingency.	Programs	–	+$1,500,000	–
CIP – Solar + Storage Incentives	Community Power's Residential Solar Battery Savings Program is designed to help our single-family homeowners and support the grid by installing solar and battery storage and offset high-cost on-peak consumption. Funding will support incentives for an additional ~675 program participants.	Programs	–	+$3,532,500	-
CIP – Customer Pilot Programs	Provides dedicated funding for customer-facing pilot initiatives that test new program concepts. These pilots will primarily support customer segments and technologies not targeted in the initial tranche of Pilot Program funds allocated in FY 2023-2024 (e.g., Commercial, Non-Residential, Multi-Family, Renters, Commercial Fleets) and continue to focus on peak load shifting.	Programs	–	+$1,900,000	-
CIP – ERP System	The Enterprise Resource Planning (ERP) project aims to implement an ERP system for Community Power to streamline budgeting, enhance reporting, manage procurement and contracts and improve overall operational efficiency. Additional funding is an enhancement to the original ERP contract with PS Hummingbird approved by the Board in January 2026, and would allow Finance to add a priority module for procurement and contracts in the upcoming fiscal year.	Finance	–	+$217,500	-
CIP – BYOD Pilot	Funds the continuation of the Smart Home Flex Pilot Project for an additional year. The continuation of the pilot is expected to allow	Programs	–	+$600,000	-

	an additional 5,000 participants. Funding is primarily for participation incentives, seasonal performance incentives and device fees.				
CIP – EV Load Study	Funds a study to assess electric vehicle (EV) load growth potential and better understand how increasing EV adoption may impact system demand. This analysis will inform future infrastructure planning and program design by identifying expected load impacts and helping the organization plan for evolving customer energy needs.	Programs	–	+$250,000	-
CIP – Regional Energy Network (External Funding)	The SDREN includes the rollout and execution of 10 programs during FY2027 and will deliver a portfolio of energy efficiency programs across residential, commercial, and public sectors, providing direct customer benefits through technical assistance, incentives, and equipment installations to reduce energy use, lower customer bills, and improve building performance. The program includes offerings such as single-family and multifamily energy upgrades, small-business support (including efficient refrigeration and energy coaching), and targeted outreach to underserved and Tribal communities, alongside broader strategies that support electrification, demand response, and distributed energy resource deployment. All activities will be cost-recoverable through CPUC funds and include funding for nine staff and overhead support.	Programs	–	-	+$63,117,653.66
CIP – DAC-GT (External Funding)	The Disadvantaged Communities Green Tariff (DAC-GT) program enables income-qualified residential customers in DACs who may be unable to install solar panels on their roof to benefit from utility-scale clean energy and receive a 20% bill discount. Funding is external, originates from state Greenhouse Gas (GHG) Auction Proceeds and Public Purpose Program funds, and funds program administration for program year 2026.	Programs	–	-	+$300,000

ITEM 13
ATTACHMENT B

FY 2026-2027 Operating Budget

FY 2026-2027 Capital Budget

FY 2027-2031 Capital Investment Plan

for the period

July 1, 2026

through

June 30, 2027

TABLE 1: PROPOSED FY2026-2027 BUDGET

San Diego Community Power
Proposed FY 2026-27 Budget
Supplemental Details

	FY 2024-25 Amended Budget	FY 2025-26 Amended Budget	FY 2026-27 Proposed Budget	% of Net Revenues
OPERATING REVENUES				
Gross Ratepayer Revenues	$ 1,243,010,863	$ 1,194,789,046	$ 932,812,878	
(Less Uncollectible Customer Accounts)	$ (21,752,690)	$ (19,370,133)	$ (13,992,193)	
Net Operating Revenues	$ 1,221,258,172	$ 1,175,418,914	$ 918,820,685	100.0%
COST OF ENERGY				
Cost of Energy	$ 1,116,836,549	$ 969,916,628	$ 872,343,026	
Total Cost of Energy	$ 1,116,836,549	$ 969,916,628	$ 872,343,026	94.9%
Gross Net Position	$ 104,421,623	$ 205,502,285	$ 46,477,659	5.1%
OPERATING EXPENSES				
Professional Services and Consultants				
Data Management	$ 14,569,264	$ 13,819,264	$ 12,912,595	
SDG&E Fees	$ 3,435,746	$ 3,835,746	$ 3,456,000	
Technical Support	$ 2,098,333	$ 2,264,333	$ 3,015,235	
Legal/Regulatory	$ 2,138,000	$ 1,226,200	$ 1,501,200	
Other Services	$ 2,104,999	$ 2,268,835	$ 2,912,081	
Total Prof. Svcs. Costs	$ 24,346,342	$ 23,414,378	$ 23,797,111	2.6%
Personnel Costs				
Salaries	$ 14,988,227	$ 15,298,873	$ 18,676,333	
Benefits (retirement/health)	$ 2,549,522	$ 3,811,399	$ 4,114,909	
Payroll Taxes	$ 1,030,146	$ 498,938	$ 621,460	
Total Personnel Costs	$ 18,567,895	$ 19,609,209	$ 23,412,702	2.5%
Strategic Communications and Outreach				
Printing	$ 1,107,143	$ 693,263	$ 640,015	
Memberships	$ 1,201,450	$ 1,000,700	$ 197,790	
Strategic Communications and Outreach	$ 670,000	$ 622,500	$ 1,577,500	
Total Strat Comm and Outreach Costs	$ 2,978,593	$ 2,316,463	$ 2,415,305	0.3%
General and Administration				
Other G & A	$ 3,637,905	$ 2,824,997	$ 4,218,733	
Cal CCA Dues	$ 460,000	$ 555,000	$ 555,000	
Rent	$ 744,264	$ 935,784	$ 935,784	
Insurance	$ 67,592	$ 331,414	$ 384,161	
Total G & A Costs	$ 4,909,761	$ 4,647,195	$ 6,093,678	0.7%
Net Operating Expenses	$ 50,802,591	$ 49,987,246	$ 55,718,796	6.1%
Total Operating Expenses	$ 1,167,639,140	$ 1,019,903,874	$ 928,061,822	101.0%
Operating Income (Loss)	$ 53,619,033	$ 155,515,040	$ (9,241,136)	-1.0%
NON-OPERATING REVENUES (EXPENSES)				
Investment income	$ -	$ 18,294,938	$ 23,101,021	
Interest and Related Expenses	$ (1,276,000)	$ (1,514,825)	$ (1,949,335)	
Transfer to Capital Investment Program	$ (18,200,000)	$ (21,880,600)	$ (8,000,000)	
Total Non-Operating Revenues (Expenses)	$ (19,476,000)	$ (5,100,487)	$ 13,151,686	1.4%
CHANGE IN NET POSITION	**$ 34,143,033**	**$ 150,414,553**	**$ 3,910,549**	**0.4%**

Proposed Budget Overview

Budget-in Brief

The Proposed FY 2026-2027 Operating Budget continues full enrollment from Phases 1, 2, 3 and 4 for all ratepayers, inclusive of net-energy metering customers, from Community Power's member jurisdictions within the San Diego region representing 8.3 million MWH of retail load in the fiscal year.

Energy costs represent the largest component of Community Power's budget. Current projections reflect a year-over-year decline in energy costs driven by lower market price assumptions associated with Market Price Benchmark (MPB) volatility. The Proposed FY 2026-2027 Operating Budget therefore reflects lower cost of energy assumptions due to the ability to close open energy positions at reduced prices and lower projected renewable prices under the VAMO contract with SDG&E.

At the same time, lower forward market prices are driving a more significant reduction in projected ratepayer revenue. As reflected through the Power Charge Indifference Adjustment (PCIA) and SDG&E bundled rates, MPB volatility remains the most significant financial risk to Community Power. Recent declines in market prices are expected to reduce revenues year-over-year as higher PCIA charges coincide with lower competing utility rates. As a result, both revenues and energy costs are projected to decline year-over-year, with energy cost reductions only partially offsetting anticipated revenue pressure.

Because current market price projections are based on data available through April 30, 2026, and remain preliminary, updated Market Price Benchmarks from the California Public Utilities Commission (CPUC) later in the year are expected to provide greater clarity on second half fiscal year impacts and inform future reserve funding recommendations.

The Proposed FY 2026-2027 Operating Budget additionally contains prudently-managed and modest growth in non-energy operating budget categories. As Community Power has scaled to full enrollment, the agency is thoughtfully and prudently managing staffing levels by adding 3 staff to grow from 103 to 106 total staff. In FY 2026-2027, Community Power is expected to have a generally comparable operating budget and staffing levels compared to its peer Community Choice Aggregators (CCA) of similar customer and load size, while supporting a broader portfolio of customer programs and strategic initiatives.

By the end of FY 2026-2027, Community Power's reserves are expected to grow to its maximum reserve level of 270 days cash on hand, mostly as a function of a lower operating expense base in FY 2026-2027. Based on operating expenses projected in FY 2025-2026, the ending reserve balance would have been 255 days cash on hand. Actual cash reserves are projected to remain at a consistent level with the prior fiscal year, which should allow Community Power to navigate the volatile energy market and maintain its investment-grade credit rating.

Lastly, this budget continues to include the Community Power Capital Investment Plan (CIP) that contains one-time revenue and one-time expenses for programs and projects over multi-year periods, including one-time investments from the operating budget to the CIP. The first year of the FY 2027-2031 CIP comprises the FY 2026-2027 capital budget, which proposes an investment of $8 million from the operating budget to support the CIP. This bolsters an overall project portfolio, including external funding sources, of $71.4 million for the fiscal year.

Proposed Budget

The Community Power Proposed FY 2026-2027 (FY2027) Budget is presented in further detail in the following pages. The table below summarizes the revenue and expense budgets proposed for FY2027 in comparison to the FY2025 and FY2026 Amended Budgets.

TABLE 2: OPERATING BUDGET OVERVIEW

	FY25 Amended	FY26 Amended	FY27 Proposed
Gross Revenue	1,243.0	1,194.8	932.8
Less Uncollectible Accounts	-21.8	-19.4	-14.0
Net Operating Revenues	**1,221.3**	**1,175.4**	**918.8**
Cost of Energy	1,116.8	969.9	872.3
Non-Energy Costs	50.8	50.0	55.7
Subtotal Operating Expense	**1,167.6**	**1,019.9**	**928.1**
Interest Income	0.0	-18.3	-23.1
Debt Service	1.3	1.5	1.9
CIP	18.2	21.9	8.0
Total Expenses	**1,187.1**	**1,025.0**	**914.9**
Net Position	**34.2**	**150.4**	**3.9**

Amounts displayed in millions, $

Operating Revenue

Community Power's main source of revenue is from the retail sale of electricity to its customers. Revenue budgeted for FY 2026-2027 reflects a full fiscal cycle of retail sales to our commercial and industrial customer base and retail sales to our residential customer base. Generally, retail sales are calculated based on customer load (i.e. customer energy usage) multiplied by the associated rate class of the customer.

Additional assumptions for net operating revenue include:

- Enrollment of customers is complete from member jurisdictions in Phases 1, 2, 3 and 4.
- 95% participation rate across all jurisdictions.
- An uncollectible rate of 1.5%, as compared to 1.75% in the prior fiscal year.
- Rates that were set and approved by the Board on April 23, 2026, for the period from May 1, 2026, to December 31, 2026.
- Power Charge Indifference Adjustment (PCIA) is consistent with SDG&E Partial Supplemental Advice Letter 4791-E-A filed on March 30, 2026, for the period from May 1, 2026, to December 31, 2026.
- Generation rates are projected to decrease between 15% to 20% between calendar years 2026 and 2027 and, within the FY2027 Proposed Budget, for the period from January 1, 2027, to June 30, 2027.
- PCIA is expected to increase between 25% to 55% between calendar year 2026 and 2027 and, within the FY2027 Proposed Budget, for the period from January 1, 2027, to June 30, 2027.
- Rates and PCIA for the period from January 1, 2027, to June 30, 2027, are forecasted based on Community Power's latest forecasted energy, resource adequacy, and renewable energy prices through April 30, 2026.
    a. Power100 and Power100Green+ (Green-e® certified) service plans will maintain premiums of $0.01/kWh and $0.02/kWh, respectively, compared to PowerOn.
- Any further rate changes, including mid-year changes, are subject to Board discretion and approval.

The following table summarizes the revenues for FY2027 Proposed Budget compared to the FY2025 and FY2026 Amended Budgets. Note that Gross Revenue and Less Uncollectible Accounts are based on projected numbers from rate setting that was approved by the Board on January 15, 2026.

TABLE 3: OPERATING REVENUE BY BUDGET LEVEL 2

	FY25 Amended	FY26 Amended	FY27 Proposed
Gross Revenue	1,243.0	1,194.8	932.8
Less Uncollectible Accounts	-21.8	-19.4	-14.0
Net Operating Revenues	**1,221.3**	**1,175.4**	**918.8**

Amounts displayed in millions, $

Operating Expenses

Expenses in the Community Power Operating Budget fall into five budget level 2 categories: cost of energy, personnel costs, professional services and consultants, marketing and outreach, and general and administration.

- ***Cost of Energy –*** Cost of Energy includes all the various services purchased from the power market through our suppliers. This includes purchased energy, capacity (Resource Adequacy), renewables, CAISO fees and other miscellaneous power market expenses.

- ***Personnel*** – Personnel costs include salaries, payroll taxes, benefits, and excused absence and paid time off for staff. In addition, costs include assumptions from the Board adopted compensation policy including potential merit and cost-of-living increases.

- ***Professional services and consultants***

    - Legal/Regulatory Services – Community Power retains legal counsel to assist with the complex aspects of the regulatory, compliance, power supply contract negotiations and its general legal needs. This line item will also allow for the retention of both a state and federal lobbyist to support Community Power's legislative and regulatory efforts.

    - Technical Support – Community Power engages consultants to assist with rate setting, policies, joint-rate comparisons with SDG&E, load analysis, and a scheduling coordinator. After electric power is scheduled for delivery to customers and consumed by those customers, the actual electric consumption must be trued up against the forecasted and scheduled energy. This true-up occurs through the settlement process. Settlements also entail addressing several other market and regulatory requirements. As Community Power grows its internal staff, it will look to continue to in-house portions of this service.

    - Other Services – Community Power contracts or plans to contract for Audit services (data and financial), Accounting services, and other services as needed. Community Power continues to examine if these services are more cost effective or efficient to bring in-house. As Community Power expands its in-house functions, Community Power expects a reduction in the related professional services support areas.

    - SDG&E Service Fees – Service fees paid to SDG&E consist of a charge of a fixed fee per account per month. The fees cover SDG&E's costs associated with meter reading, additional data processing, and bill coordination as mandated and regulated by the CPUC. There are also numerous small fees associated with data requests.

- Data Management – Broad scope of services that includes all “back office” billing data validation, bill coordination with SDG&E, call center services and billing technical support, customer enrollment database management, move- in/move-out services, customer research for enrollment support, and many support functions related to data reporting.

b. ***Strategic Communications and Outreach –*** Strategic Communications and Outreach involves promoting Community Power services and engaging with the community through campaigns, public relations, events, and educational programs to increase awareness, drive customer enrollment, and build positive relationships. It also includes outreach to underserved communities to ensure equitable access to Community Power’s clean, renewable energy services.

- ***General and Administration –*** General and Administration costs include leasing office space, industry fees, or memberships (e.g., CalCCA dues), equipment and software, as well as other general operational costs including Board and Committee expenses, Board stipends, staff travel or professional development, team building, etc.

The table below summarizes the expenses for the FY2027 Proposed Budget compared to the FY2025 and FY2026 Amended Budgets.

TABLE 4: OPERATING EXPENSES BY BUDGET LEVEL 2

	FY25 Amended	FY26 Amended	FY27 Proposed
Cost of Energy	1,116.8	969.9	872.3
Professional Services and Consultants	24.3	23.4	23.8
Personnel Costs	18.6	19.6	23.4
Strategic Communications and Community Outreach	3.0	2.3	2.4
General and Administration	4.9	4.7	6.1
Subtotal Operating Expenses	**1,167.6**	**1,019.9**	**928.1**
Interest Income	0.0	-18.3	-23.1
Debt Service	1.3	1.5	1.9
Capital Investment Program (Transfer Out)	18.2	21.9	8.0
Subtotal Non-Operating Expenses	**19.5**	**5.1**	**13.2**
Total Expenses	**1,187.1**	**1,025.0**	**914.9**

Amounts displayed in millions, $

Non-Operating Revenues (Expenses)

Non-operating revenue represents interest income earned on cash reserves. Non-operating expenses represent interest paid on borrowed funds under the bank credit facility maintained by Community Power used to finance a portion of its operations. Expenses also include other bank-related fees (i.e., letter of credit issuance fees, renewal fees, etc.).

Community Power Capital Investment Plan (CIP)

The CIP for FY 2027-2031 outlines the individual capital projects, major equipment purchases, and major programs for the agency that are intended to span multiple years. Contributions are considered one-time in nature and do not reflect future funding commitments. The first year of the FY 2027-2031 CIP is Community Power's proposed capital budget for the upcoming fiscal year.

The Proposed FY 2026-2027 Capital Budget totals $71.4 million, and the Proposed FY 2027-2031 CIP totals $310.7 million over the outlook period. The total CIP includes $21.3 million in unspent continuing funds which were appropriated by the Board in prior fiscal years and is reflected as carryforward budget. Carryforward amounts are point-in-time estimates during the budget development process and will be updated for the adopted budget. In addition to carryforward funds, the Proposed FY 2026-2027 Capital Budget includes $63.1 million for the San Diego Regional Energy Network, recoverable through the California Public Utilities Commission, which was authorized by the Board in January 2025. Specifically, in January 2025, the Board approved, accepted and appropriated $124.3 million in funds for the San Diego Regional Energy Network, and $63.1 million of those previously authorized funds are expected to be expended in FY 2026-2027.

The Proposed FY 2026-2027 operating budget proposes an $8.0 million transfer from operations into the CIP. This transfer is funded by a combination of net-operating revenue and non-operating investment income based on the nature of the project or program being funded. In contrast to the operating budget, these contributions are carried forward to subsequent fiscal years within the CIP, where they remain until expended or reappropriated through subsequent action. The proposed operating contribution primarily supports the following programs:

- **$3.5 million, Solar Battery Savings:** Community Power's Residential Solar Battery Savings Program is designed to help single-family homeowners in Community Power's service territory invest in clean energy and support the grid by installing solar and battery storage in their homes or complement an existing solar system with a new battery system. The program provides two financial incentives for participating customers: an upfront incentive to minimize the initial cost of the battery system and a performance incentive for a daily discharge of the battery (during a specified dispatch window during on-peak periods) to maximize benefits for the customer and the grid.

- **$2.5 million, Customer Pilot Programs:** Pilot programs are small-scale, short-duration projects (6–18 months) that can provide Community Power and stakeholders data on program design, technology acceptance and other information helpful for broader program delivery. Pilot programs support Community Power staff's ability to properly and efficiently design and implement programs. Additionally, pilot programs can cover all customer segments and a variety of technologies or activities, including managed charging for electric vehicles and energy efficiency.

c. **$1.5 million, Distributed Energy Resources Management Systems Software Platform:** Central to Community Power's Flexible Load Strategy is the selection and implementation of a Distributed Energy Resource Management System (DERMS). A DERMS is a software platform that incorporates various data points, such as weather, market/price data and customer preferences, to optimize the operation of distributed energy resources (DERs) in support of various grid services. Once operational, this system will allow Community Power to help customers reduce usage during high-cost on-peak periods, while managing portfolio-wide power procurement and resource adequacy costs and risk.

d. **$0.3 million, EV Load Growth Study:** The Regional EV Load Analysis will forecast how growing EV adoption can impact electricity demand across Community Power's service territory, including hourly load profiles, adoption scenarios and geographic variation. It will evaluate how different charging behaviors — especially unmanaged vs. managed charging — affect load shape, peak demand and system risks, with a focus on strategies (for example, time-of-use rates or managed charging) that can shift or mitigate EV-related peaks. Overall, the study aims to provide insights that support long-term planning, helping Community Power understand both the risks and opportunities of transportation electrification for load forecasting, Resource Adequacy and program design.

e. **$0.2 million, IT Projects:** Focus on Community Power's commitment to fiscal stewardship and operational scaling, this project funds the optimization and expanded rollout of the agency's central Enterprise Resource Planning (ERP) platform. While Phase 1 successfully established core budgeting functionalities, Phase 2 is being considered for strategic rescoping to prioritize immediate agency-wide operational controls and financial efficiencies. Once deployed, this phase will streamline cross-departmental workflows, enhance internal financial controls, and automate routine processes. This targeted optimization ensures the finance, non-energy procurement team and broader agency possess the scalable infrastructure required to support expanding community programs and minimize administrative overhead.

TABLE 5: PROPOSED FY 2026-2027 CAPITAL BUDGET

	Carryforward	FY27 Authorized Budget	FY27 Proposed Appropriation
Operating Transfer In	18.4	-	**8.0**
Regional Energy Network	-	63.1	-
DAC-GT	0.3	0.3	-
Equitable Building Decarbonization	1.4	-	-
Planning and Studies	0.7	-	-

Total	**20.8**	**63.4**	**8.0**

Amounts displayed in millions, $

TABLE 6: PROPOSED FY 2026-2027 CAPITAL INVESTMENT PLAN

	Carryforward [1]	FY27	FY28	FY29	FY30	FY31	Total
External Funding							
Regional Energy Network	-	63.1	51.4	42.0	43.7	45.5	245.7
DAC-GT	0.3	0.3	-	-	-	-	0.6
Equitable Building Decarbonization	1.4	-	-	-	-	-	1.4
Planning and Studies	0.7	-	-	-	-	-	0.7
Subtotal	**2.4**	**63.4**	**51.4**	**42.0**	**43.7**	**45.5**	**248.4**
Internal Funding							
Solar Battery Savings	10.8	3.5	10.4	8.3	8.5	7.6	49.1
Pilot Programs	2.0	2.5	-	-	-	-	4.5
Grants	1.3	-	-	-	-	-	1.3
Flexible Load	0.5	1.5	-	-	-	-	2.0
IT Projects	3.2	0.2	-	-	-	-	3.4
Planning and Studies	0.3	0.3	-	-	-	-	0.6
Application Assistance	0.3	-	0.3	-	-	0.3	0.9
Subtotal	**18.4**	**8.0**	**10.7**	**8.3**	**8.5**	**7.9**	**61.8**
Total CIP Expenses	**20.8**	**71.4**	**62.1**	**50.3**	**52.2**	**53.4**	**310.2**

Amounts displayed in millions, $

[1] The carryforward amount reflects actual financial data through January 31, 2026.
Carryforward amounts will be updated for the adopted budget and will be reconciled until the close of fiscal year 2025-2026

Operating Expenses by Department

The table below summarizes the Proposed FY2027 Operating Budget expenses by department. All personnel costs including fringe benefits are included in the Operations department. The Power Services department includes Cost of Energy in their Expenses.

TABLE 7: OPERATING EXPENSES BY DEPARTMENT

	FY25 Amended	FY26 Amended	FY27 Proposed
Power Services	1,118.9	972.0	875.3
Executive	0.2	0.1	0.4
Operations	20.7	20.9	23.6
Finance	2.1	2.8	5.0
Customer Operations	19.3	18.5	17.2
IT and Data Analytics	1.4	1.5	2.0
Public Affairs	1.8	1.7	1.8
Programs	0.0	0.0	0.0
Regulatory and Legislative Affairs	0.7	0.5	0.5
Human Resources and Administration	0.7	0.9	1.0
Legal	1.8	1.0	1.3
Total Operating Expenses	**1,167.6**	**1,019.9**	**928.1**

Amounts displayed in millions, $

Personnel by Department

The table below summarizes the projected personnel for the Proposed FY2027 Operating Budget and the full-time equivalent (FTE) personnel in the FY2025 and FY2026 Amended Operating Budgets. While personnel may be authorized, they must be filled. Detailed information showing filled and proposed FTE transfers by department is included in the following personnel by department section below. The personnel budget is included within the Operations department.

TABLE 8: PERSONNEL BY DEPARTMENT

	FY25 Amended	FY26 Amended	FY27 Proposed
Power Services	16.0	15.0	16.0
Executive	5.0	5.0	5.0
Operations	5.0	6.0	5.0
Finance	9.0	13.0	13.0
Customer Operations	8.0	6.0	8.0
IT and Data Analytics	9.0	16.0	13.0
Public Affairs	12.0	11.0	14.0
Programs	12.0	16.0	16.0
Regulatory and Legislative Affairs	5.0	5.0	5.0
Human Resources and Administration	4.0	7.0	8.0
Legal	2.0	3.0	3.0
Total FTEs	**87.0**	**103.0**	**106.0**

Budget by Department

Power Services

Budget Highlights

- The cost of energy, the largest cost in Community Power's budget, has decreased from $969.9 million to $872.3 million.
- The largest drivers reducing energy costs are market decreases to forward prices for energy which allows Community Power to close open energy positions at a lower cost. Additionally, lower forward prices for renewables drove down projected costs from Community Power's Voluntary Allocation Market Offer (VAMO) contract with SDG&E.
    f. Open positions for energy, resource adequacy, and renewable energy for FY 2026-2027 are priced at the forward energy curves as of April 30, 2026.
    g. The FY 2026-2027 figures include long-term power-purchase agreements that are online or expected to be online during the fiscal year.
- The SDG&E VAMO contract is priced at Community Power's latest CPUC Market Price Benchmark (MPB) projections as of April 30, 2026, which is markedly lower than the CPUC MPB from September 2026.
- The SDG&E Modified Cost Allocation Mechanism contract is similarly priced at Community Power's latest CPUC MPB projection which has increased slightly since September 2026.
- Power Services proposes adding one position for a Load Forecast Manager.

Department Positions

	FY25 Amended	FY26 Amended	FY27 Proposed
Power Services	16.0	15.0	16.0

TABLE 9: POWER SERVICES POSITIONS

Executive

Budget Highlights

- Executive budget has increased by $280,000 to support leadership and manager development, research projects, strategic planning and affordability efforts.

Department Positions

	FY25 Amended	FY26 Amended	FY27 Proposed

Executive	5.0	5.0	5.0

TABLE 10: EXECUTIVE POSITIONS

Operations

Budget Highlights

- The Operations department includes the Chief Executive Officer, Chief Operating Officer, Clerk of the Board, Office of Strategic Initiatives, and Project Management Office.
- Decreased funding for travel costs across the agency.
- Operations budget increases are largely due to personnel costs for proposed positions and for positions from last fiscal year being actualized over an entire fiscal year.
- Healthcare costs increased as rates have increased since last year in addition to increased healthcare costs to support newly hired positions.
- Accrued PTO has increased as additional staff has been hired and as staff tenure has increased annual PTO earnings.
- Payroll taxes have increased as Community Power has completed Section 218 enrollment and has adjusted the resulting Federal Insurance Contributions Act (FICA) federal payroll tax.
- Utilities for office space have increased consistent with recent burn rates and as Community Power has hired additional staff.

Department Positions

	FY25 Amended	FY26 Amended	FY27 Proposed
Operations	5.0	6.0	5.0

TABLE 11: OPERATIONS POSITIONS

Finance

Budget Highlights

- Bank service fees within Other G&A increased by approximately $1.4M, reflecting an updated utilization factor, higher transaction volume and program scale.
    h. Accounting services increased consistent with the annual escalation clause in the contract with Maher Accountancy, with additional pass-through costs as SDCP utilizes

more software resources, and with anticipated use of the contingency given usage in FY 2025-2026.

- Finance proposes to contribute an additional $217,500 into the Enterprise Resource Planning project and an additional $60,000 for ongoing operating costs to maintain the software.
- Licenses for Microsoft Dynamics 365 were included as Community Power's Enterprise Resource Planning project reaches substantial completion and ongoing licensing fees are included.

Department Positions

	FY25 Amended	FY26 Amended	FY27 Proposed
Finance	9.0	13.0	13.0

TABLE 12: FINANCE POSITIONS

Customer Operations

Budget Highlights

- Customer Operations manages contact center operations, supports key accounts and provides analytical insights to guide rate setting, forecasting and customer service enhancements.
- Calpine Energy Solutions budget saw a $0.9 million reduction to reflect per-account billing agreement consistent with the agreement approved by the Board on March 26, 2026.
- The Calpine Energy Solutions professional services agreement remains Community Power's largest non-energy contract and provides significant data management separate from the IT and Data Analytics department.
    i. San Diego Gas and Electric Service Fees had nominal reduction consistent with burn rates from FY 2025-2026.
- The Neyenesch Printers contract was reduced as Community Power is pursuing more electronic delivery channels reducing paper mail volumes.
- The Financial Credit Network budget had a small increase assuming a modest recovery for expected collections.
- Customer Operations proposes adding one position, Rates Analyst, to provide additional support needed for the shift to dynamic rates pursuant to SDG&E's 2026 Demand Flex Rate Application proceeding and Community Power's California Energy Commission Load Management Standards plan, large load rate design, and other improvements and innovations in rate design to better serve our various customer classes. Positions between the FY2025 Amended budget and FY2026 Amended budget also included a reclassification of positions to the IT and Data Analytics department.

Department Positions

	FY25 Amended	FY26 Amended	FY27 Proposed
Customer Operations	8.0	6.0	8.0

TABLE 13: CUSTOMER OPERATIONS POSITIONS

IT and Data Analytics

Budget Highlights

- Budget has increased largely due to expenses associated with maintaining ongoing costs for the Enterprise Data Platform, Customer Relationship Management system and artificial intelligence exploration.
- AI Managed Services for AI enablement and implementation is included as an ask for this fiscal year.

Department Positions

	FY25 Amended	FY26 Amended	FY27 Proposed
IT and Data Analytics	9.0	16.0	13.0

TABLE 14: IT AND DATA ANALYTICS

Public Affairs

Budget Highlights

- Continued outreach to educate the community of the benefits of community choice and to encourage awareness of our mission, our programs, our rates, and our community activities.
    j. Public Affairs proposes adding two positions, Outreach Manager and SDREN Outreach Associate, the latter which would be supported by the SDREN budget.

Department Positions

	FY25 Amended	FY26 Amended	FY27 Proposed
Public Affairs	12.0	11.0	14.0

TABLE 15: PUBLIC AFFAIRS POSITIONS

Programs

Budget Highlights

k. An additional $8 million has been allocated to CIP projects including Solar Battery Savings, Distributed Energy Resource Management System (DERMS), various pilot programs, Enterprise Resource Planning, and the EV Load Growth study.
l. Programs proposes to add one position, a Senior Program Associate, to support the DERMS as the technical lead.

Department Positions

	FY25 Amended	FY26 Amended	FY27 Proposed
Programs	12.0	16.0	16.0

TABLE 16: PROGRAMS POSITIONS

Regulatory and Legislative Affairs

Budget Highlights

m. Budget remains the same as FY2026 with a transition of Federal Lobbyist services to the Public Affairs budget as a part of the LEAN Membership.

Department Positions

	FY25 Amended	FY26 Amended	FY27 Proposed
Regulatory Affairs	5.0	5.0	5.0

TABLE 17: REGULATORY AND LEGISLATIVE AFFAIRS POSITIONS

Human Resources and Administration

Budget Highlights

- The budget had very nominal increases to account for talent acquisition and supporting employee professional development.
- Increased budget for a Human Resources Intern which is not included in department positions.

Department Positions

	FY25 Amended	FY26 Amended	FY27 Proposed
Human Resources	4.0	7.0	8.0

TABLE 18: HUMAN RESOURCES POSITIONS

Legal

Budget Highlights

- Budget increases to support necessary external counsel to bolster regulatory counsel and other outside counsel to support strategic initiatives and other internal goals.
- Additional support for Legal staff to attend mandatory training and conferences.

Department Positions

	FY25 Amended	FY26 Amended	FY27 Proposed
Legal	2.0	3.0	3.0

TABLE 19: LEGAL POSITIONS

Significant Budget Adjustments

The following section summarizes the most significant changes between the FY 2025-2026 Amended Budget and the FY 2026- 2027 Proposed Budget across the operating budget, capital budget, and Capital Investment Plan (CIP). These adjustments reflect the combined impact of evolving market conditions, including lower energy price assumptions and associated revenue changes, as well as targeted investments in staffing, programs, and strategic initiatives. The table below highlights key year-over-year changes in major revenue, expense, and capital categories to provide a consolidated view of the primary drivers shaping Community Power's financial outlook for FY 2026-27.

Adjustment	Description	Department	FTE Increases	Expenses	Revenues
Operating Revenues					
Gross Ratepayer Revenues Decrease	Generation rates are projected to decrease between 15% to 20% and PCIA is expected to increase between 25% and 55% between calendar years 2026 and 2027, driving down operating revenue and resulting from lower projected forward market prices.	Finance	–	–	($256,598,228)
Uncollectible Adjustment	Reduced uncollectible allowance assumptions from 1.75% to 1.5% in alignment with uncollectible data through April 30, 2026.	Finance	–	–	+5,377,940
Operating Expenses					
Professional Services and Consultants					
Data Management Decrease	Calpine Energy Solutions budget saw a $0.9 million reduction to reflect per-account billing agreement consistent with the agreement approved by the Board on March 26, 2026.	Customer Operations	–	($906,669)	–
SDG&E Fees Decrease	San Diego Gas and Electric Service Fees had nominal reduction consistent with burn rates from FY 2025-26 and pursuant to the SDG&E fee schedule outlined in SDG&E Electric Rule 27 and Schedule CCA.	Customer Operations	–	($379,746)	–
Scheduling Coordinator Decrease	Lower usage anticipated with Tenaska Power Services as Community Power unbundled services and added new vendors for short-term load forecasting and asset optimization.	Power Services	–	($131,000)	–
Printing Decrease	Reduction in expected printing costs under the professional services agreement with Neyenesch Printers due to the optimization of	Customer Operations	–	($104,560)	–

	electronic delivery channels by reducing paper mail volumes.				
Incremental Load Forecast Services Decrease	Moved budget from Tenaska to Yes Energy.	Power Services	–	($100,000)	–
Renewable Energy Storage Optimization Increase	Pursuant to the master-services agreement with Ascend Analytics approved by the Board in December 2025, to deploy advanced battery optimization software, ensuring clean energy grid reliability during peak demand. This cost is based on the number of online projects, which increased by 8 (~1GW of capacity) in 2026.	Power Services	–	+$695,000	–
Regulatory Counsel Increase	Increase in legal support for regulatory proceedings before the CPUC consistent with the contract approved by the Board in April 2026.	Legal	–	+$250,000	-
AI Managed Services Increase	AI Managed Services for AI enablement and implementation to expand functionality and potential productivity within the agency.	IT and Data Analytics	–	+$200,000	-
Accounting Services Increase	Accounting services increased consistent with the annual escalation clause in the contract with Maher Accountancy, approved by the Board in January 2025, with additional pass-through costs as SDCP utilizes more software resources, and with anticipated use of the contingency given prior usage in FY 2025-2026.	Finance	–	+$175,842	-
Direct Access Managed Service Increase	Remaining not-to-exceed expected to be spent in FY2027, pursuant to contract with Aspen Environmental Group approved by the Board in October 2025.	IT and Data Analytics	–	+$160,00	-
Long-Term Load Forecasting Increase	Remaining not-to-exceed expected to be spent in FY2027, pursuant to contract with Aspen Environmental Group approved by the Board in October 2025.	Power Services	–	+$125,000	-
Personnel Costs					
Healthcare Increase	Updated with the most current premiums and factors in inflation for the upcoming renewal cycle. Also factors in additional hires.	Operations	–	+$557,478	-
Accrued PTO Increase	PTO accrual has increased as staff tenure increases and as PTO balances increase.	Operations	–	+$520,648	-
Retirement Payout Increase	Retirement contributions have increased pursuant to Community Power retirement benefits as additional staff are hired.	Operations	–	+$214,396	-
	FICA payroll taxes have increased as additional staff are	Operations	–	+$122,522	-

FICA Increase	hired and in alignment with Community Power's Section 218 election.				
Cost-Recoverable Salary and Benefits	Updated salary budget for cost-recoverable positions from mid-year review.	Operations	–	($1,186,612)	-
Lodging	Reduced agency-wide staff travel in the upcoming fiscal year.	Operations	–	($111,552)	-
Community Engagement Manager	Supports expansion of community partnerships and engagement strategy.	Public Affairs	1	+$159,000	-
Load Forecast Manager	Improves forecasting accuracy for procurement and planning decisions.	Power Services	1	+$159,000	-
Senior Program Associate (DERMS Technical Lead)	Provides technical leadership for DERMS implementation and grid integration.	Programs	1	+$132,500	-
SDREN Outreach Associate (Cost Recoverable)	Expands outreach capacity tied to externally funded SDREN programs.	Public Affairs	1	+$110,400	-
Rates Analyst	Strengthens rate design and financial sustainability analysis.	Customer Operations	1	+$110,400	-
Strategic Communications and Outreach					
Strategic Communications and Outreach Increase	Consolidates previously separate communications, marketing, outreach and engagement functions into a single category to better reflect how work is executed through targeted activities that include customer education campaigns, community events, partnerships with community-based organizations, media relations, digital communications (e.g. website, social media, newsletters), and multilingual outreach. The increased year-over-year budget supplements current budget activities and contracts to improve customer awareness and participation in Community Power's expanding portfolio of programs, including new pilots.	Public Affairs	–	+98,842	-
General Administration					
Bank Service Fees Increase	Increase reflects an updated utilization factor for unused credit, higher transaction volume and program scale.	Finance	–	+$1,353,852	-
Non-Operating Revenues (Expenses)					
Investment Income					
Investment Income Increase	Additional investment income is anticipated as Community Power has grown its reserve	Finance	–	($4,806,083)	–

	balance consistent with the reserve policy adopted by the Board in December 2025.				
Interest and Related Expenses					
Interest and Related Expenses Increase	Forecasted additional interest based on latest projections for interest rates and assuming $30.0 million usage of the Community Power line-of-credit.	Finance	–	+$434,510	–
Capital Investment Plan (CIP)					
CIP – DERMS Platform	Central to Community Power's Flexible Load Strategy is the Distributed Energy Resource Management System (DERMS) platform. The DERMS platform allows Community Power to help customers reduce usage during high-cost on-peak periods, while managing portfolio-wide power procurement and resource adequacy costs and risk. Funding supports annual platform fees and service for the remainder of the Board-approved contract, including a 20% contingency.	Programs	–	+$1,500,000	–
CIP – Solar + Storage Incentives	Community Power's Residential Solar Battery Savings Program is designed to help our single-family homeowners and support the grid by installing solar and battery storage and offset high-cost on-peak consumption. Funding will support incentives for an additional ~675 program participants.	Programs	–	+$3,532,500	-
CIP – Customer Pilot Programs	Provides dedicated funding for customer-facing pilot initiatives that test new program concepts. These pilots will primarily support customer segments and technologies not targeted in the initial tranche of Pilot Program funds allocated in FY 2023-2024 (e.g., Commercial, Non-Residential, Multi-Family, Renters, Commercial Fleets) and continue to focus on peak load shifting.	Programs	–	+$1,900,000	-
CIP – ERP System	The Enterprise Resource Planning (ERP) project aims to implement an ERP system for Community Power to streamline budgeting, enhance reporting, manage procurement and contracts and improve overall operational efficiency. Additional funding is an enhancement to the original ERP contract with PS Hummingbird approved by the Board in January 2026, and would allow Finance to add a priority module for procurement and contracts in the upcoming fiscal year.	Finance	–	+$217,500	-
CIP – BYOD Pilot	Funds the continuation of the Smart Home Flex Pilot Project for an additional year. The continuation of the pilot is expected to allow	Programs	–	+$600,000	-

	an additional 5,000 participants. Funding is primarily for participation incentives, seasonal performance incentives and device fees.				
CIP – EV Load Study	Funds a study to assess electric vehicle (EV) load growth potential and better understand how increasing EV adoption may impact system demand. This analysis will inform future infrastructure planning and program design by identifying expected load impacts and helping the organization plan for evolving customer energy needs.	Programs	–	+$250,000	-
CIP – Regional Energy Network (External Funding)	The SDREN includes the rollout and execution of 10 programs during FY2027 and will deliver a portfolio of energy efficiency programs across residential, commercial, and public sectors, providing direct customer benefits through technical assistance, incentives, and equipment installations to reduce energy use, lower customer bills, and improve building performance. The program includes offerings such as single-family and multifamily energy upgrades, small-business support (including efficient refrigeration and energy coaching), and targeted outreach to underserved and Tribal communities, alongside broader strategies that support electrification, demand response, and distributed energy resource deployment. All activities will be cost-recoverable through CPUC funds and include funding for nine staff and overhead support.	Programs	–	-	+$63,117,653.66
CIP – DAC-GT (External Funding)	The Disadvantaged Communities Green Tariff (DAC-GT) program enables income-qualified residential customers in DACs who may be unable to install solar panels on their roof to benefit from utility-scale clean energy and receive a 20% bill discount. Funding is external, originates from state Greenhouse Gas (GHG) Auction Proceeds and Public Purpose Program funds, and funds program administration for program year 2026.	Programs	–	-	+$300,000

ITEM 13
ATTACHMENT C

RESOLUTION NO. 2026-10

A RESOLUTION OF THE BOARD OF DIRECTORS OF SAN DIEGO COMMUNITY POWER ADOPTING THE FISCAL YEAR 2026-2027 OPERATING BUDGET, THE FISCAL YEAR 2026-2027 CAPITAL BUDGET, AND THE FISCAL YEAR 2027-2031 CAPITAL INVESTMENT PLAN.

A. WHEREAS, San Diego Community Power ("Community Power") is a joint powers authority formed pursuant to the Joint Exercise of Powers Act, Cal. Gov. Code § 6500 *et seq.*, California Public Utilities Code § 366.2, and a Joint Powers Agreement effective on October 1, 2019, and amended and restated on December 16, 2021 ("JPA Agreement"); and

B. WHEREAS, the JPA Agreement provides that Community Power's fiscal year ("FY") shall be 12 months commencing each year on July 1 and ending on June 30 the following year; and

C. WHEREAS, the JPA Agreement further provides that all expenditures shall be made in accordance with the approved budget and upon the approval of any officer so authorized by the Board in accordance with its policies and procedures; and

D. WHEREAS, Community Power Board proposes to adopt the FY 2026-2027 Operating Budget and the FY 2026-2027 Capital Budget, attached hereto as Exhibit A; and

E. WHEREAS, Community Power Board further proposes to adopt the FY 2027-2031 Capital Investment Plan that provides a comprehensive five-year plan for Community Power's capital investment expenditures, attached hereto as Exhibit B; and

F. WHEREAS, the FY 2026-2027 Operating Budget, FY 2026-2027 Capital Budget, and the FY 2027-2031 Capital Investment Plan, are based on the reasonable and necessary costs incurred by Community Power to operate and provide electric services, programs, and other offerings to Community Power customers; that the services, programs, and other offerings are reasonable and necessary; and that the costs have a fair and reasonable relationship to the benefit, privilege, service or product provided to the customer.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of San Diego Community Power as follows:

Section 1. The Board of Directors hereby adopts the FY 2026-2027 Operating Budget.

Section 2. The Board of Directors hereby adopts the FY 2026-2027 Capital Budget.

Section 3. The Board of Directors hereby adopts the FY 2027-2031 Capital

Investment Plan.

Section 4. The Board of Directors finds that the FY 2026-2027 Operating Budget, FY 2026-2027 Capital Budget, and the FY 2027-2031 Capital Investment Plan, are based on the reasonable and necessary costs incurred by Community Power to operate and provide electric services, programs, and other offerings to Community Power customers; that the services, programs, and other offerings are reasonable and necessary; and that the costs have a fair and reasonable relationship to the benefit, privilege, service or product provided to the customer.

Section 5. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED at a meeting of the Board of Directors of San Diego Community Power held on June 25, 2026.

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Terra Lawson-Remer, Chair
Board of Directors
San Diego Community Power

ATTEST:

_____
Maricela Hernandez, MMC, CPMC
Clerk of the Board/Secretary
San Diego Community Power

APPROVED AS TO FORM:

_____
Veera Tyagi, General Counsel
San Diego Community Power

RESOLUTION NO. 2026-10

EXHIBIT A

SAN DIEGO COMMUNITY POWER

Fiscal Year 2026–2027



SAN DIEGO COMMUNITY POWER

Operating Budget

Resolution 2026–XX

Proposed: June 2026

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How to Use This Book

The San Diego Community Power (Community Power) Fiscal Year (FY) 2026–2027 operating budget contains agency budgetary and fiscal policy information as well as detailed operating budgets for agency divisions. The operating budget is organized into the following sections:

Executive Summary

Includes the Chief Executive Officer's Letter and the Executive Summary of the adopted operating budget and provides a high-level overview of the agency's budget, the changes from the prior year and other high-level details on specific highlights and changes in the adopted operating budget.

Overview

Provides a high-level overview of Community Power's governance, structure and agency values and priorities.

Budget Process

Describes the various financial planning and budgeting processes and reports that inform the budget process.

Budget Overview

Describes the budget in brief, financial data summarizing Community Power's adopted budget, the Capital Investment Plan and the agency's five-year financial plan.

Budget Information and Summary Figures

Provides technical information on the structure, policies and processes that govern Community Power's budget development and implementation as well as high-level financial data summarizing Community Power's proposed budget. The figures detail changes over a two-year period: the FY 2025–2026 Amended Budget and the proposed FY 2026–2027 Operational Budget. The variance column measures the dollar and position differences between fiscal years.

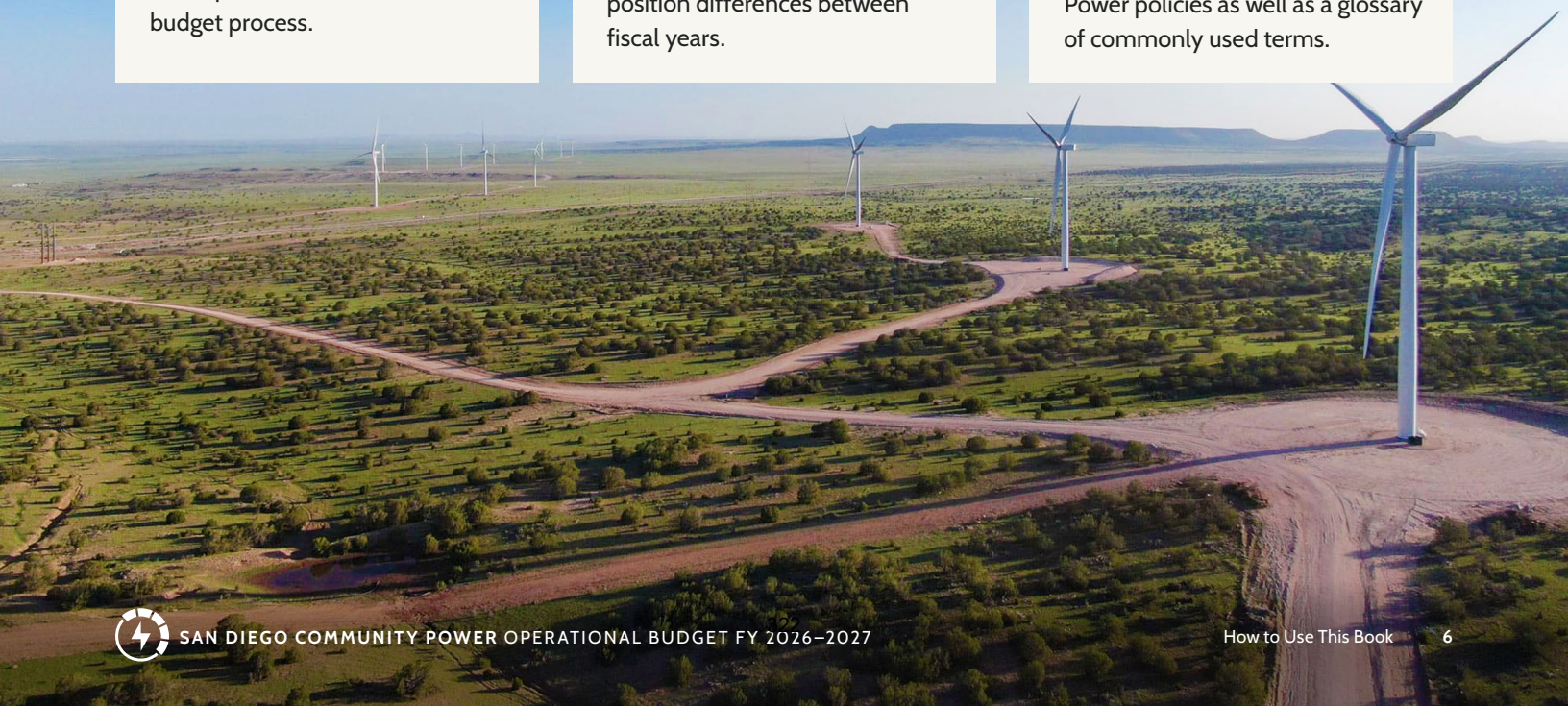
Operational Budgets

Provides budgetary information and operational priorities for each of Community Power's departments. Department information includes the following information:

- Mission and Services
- Department Highlights
- Professional Services Agreement
- Objective Key Results
- Department Positions
- Organizational Chart — depicts the department's organizational structure
- Budget Data Summary — shows a summary of total expenditures and funded positions

Additional Resources

Provides additional information, including applicable Community Power policies as well as a glossary of commonly used terms.





A Letter from the Chief Executive Officer

This year, San Diego Community Power proudly delivered the most competitive electricity generation rates in our history, helping our neighbors save money while expanding access to cleaner energy.

As a community choice energy provider and not-for-profit public agency, every decision we make is centered on delivering the best long-term value for our customers and supporting the communities we serve to advance a more equitable and sustainable future.

Despite uncertainty in the world around us, we remain focused on maintaining long-term stability. We continue to be disciplined about how we invest our resources and plan carefully for an uncertain future. We stay focused on keeping energy costs as low as possible while we advance toward 100% renewable energy by 2035.

Affordability is at the forefront of all we do. In January 2026, we offered the largest discount — compared with San Diego Gas & Electric's generation rates — in our agency's history. PowerBase, our lowest-cost service plan, now provides a 10% discount over the competition while still meeting California's clean energy standards. Meanwhile, we continue to deliver choice for customers who want 100% renewable energy today through our Power100 service plan, for only a few dollars more per month for the average residential customer.

Our strong financial footing allows us to offer such competitive prices. We achieved a significant agency milestone in March 2026 when we earned our first investment-grade issuer credit rating: an "A" with a stable outlook from S&P Global Ratings. This enhances our ability to secure better energy contract terms, which ultimately helps keep rates steady and competitive for our customers.

We are also strategically using "green bonds" issued by the California Community Choice Financing Authority to prepay long term Power Purchase Agreements (PPAs) at a lower interest rate. These financial tools support a disciplined, long-term approach to managing costs and strengthening financial stability. This fiscal year, we completed two prepay agreements that are expected to save customers a combined $97.3 million over the next nine years.

As we expand our renewable energy portfolio, we continue to invest in local projects that increase grid reliability and help keep power affordable for customers. During the fiscal year, we welcomed the completion of three battery storage facilities in the San Diego region, the construction of which supported hundreds of local jobs. These investments enhance reliability while supporting local jobs and economic development.

We continue to expand our program portfolio through the San Diego Regional Energy Network (SDREN) and have procured all implementers necessary to open 10 new energy efficiency programs for enrollment by the end of 2026. These programs will expand access to energy-saving solutions across the region.

Solar Battery Savings is one of our most successful programs and has earned national recognition as a model for customer-focused program design. By helping customers work with local contractors to install home batteries, it strengthens grid reliability while supporting workforce development across the San Diego region. This program reflects our broader commitments to build a more resilient grid, strengthen the local workforce and partner with industry leaders to deliver innovative, customer-centered solutions.



As Community Power's impact grows, so too will our reach. Community Power is currently the second-largest organization of its kind in the nation, serving nearly 1 million municipal, business and residential power customers in the cities of San Diego, Chula Vista, Encinitas, Imperial Beach, La Mesa and National City as well as the unincorporated communities of San Diego County. This year, the Coronado City Council voted unanimously to join Community Power and could begin receiving service as soon as 2028. This growth reflects the trust that local communities place in us to deliver reliable, affordable service.

The FY 2026–2027 budget builds on this progress and reflects our continued commitment to delivering value, stability and long-term impact. It ensures we remain financially strong while continuing to invest in what matters most to our communities. Key priorities include:

- **Keeping rates competitive and stable**
- **Expanding access to cleaner, reliable energy**
- **Strengthening long-term financial stability**
- **Investing in local programs and workforce development**
- **Delivering measurable value to our communities**

With continued leadership from our Board of Directors, Community Advisory Committee and dedicated staff, San Diego Community Power is proud to deliver more affordable energy, strengthen our communities and build a cleaner, more resilient future for the San Diego region.

We thank our community for its continued trust and partnership.



Karin Burns

Chief Executive Officer
San Diego Community Power



01 Overview of San Diego Community Power

Overview of San Diego Community Power

Who We Are

San Diego Community Power is a Community Choice Aggregator (CCA) that gives customers an option to power their homes and businesses with significantly higher levels of renewable power at competitive rates. Since 2021, Community Power has grown to serve nearly 1 million residential, business and municipal power customers in the cities of San Diego, Chula Vista, Encinitas, Imperial Beach, La Mesa and National City as well as the unincorporated communities of San Diego County.

Community Power is a not-for-profit public agency that provides affordable clean energy and invests in its local communities to create an equitable and sustainable future for the San Diego region.

Learn more at - SDCommunityPower.org.

Our Story

1 FORMATION

With support from local communities, Community Power was established as a Joint Powers Authority by five cities in the San Diego region. Community Power submitted an implementation plan to the California Public Utilities Commission, outlining the intended organizational structure, operations and funding. Once approved, our Board of Directors began meeting regularly, and implementation activities began. In 2020, a sixth municipality, National City, and the County of San Diego elected to join Community Power.

2 ENROLLMENT 2021–2023

Through phased enrollment from 2021 through 2023, Community Power gradually became the official clean energy provider for our member agencies. Customers were automatically enrolled in our service and received two notices before and two notices after enrollment.

3 TODAY

Community Power is now the second-largest CCA in the nation, serving nearly 1 million customers with competitively priced clean energy; we are beginning to offer customer programs and rebates as well as continuing to support San Diego County's energy efficiency goals through the San Diego Regional Energy Network (SDREN).



About Community Choice

San Diego Community Power is one of 25 Community Choice Aggregators (CCAs) that serve a total of more than 15 million customers in California. The first CCA began service in 2010, and 25 CCAs are operating today.

Communities that participate in a CCA work together to purchase clean energy and create local clean energy projects and programs for residents and businesses by pooling, or aggregating, their electricity loads. CCAs work with the investor-owned utility that serves the community to deliver power and maintain the grid. For Community Power, this means partnering with SDG&E.

How It Works



FIGURE 1. CCAS IN CALIFORNIA



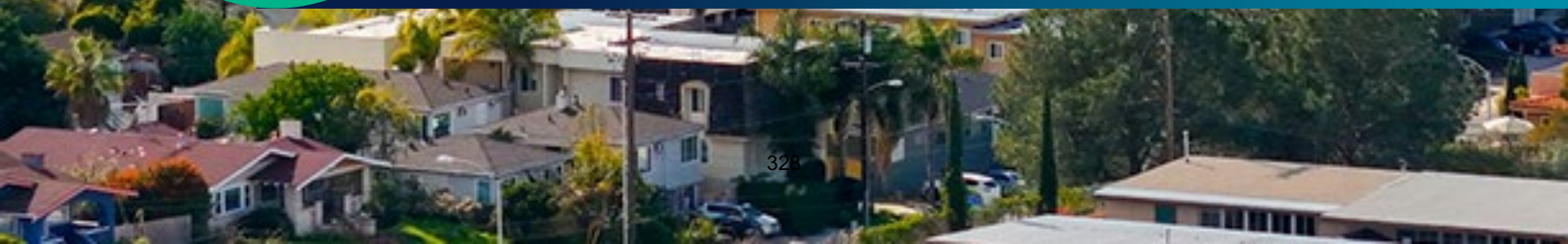
CCAs are making good on their commitments to invest in new renewable energy facilities throughout California.

To date, CCAs have contracted for more than 21,000 megawatts (MW) of new clean generation capacity through long-term power purchase agreements (PPAs) with terms of 10 years or more. CCA PPAs equate to:

- More than 21 gigawatts (GW) of new solar, wind, energy storage, geothermal and demand response resources
- Projects totaling more than 9,700 MW that are already operational and serving CCA customers
- Over $48.4 billion committed by CCAs to build and operate clean energy resources
- Support for more than 48,000 construction jobs



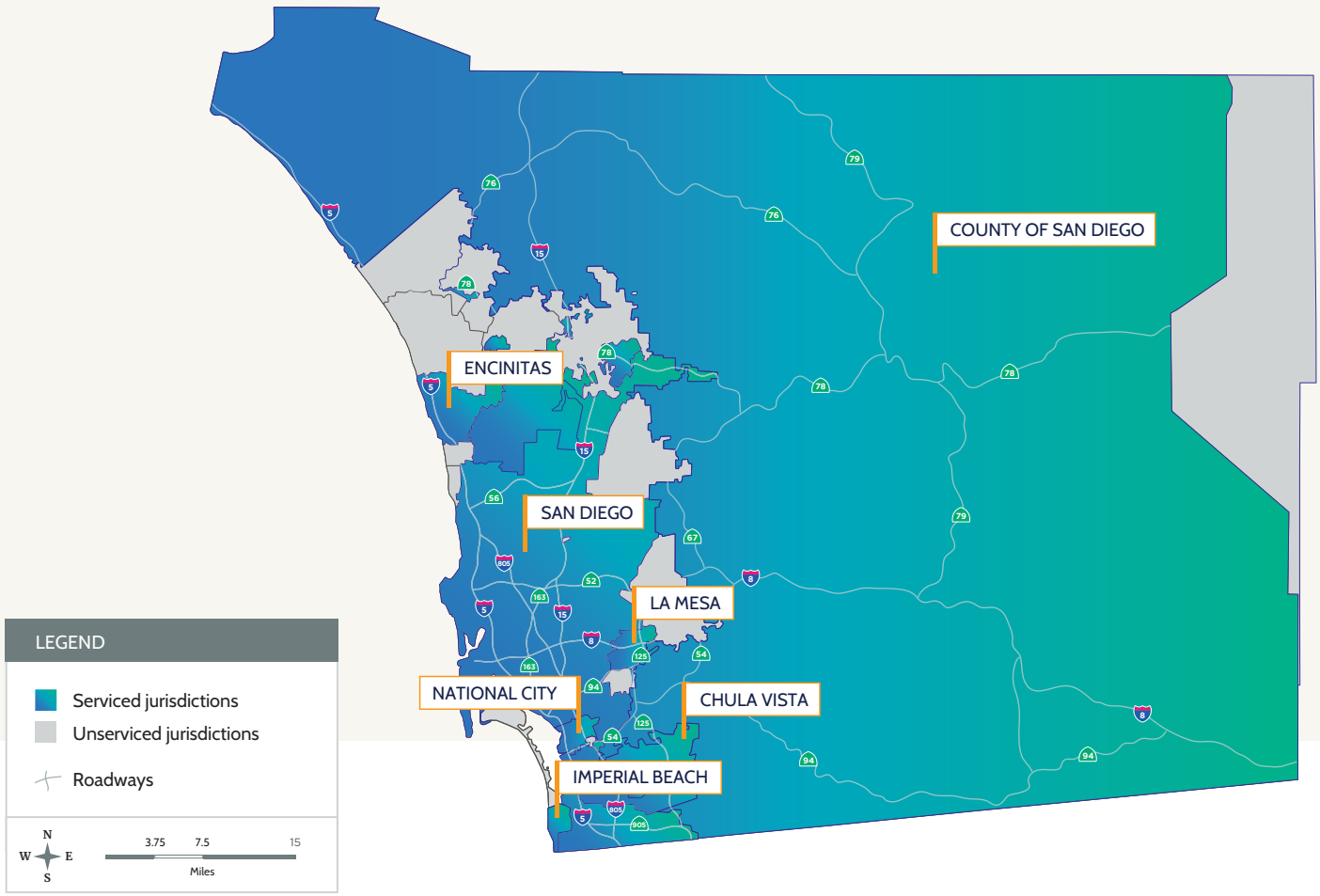
02 Serviced Communities



Serviced Communities

FIGURE 2. SERVICE AREA MAP

Service Area Map



County Population

San Diego County is the southernmost major metropolitan area in California and boasts a diverse and vibrant population. According to the State of California Department of Finance, on January 1, 2026, San Diego County's estimated population was 3.3 million. This figure represents an increase of 0.1% (approximately 5,000 individuals) from the January 1, 2025, estimate. By population, San Diego County ranks as the second-largest county in California and the fifth-largest county nationwide. These rankings are based on data from the U.S. Census Bureau, which relies on the 2021 population estimate. Looking ahead, population estimates from the San Diego Association of Governments (SANDAG) are projected to level off and slightly decline by mid-century. The San Diego regional population is expected to reach approximately 3.43 million by 2040, reflecting a substantial 21% increase compared with the year 2000, or a 30% increase compared with the year 2024.

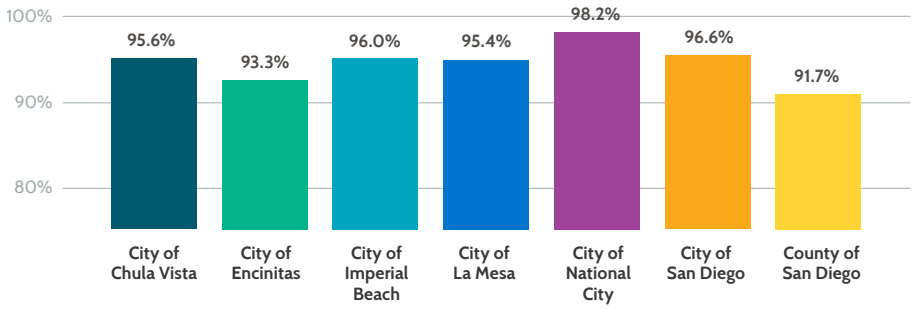
FIGURE 3. SAN DIEGO COUNTY POPULATION

San Diego County Population					
COUNTY/CITY	**Jan. 2022**	**Jan. 2023**	**Jan. 2024**	**Jan. 2025**	**Jan. 2026**
Carlsbad	115,033	115,045	114,319	116,022	115,867
Chula Vista	275,427	276,813	278,247	281,850	282,999
Coronado	22,082	22,272	21,589	22,687	23,796
Del Mar	3,909	3,918	3,919	3,937	3,917
El Cajon	105,171	104,804	104,180	105,449	104,932
Encinitas	61,283	61,254	61,028	62,392	62,193
Escondido	150,419	150,571	150,002	151,932	152,196
Imperial Beach	26,163	26,109	26,096	26,362	26,066
La Mesa	60,412	60,753	60,620	61,863	61,707
Lemon Grove	27,109	27,517	27,568	28,445	28,233
National City	58,545	58,374	58,555	58,863	58,701
Oceanside	172,463	172,186	171,483	175,193	174,027
Poway	48,515	48,620	49,273	50,699	50,263
San Diego	1,375,687	1,383,623	1,385,379	1,409,429	1,419,531
San Marcos	93,851	94,823	95,998	97,647	97,554
Santee	58,886	59,574	59,195	60,044	59,812
Solana Beach	12,792	12,831	12,887	13,060	12,941
Vista	99,997	100,113	99,723	101,934	101,365
Balance of County	510,986	511,223	511,040	511,798	508,222
Incorporated	2,767,744	2,779,200	2,780,061	2,827,594	2,836,100
County Total	3,278,730	3,290,423	3,291,101	3,339,392	3,344,322

Source: U.S. Census, 2020 data; California Department of Finance 2026, estimates as of May 1, 2026

Participation by Jurisdiction

FIGURE 4. PARTICIPATION BY JURISDICTION*

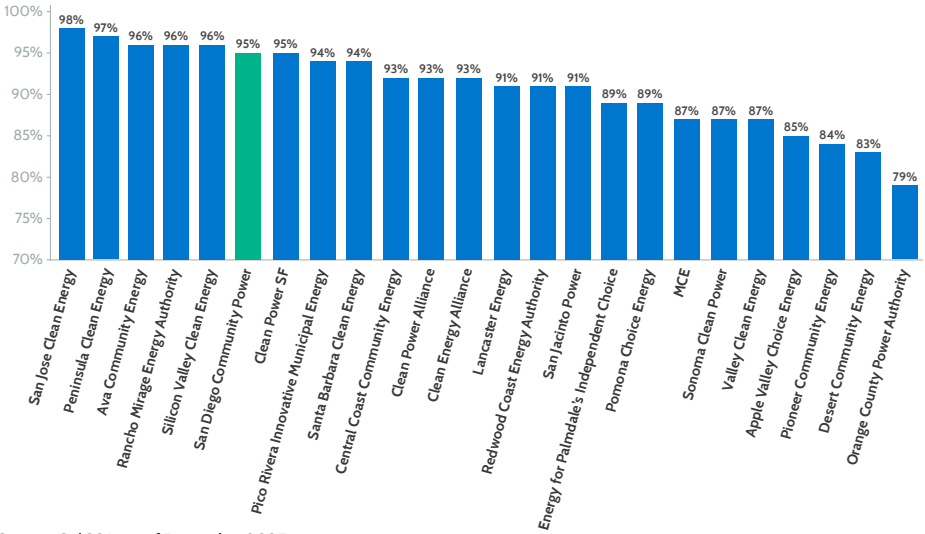


JURISDICTION	SERVICE OPTION DEFAULT	ELIGIBLE ACCOUNTS	ENROLLED ACCOUNTS	PARTICIPATION RATE
City of Chula Vista	PowerOn	100,404	96,029	95.6%
City of Encinitas	Power100	29,071	27,130	93.3%
City of Imperial Beach	PowerOn	10,826	10,395	96.0%
City of La Mesa	PowerOn	29,620	28,245	95.4%
City of National City	PowerOn	19,681	19,334	98.2%
City of San Diego	PowerOn	634,403	613,139	96.6%
County of San Diego	PowerOn	191,436	175,522	91.7%
Total		**1,015,441**	**969,794**	**95.5%**

**As of May 26, 2026*

Participation Rates Across CCAs

FIGURE 5. PARTICIPATION RATES ACROSS CCAS



Source: CalCCA, as of December 2025

Governance and Structure

In September 2019, the cities of San Diego, Chula Vista, Encinitas, Imperial Beach and La Mesa adopted an ordinance and resolution to form San Diego Community Power, a California Joint Powers Authority (JPA). National City and the County of San Diego voted to join Community Power in 2020.

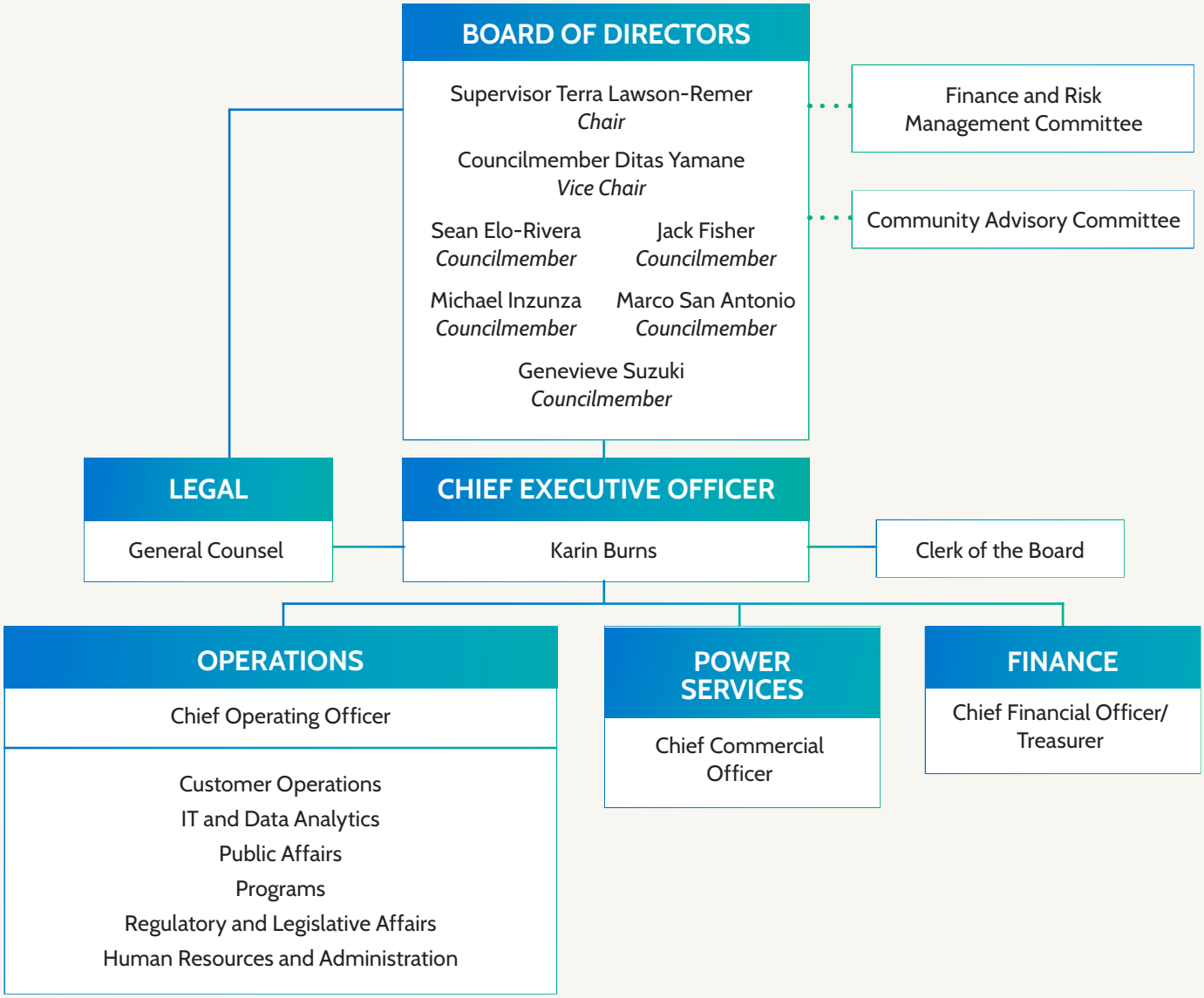
Community Power's Board of Directors is composed of an elected representative from each member jurisdiction, with each member selecting an alternate from the agency they represent. The Board is publicly accountable to Community Power ratepayers and hosts monthly Board meetings, where it establishes policy, sets rates, determines power purchase options and maintains fiscal oversight.

As a public agency, Community Power is designed to be fully transparent with all official meetings and information open or available to the public.

FIGURE 6. MEMBER AGENCIES

Organizational Structure

FIGURE 7. ORGANIZATIONAL STRUCTURE



Executive Team

FIGURE 8. EXECUTIVE TEAM



Karin Burns
Chief Executive Officer



Veera Tyagi
General Counsel



Jack Clark
Chief Operating Officer



Gordon Samuel
Chief Commercial Officer



Jannies Burlingame
Chief Financial Officer and Treasurer



03 Budget Process

Budget Process

Annual Budget Cycle

On October 1, 2019, the Founding Members of San Diego Community Power adopted the Joint Powers Agreement (JPA), which was amended and restated on December 16, 2021. Section 4.6.2 of the JPA specifies that the Community Power Board of Directors (Board) shall adopt an annual budget before the commencement of the fiscal year. The JPA further provides that Community Power's fiscal year runs from July 1 to June 30, unless changed by the Board. Section 7.3.1 of the JPA additionally specifies that the Board may revise the budget from time to time as may be reasonably necessary to address contingencies and unexpected expenses.

The Community Power Board adopted the Community Power Budget Policy on July 28, 2022, which formally outlined the agency's budget preparation steps and timeline. The Chief Financial Officer (CFO) begins the annual budget process in February of each year. The Finance Department develops initial revenue and expense estimates and updates its short-term financial plan. In March and April, Community Power staff develop and refine budget proposals to develop an initial budget baseline for the agency's upcoming budget year. The budget is further refined through strategic planning sessions and through the Community Power Finance and Risk Management Committee (FRMC).

The CFO is then required to prepare and submit to the Board a draft budget for the following fiscal year in May or no later than the second month immediately preceding the start of the fiscal year. The budget shall be aligned with established goals and shall reflect all activities, including operating programs, revenues and expenditures. The budget shall be approved by the Board at a public meeting in June or no later than the month immediately preceding the start of the respective fiscal year.

FIGURE 9. TYPICAL ANNUAL BUDGET PROCESS



Budget Calendar

FIGURE 10. BUDGET CALENDAR

DATE	MILESTONE
January 2026	Finance Department prepares for February launch of the annual budget cycle.
February 2026	Budget process begins. Initial revenue and expense estimates are developed.
March to April 2026	Departments propose unconstrained expense requests for review.
April 2026	Staff set initial budget baseline.
May 21, 2026	The Draft FY 2026–2027 budget is presented to the Finance and Risk Management Committee (FRMC) for feedback.
May 28, 2026	The Draft FY 2026–2027 budget is presented to the Board of Directors for feedback.
June 2026	The Proposed FY 2026–2027 budget is presented to the Community Advisory Committee and the FRMC.
June 25, 2026	The Board of Directors potentially adopts the FY 2026–2027 budget as an action item.
July 1, 2026	The FY 2026–2027 budget is implemented.

Strategic Planning

San Diego Community Power's budgeting process is directly informed by its Strategic Plan — a document co-created by the Board, Community Advisory Committee, executive leadership and staff — that translates community priorities into actionable goals. The Strategic Plan serves as a critical management tool, aligning resources, guiding operational decisions and driving long-term organizational focus across all departments and initiatives.

Community Power is sharpening its focus on delivering long-term value to the communities it serves through affordability, transparency and disciplined growth. The next chapter of the agency's work will be defined by measurable outcomes, including maintaining competitive rates, strengthening financial resilience and advancing a cleaner, more renewable energy portfolio.

Central to this approach is a commitment to aligning fiscal decisions with community priorities. This budget reflects customer expectations, including rate stability, incentives that support grid reliability and continued progress toward sustainable, locally beneficial energy procurement. This is achieved by prioritizing the following items.



Affordability

All decisions are evaluated with a focus on customer impact. Community Power prioritizes competitive rates, minimizes volatility and expands programs that help households and businesses manage energy costs.



Financial Strength and Stability

Maintaining strong reserves, actively managing risk and implementing innovative financial strategies position the agency to navigate market uncertainty while safeguarding long-term affordability and organizational resilience.



Advancement to 100% Renewable Energy

Community Power expands access to clean, renewable energy through a balanced approach that prioritizes reliability and cost stability, supports local project development and ensures the benefits are broadly shared across the communities it serves.



Strategic Infrastructure

As a public agency, Community Power operates with transparency and is guided by public input, ensuring accountability to ratepayers and consistent delivery on commitments.



Local Impact

By reinvesting locally, Community Power strengthens regional economies, supports workforce development and expands access to programs, with a focus on benefiting historically underserved communities.

Core Strategic Goals

1. Fiscal Sustainability

- Maintain fiscal strategies to promote long-term organizational sustainability.
- Execute at least six clean prepayment transactions over the next three years to generate $30 million in annual power cost savings.
- Obtain a public investment-grade credit rating by November 2027.
- Grow reserves by $150 million to maintain 180 days cash on hand by December 2027.
- Build a $70 million Rate Stabilization Reserve to mitigate cost volatility.
- Strengthen financial controls across contracting, risk management and procurement.

2. Energy Portfolio Development

- Provide sufficient, affordable and clean electricity to our customers.
- Achieve 100% renewable energy by 2035 with interim targets of 75% by 2027 and 85% by 2030.
- Support development of 1 gigawatt of new local clean energy capacity by 2035, including 300 MW of infill and distributed energy resources (DERs).
- Ensure reliable and cost-effective compliance with all regulatory requirements.
- Create good-paying local jobs in clean energy sectors.

3. Community Program Delivery

- Implement programs that reduce greenhouse gas emissions, align energy supply and demand, and benefit our diverse communities.
- Deliver 150 MW of local DER capacity (of the 300 MW total goal) by 2035 through programs like Solar Battery Savings.
- Launch all San Diego Regional Energy Network (SDREN) programs in 2026.
- Implement a robust program evaluation framework in 2026.
- Expand external funding for clean energy programs.

4. Legislative and Regulatory Advocacy

- Advance policies that support Community Power's mission and customer goals.
- Educate policymakers and regulators to influence outcomes consistent with our policy platform.
- Support and sponsor legislation aligned with our values and needs.
- Remain an active participant in coalitions such as CalCCA to amplify our voice.
- Strategically pursue public funding aligned with agency goals.

5. Trusted Brand Building

- Build a trusted brand that supports engagement, participation and program success.
- Position Community Power as a collaborative public agency rooted in transparency.
- Grow the Power Network of nonprofit and community-based partners to expand community reach.
- Elevate brand awareness through education and outreach.
- Empower customers to take advantage of savings and services through awareness, education and ongoing communication programs.

6. Customer Care

- Ensure high customer satisfaction and retention.
- Refine rate structures to balance affordability, clean energy and fiscal prudence.
- Resolve SDG&E billing issues and improve customer experience.
- Explore options for a best-in-class customer service model.
- Address arrearages and connect customers to available resources.

7. Organizational Excellence

- Foster an innovative, inclusive and resilient workplace.
- Transition into a learning organization by late 2026 with robust staff development.
- Maintain a high level of employee satisfaction through engagement and continuous feedback.
- Launch a new internship program for local college students by FY 2027.

Community Outreach Strategy

San Diego Community Power is a not-for-profit public agency that integrates community engagement directly into its decision-making and views outreach as a core function of governance. Through ongoing dialogue with customers, local leaders and regional partners, the agency ensures its budgeting reflects real-world priorities and evolving community needs. This approach reinforces our commitment to affordability while maintaining strong accountability for how public funds are managed. By grounding financial planning in community input, Community Power strengthens organizational stability, supports local economic opportunities and accelerates the transition to cleaner energy while delivering benefits to the communities it serves.

Public Meetings and Oversight

Transparency and public oversight are built into Community Power's operations. Consistent with its Rate Development Policy, rate setting occurs in an open, deliberative process led by staff and approved by the Board of Directors at publicly noticed meetings. This ensures the public has direct visibility into and input on decisions that shape costs, programs and long-term strategy.

Board decisions are informed and shaped by a subset of members on the Finance and Risk Management Committee (FRMC). The Community Advisory Committee (CAC) also advises the Board and provides a venue for ongoing citizen support and engagement in Community Power. These regular meetings offer meaningful opportunities for community input on agency decisions.

Customer Information and Transparency

Clear, accessible information is essential in building trust with customers and supporting informed decision-making about service options. Community Power publishes an annual Joint Rate Comparison in coordination with SDG&E that allows customers to easily evaluate pricing. The Power Content Label further reinforces transparency by providing a detailed look at the sources used for each service plan. In addition, Community Power's website serves as a central resource for information, rebates, incentives and self-service tools.

Community Engagement

Staff regularly provide updates to member agencies and their elected bodies on Community Power's performance, priorities and initiatives. Community Power also continues to expand its presence through events, partnerships and targeted outreach to reach a broad and diverse audience.

183 community events **16,000** unique interactions **650,000** impressions

In FY 2025–2026, Community Power participated in 183 community events, resulting in 16,000 unique interactions and nearly 650,000 impressions. These in-person efforts are enhanced by strategic partnerships, sponsorships and targeted media outreach, including an ongoing partnership with CBS 8's "Working for Our Communities" campaign, which highlights available services and opportunities for customers to save money. Regular newsletters also provide subscribers with updates on new initiatives and energy-saving tips.

These efforts create a strong, continuous feedback loop between the agency and the public, strengthening transparency, informing budget decisions and ensuring Community Power remains responsive, accountable and focused on delivering affordable, reliable and increasingly renewable energy solutions.





04 Budget Guidelines

Budget Guidelines

Joint Powers Agreement

On October 1, 2019, the founding members of Community Power adopted the Joint Powers Agreement (JPA), which was amended and restated on December 16, 2021. Several sections of the JPA guide the development and management of the budget.

Section 4.6 Specific Responsibilities of the Board
The specific responsibilities of the Board of Directors (Board) shall be as follows:

4.6.2 Formulate and adopt an annual budget prior to the commencement of the fiscal year.

Section 7.2 Depository
7.2.3 All expenditures shall be made in accordance with the approved budget and upon the approval of any officer so authorized by the Board in accordance with its policies and procedures.

Section 7.3 Budget and Recovery Costs
7.3.1 Budget. The initial budget shall be approved by the Board. The Board may revise the budget from time to time as may be reasonably necessary to address contingencies and unexpected expenses. All subsequent budgets of Community Power shall be prepared and approved by the Board in accordance with its fiscal management policies that should include a deadline for approval. Section 4.6.2 of the JPA specifies that the Community Power Board shall adopt an annual budget with a fiscal year that runs from July 1 to June 30.

On July 28, 2022, the Community Power Board adopted the Community Power Budget Policy, which outlined the timeline for annual budget preparation and for discretionary budget adjustments. This Policy was adopted pursuant to Government Code Section 6508 *et seq*.

Budget Policy

Discretionary Budget Adjustments. The CEO or CFO will have the discretion to authorize expense transfers from line items between and within Community Power's Budget Level 2 categories as established and approved in the annual budget process by the Community Power Board, provided that net transfers total $150,000 or less from the budget category.

The CEO, under his or her discretion, may still require the Board's approval for any budget changes that may fall under the discretion of the Policy. Amendments to the annual budget as approved by the Board will reset the original appropriation (revenue or expense) for the fiscal year for the purposes of the Policy.

A budget amendment is expected to occur in February of each calendar year to adjust the original appropriation as necessary and in alignment with Community Power's rate-setting policy, in which Community Power's rates are expected to be adjusted in January, the month prior.

Balanced Budget. A balanced budget shall exist when the total projected revenues are greater than or equal to the total projected expenses. Total revenues shall include all revenues from retail and wholesale sales of electricity. Total expenses shall include all operating expenses, program expenses and contributions to reserve funds. Any year-end surplus will be used to maintain reserve levels. Any decrease in revenues and/or increase in expenditures that causes the budget to become imbalanced will require an amended budget. The CFO shall prepare a proposed amended budget and submit it to the Board for approval.

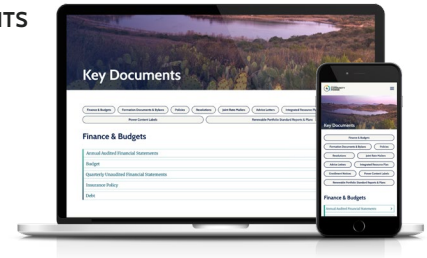
Community Power also maintains several policies posted to its Key Documents page on its website that provide further fiscal guidance.

- Budget Policy
- Financial Reserves Policy
- Rate Stabilization Reserve Policy
- Non-Energy Procurement Policy
- Debt Policy
- Investment Policy
- Rate Development Policy

Other related policies that may directly affect Community Power's finances include:

- Energy Risk Management Policy
- Delegated Contract and Signature Authority Policy
- Total Compensation Policy
- Board and Committee Compensation and Reimbursement Policy
- Net Energy Metering (NEM) Policy
- Net Billing Tariff Aggregation Policy
- Sponsorship Policy
- Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT) Tariff
- Collections and Delinquent Accounts Handling Policy
- Community Clean Energy Grant Program Policy
- Net Billing Tariff Policy

FIGURE 11. KEY DOCUMENTS PAGE ON WEBSITE



Budget Structure

Community Power's basis for budgeting is the accrual method. This means planning that includes revenues and expenses in the budget of the year in which the underlying economic events are expected to occur, not necessarily in the year in which the related cash is expected to be received or paid.

Community Power's basis of accounting, similarly, in its financial statements, is as an enterprise fund under the economic resources measurement focus and accrual basis of accounting, in accordance with Generally Accepted Accounting Principles (GAAP) for proprietary funds, as prescribed by the Governmental Accounting Standards Board (GASB).

Department Hierarchy

Community Power's budget is developed as a line-item budget and is organized by department to indicate the agency's organizational responsibility.

FIGURE 12. BUDGET STRUCTURE — DEPARTMENT HIERARCHY

DEPARTMENT
Executive
Finance
Power Services
Legal
Operations
Customer Operations
IT and Data Analytics
Public Affairs
Programs
Regulatory and Legislative Affairs
Human Resources and Administration

Budget Level Hierarchy

Additionally, and separately, the budget is organized by budget levels to sort expenses into relevant, related categories.

1. Operating Revenues

Allow for revenues from completed sales of electricity to customers. Assumptions include an overall 5% opt-out rate.

2. Operating Expenses

Fall into five Budget Level 2 categories: cost of energy, personnel costs, professional services and consultants, strategic communications and community outreach, and general and administration.

I. **Cost of Energy** — Includes all the various services purchased from the power market through our suppliers. This includes purchased energy, capacity (Resource Adequacy), renewables, CAISO fees and other miscellaneous power market expenses.

II. **Personnel** — Includes salaries, payroll taxes, benefits, and excused absences and paid time-off for staff. In addition, costs include assumptions from the Board-adopted compensation policy, including potential merit and cost-of-living increases.

III. **Professional Services and Consultants** — Includes the following:

   a. Legal/Regulatory Services — Community Power retains outside legal counsel to assist with complex legal and regulatory matters. This line item will also allow for the retention of a state lobbyist to support Community Power's legislative and regulatory efforts.

   b. Technical Support — Community Power engages consultants to assist with policies, load analysis and a scheduling coordinator. After electric power is scheduled for delivery to customers and consumed by these customers, the actual electric consumption must be trued up against the forecasted and scheduled energy. This true-up occurs through the settlement process. Settlements also entail addressing several other market and regulatory requirements. As Community Power grows its internal staff, it will look to continue performing portions of this service in-house.

   c. Other Services — Community Power contracts or plans to contract for audit services (data and financial), accounting services, and other services as needed. Community Power continues to examine whether these services are more cost-effective or efficient to bring in-house. As in-house functions are expanded, Community

Power expects a reduction in the related professional services support areas.

d. SDG&E Service Fees — These fees paid to SDG&E consist of a fixed fee charge per account per month. The fees cover SDG&E's costs associated with meter reading, additional data processing, and bill coordination as mandated and regulated by the CPUC. Numerous small fees are also associated with data requests.

e. Data Management — This broad scope of services includes all "back office" billing data validation, bill coordination with SDG&E, call center services and billing technical support, customer enrollment database management, move- in/move-out services, customer research for enrollment support, and many support functions related to data reporting.

IV. **Strategic Communications and Outreach** — Involves promoting Community Power services and engaging with the community through campaigns, public relations, events and educational programs to increase awareness, drive customer enrollment and build positive relationships. It also includes outreach to underserved communities to ensure equitable access to Community Power's clean, renewable energy services.

V. **General and Administration** — Includes leasing office space, industry fees or memberships (for example, CalCCA dues), equipment and software, as well as other general operational costs, including Board and Committee expenses, Board stipends, staff travel or professional development, team building, etc.

3. Non-Operating Expenses

Represents interest paid on borrowed funds under the bank credit facility maintained by Community Power used to finance a portion of its operations. Expenses also include other bank-related fees (such as letter of credit issuance fees, renewal fees, etc.). Non-operating revenue included in this category represents interest income earned on cash reserves.

4. Capital Investment Plan (CIP)

Community Power's budget also includes non-operating expenses related to the CIP. The CIP for FY 2027–2031 outlines the individual capital projects, major equipment purchases and major programs for the agency that are intended to span multiple years. Contributions are considered one-time in nature and do not reflect future funding commitments. The first year of the FY 2027–2031 CIP is Community Power's proposed capital budget for the upcoming fiscal year.

FIGURE 13. BUDGET STRUCTURE — BUDGET LEVEL HIERARCHY

FUNDS	BUDGET LEVEL 1	BUDGET LEVEL 2	BUDGET LEVEL 3
Operating Fund	Revenue	Gross Ratepayer Revenues (Less 1.5% Uncollectible Customer Accounts)	Gross Ratepayer Revenues (Less 1.5% Uncollectible Customer Accounts)
Operating Fund	Revenue	Cost of Energy	Cost of Energy
Operating Fund	Operating Expenses	Personnel Costs	Salaries
Operating Fund	Operating Expenses	Personnel Costs	Benefits (retirement/ health)
Operating Fund	Operating Expenses	Personnel Costs	Payroll Taxes
Operating Fund	Operating Expenses	Personnel Costs	Accrued PTO
Operating Fund	Operating Expenses	Professional Services and Consultants	Legal/Regulatory
Operating Fund	Operating Expenses	Professional Services and Consultants	Technical Support
Operating Fund	Operating Expenses	Professional Services and Consultants	Programs Consultant
Operating Fund	Operating Expenses	Professional Services and Consultants	Other Services
Operating Fund	Operating Expenses	Professional Services and Consultants	SDG&E Fees
Operating Fund	Operating Expenses	Professional Services and Consultants	Data Management
Operating Fund	Operating Expenses	Professional Services and Consultants	Contingency
Operating Fund	Operating Expenses	Professional Services and Consultants	Communications Consultants
Operating Fund	Operating Expenses	Professional Services and Consultants	Printing
Operating Fund	Operating Expenses	Professional Service and Consultants	Sponsorships/Local Memberships
Operating Fund	Operating Expenses	Strategic Communications and Outreach	CalCCA Dues
Operating Fund	Operating Expenses	Strategic Communications and Outreach	Insurance
Operating Fund	Operating Expenses	Strategic Communications and Outreach	Rent
Operating Fund	Operating Expenses	General and Administration	Other General and Administration
Operating Fund	Operating Expenses	General and Administration	Programs
Operating Fund	Non-Operating Expenses	General and Administration	Interest and Related Expenses
Operating Fund Transfer Out	CIP	General and Administration	CIP
		Programs	
		Debt Service	
		CIP	

Fund Structure

A fund is defined as a separate accounting entity with a self-balancing set of accounts recording cash and other financial resources together with related liabilities. Each fund was established for the purpose of accounting for specific activities in accordance with applicable regulations, restrictions or limitations. Community Power has two types of funds:

1. **Operating Fund** – Accounts for activities that are supported by ratepayer funds. All of Community Power's general operating activities are included in the Operating Fund, which functions very similarly to the enterprise fund of a city or county. The Operating Fund is Community Power's primary fund and is considered an annual fund in which all unused funds at the end of a fiscal year revert to the agency's fund balance.

   The Operating Fund's primary source of funding is from ratepayers and may also include nonoperating investment income. Community Power strongly believes in maintaining a structurally balanced budget in which all ongoing operating activities are supported only by stable, ongoing revenue, such as ratepayer funding.

   Community Power offers four service levels to its customers that, taken together, ultimately comprise the source of ratepayer funds for the agency:

   1. **PowerBase**, our most affordable service option, with a renewable content that is intended to meet or exceed SDG&E's whenever possible and provides customers with a 10% discount compared with SDG&E's rates.
   2. **PowerOn**, our standard service offering that provides 53% renewable power and offers a 4% discount compared with SDG&E's rates.
   3. **Power100,** our premium service that provides customers with 100% renewable energy. It is currently priced at an additional $0.01/kWh more than PowerOn.
   4. **Powe100 Green+**, is our stand-alone 100% renewable and carbon-free service that is Green-e® Certified, available only to commercial and industrial customers. It is currently priced at $0.02/kWh more than PowerOn.

2. **Continuing Fund** – accounts for one-time activities in Community Power's Capital Investment Plan and is supported by one-time funds. As a continuing fund, all unused funds at the end of the fiscal year continue to the next fiscal year. This fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for governmental capital assets or other one-time efforts.

   Community Power's Continuing Fund is composed of these revenue sources:

   - **Community Power Operating Transfers** — Through the annual budget process, the Community Power Board may approve an appropriation of funds to be transferred out of the operating budget and transferred into the CIP. These funds will remain in a Community Power continuing fund for use across multiple fiscal years, since CIP projects generally last longer than one year.
   - **California Public Utilities Commission (CPUC) DAC-GT** — The Disadvantaged Communities Green Tariff (DAC-GT) program enables income-qualified residential customers in DACs who may be unable to install solar on their roof to benefit from utility-scale clean energy and receive a 20% bill discount. Funding originates from state Greenhouse Gas (GHG) Auction Proceeds and Public Purpose Program funds.
   - **CPUC Regional Energy Network (REN)** — Public Purpose Program Surcharge funds are available for RENs. On August 7, 2024, the CPUC issued Decision 24-08-003, approving and authorizing Community Power's San Diego Regional Energy Network (SDREN) as a new Energy Efficiency Portfolio Administrator. This decision approved Community Power's application in its entirety, including 2024–2027 energy savings goals and funding, as well as a 2024–2031 Strategic Business Plan. SDREN will offer 10 energy-efficiency programs across San Diego County. These programs will be available regardless of service provider and will focus on achieving energy savings, reducing emissions, enhancing grid reliability and educating customers on how to reduce energy usage.
   - **California Energy Commission (CEC) Equitable Building Decarbonization** — The Equitable Building Decarbonization (EBD) Direct Install program is a statewide initiative that offers no-cost installation of electric appliances, energy efficiency measures, basic health and safety improvements and electrical panel upgrades to income-qualified customers in identified communities. It is overseen by the CEC and administered by the County of Los Angeles in the Southern California region.

FIGURE 14. COMMUNITY POWER'S RATE PRODUCTS

POWER BASE | POWER ON | POWER 100 | POWER100 GREEN+ Green-e® Certified

FY 2026–2027 Budget Principles

FIGURE 15. BUDGET PRINCIPLES



Fiscal Responsibility

Maintain a **fiscally responsible budget** in accordance with Community Power Budget Policy.

Sufficient Funding

Ensure **sufficient funding** to meet procurement needs, sustain operational needs and support sustained growth while delivering clean energy to the communities we serve.

Build Community Power Reserves

Build Community Power reserves and develop policies that consider future economic conditions.

Understandable and Transparent

Provide an **understandable** and **transparent** operating budget for internal and external users.

People and Community

Develop a budget that will ultimately **prioritize people** and our **communities**.

Informed

Keep the Community Power Board of Directors and staff informed of Community Power's fiscal condition.



05 Budget Overview

Budget Overview

Budget in Brief

The Proposed FY 2026–2027 Operating Budget continues full enrollment from Phases 1, 2, 3 and 4 for all ratepayers, inclusive of net-energy metering customers, from Community Power's member jurisdictions in the San Diego region, representing 8.3 million MWH of retail load in the fiscal year.

Energy costs represent the largest component of Community Power's budget. Current projections reflect a year-over-year decline in energy costs driven by lower market price assumptions associated with Market Price Benchmark (MPB) volatility. The Proposed FY 2026–2027 Operating Budget, therefore, reflects the lower cost of energy assumptions due to the ability to close open energy positions at reduced prices and lower projected renewable prices under the Voluntary Allocation, Market Offer (VAMO) contract with SDG&E.

At the same time, lower forward market prices are driving a more significant reduction in projected ratepayer revenue. As reflected through the Power Charge Indifference Adjustment (PCIA) and SDG&E bundled rates, MPB volatility remains the most significant financial risk to Community Power. Recent declines in market prices are expected to reduce revenues year over year as higher PCIA charges coincide with lower competing utility rates. As a result, both revenues and energy costs are projected to decline year over year, with energy cost reductions only partially offsetting anticipated revenue pressure.

Because current market price projections are based on data available through April 30, 2026, and remain preliminary, updated MPB from the California Public Utilities Commission (CPUC) later in the year are expected to provide greater clarity on second-half fiscal year impacts and inform future reserve funding recommendations.

The FY 2026–2027 Operating Budget additionally contains prudently managed and modest growth in non-energy operating budget categories. As Community Power has scaled to full enrollment, the agency is thoughtfully managing staffing levels. In FY 2026–2027, Community Power is expected to have a generally comparable operating budget and staffing levels compared with its peer Community Choice Aggregators (CCAs) of similar customer and load size, while supporting a broader portfolio of customer programs and strategic initiatives.



8.3M MWh
Retail load represented in FY 2026–2027
Full enrollment, Phases 1–4

$71.4M
Overall CIP project portfolio for the fiscal year
Includes external funding sources

By the end of FY 2026–2027, Community Power's reserves are expected to grow to its maximum reserve level of 270 days cash on hand, mostly as a function of a lower operating expense base in FY 2026–2027. Based on operating expenses projected in FY 2025–2026, the ending reserve balance would have been 255 days cash on hand. Actual cash reserves are projected to remain at a consistent level with the prior fiscal year, which should allow Community Power to navigate the volatile energy market and maintain its investment-grade credit rating.

Lastly, this budget continues to include the Community Power Capital Investment Plan (CIP) that contains one-time revenue and one-time expenses for programs and projects over multiyear periods, including one-time investments from the operating budget to the CIP. The first year of the FY 2027–2031 CIP comprises the FY 2026–2027 capital budget, which proposes an investment of $8 million from the operating budget to support the CIP. This bolsters an overall project portfolio, including external funding sources, of $71.4 million for the fiscal year.

Proposed Operating Budget

The Community Power Proposed FY 2026–2027 Budget is presented in further detail in the following pages. The figure below summarizes the revenue and expense budgets proposed for FY 2026–2027 in comparison with the FY 2024–2025 and FY 2025–2026 Amended Budgets.

FIGURE 16. PROPOSED OPERATING BUDGET OVERVIEW*

	FY25 Amended	FY26 Amended	FY27 Proposed
Gross Revenue	1,243.0	1,194.8	932.8
Less Uncollectible Accounts	(21.8)	(19.4)	(14.0)
Net Operating Revenues	**1,221.3**	**1,175.4**	**918.8**
Cost of Energy	1,116.8	969.9	872.3
Non-Energy Costs	50.8	50.0	55.7
Subtotal Operating Expense	**1,167.6**	**1,019.9**	**928.1**
Interest Income	0.0	(18.3)	(23.1)
Debt Service	1.3	1.5	1.9
Capital Investment Program (Transfer Out)	18.2	21.9	8.0
Total Expenses	**1,187.1**	**1,025.0**	**914.9**
Net Position	**34.2**	**150.4**	**3.9**

**Amounts displayed in millions of dollars*

Operating Revenue

San Diego Community Power operates as a Joint Powers Authority (JPA), providing clean energy to residents and businesses in its service area. Revenue is generated primarily through electricity sales, with a core financial principle of maintaining a balanced budget. This requires electricity sales revenue to cover power generation costs — especially from renewable sources — and operational expenses. Financial sustainability is also pursued through strategies like building reserves.

As a JPA, Community Power functions under distinct governing principles, unlike investor-owned utilities. Its primary goal is to deliver affordable, renewable power to diverse customers, ranging from large commercial and industrial entities to individual residential customers, including those with financial constraints. Affordability for our communities is highly valued, significantly shaping operational and rate-setting decisions.

Revenue budgeted for FY 2026–2027 reflects a full fiscal cycle of retail sales to our commercial and industrial customer base and retail sales to our residential customer base. Generally, retail sales are calculated based on customer load (that is to say, customer energy usage) multiplied by the associated rate class of the customer.

Additional assumptions for net operating revenue include:

- Enrollment of customers is complete from member jurisdictions in Phases 1, 2, 3 and 4.
- 95% participation rate across all jurisdictions.
- An uncollectible rate of 1.5%, as compared with 1.75% in the prior fiscal year.
- Rates that were set and approved by the Board on April 23, 2026, for the period from May 1, 2026, to December 31, 2026.
- Power Charge Indifference Adjustment (PCIA) is consistent with SDG&E Partial Supplemental Advice Letter 4791-E-A filed on March 30, 2026, for the period from May 1, 2026, to December 31, 2026.
- Generation rates are projected to decrease 15% to 20% between calendar years 2026 and 2027 and, in the FY 2026–2027 Draft Budget, for the period from January 1, 2027, to June 30, 2027.
- PCIA is expected to increase 25% to 55% between calendar year 2026 and 2027 and, in the FY 2026–2027 Proposed Budget, for the period from January 1, 2027, to June 30, 2027.
- Rates and PCIA for the period from January 1, 2027, to June 30, 2027, are forecasted based on Community Power's latest forecasted energy, resource adequacy and renewable energy prices through April 30, 2026.
    a. Power100 and Power100Green+ (Green-e® certified) service plans will maintain premiums of $0.01/kWh and $0.02/kWh, respectively, compared with PowerOn.
- Any further rate changes, including mid-year changes, are subject to Board discretion and approval.

The following table summarizes the revenues for FY 2026–2027 Proposed Budget compared with the FY 2024–2025 and FY 2025–2026 Amended Budgets. Note that Gross Revenue and Less Uncollectible Accounts are based on projected numbers from rate setting that was approved by the Board on January 15, 2026.

Figure 17 summarizes the revenues for the FY 2024–2025 Amended Budget, FY 2025–2026 Amended Budget and Proposed FY 2026–2027 Proposed Operating Budget.

FIGURE 17. OPERATING REVENUE BY BUDGET LEVEL 2*

	FY25 Amended	FY26 Amended	FY27 Proposed
Gross Ratepayer Revenues	1,243.0	1,194.8	932.8
(Uncollectible Customer Accounts; FY25 and FY26 Less 1.75%, FY27 Less 1.5%)	(21.8)	(19.4)	(14.0)
Net Operating Revenues	**1,221.3**	**1,175.4**	**918.8**

**Amounts displayed in millions of dollars*

Operating Expenses

Expenses in the Community Power Operating Budget fall into five Budget Level 2 categories: cost of energy, personnel costs, professional services and consultants, strategic communication and outreach, and general and administration.

Figure 18, below, summarizes the expenses for the FY 2024–2025 Amended Budget, FY 2025–2026 Amended Operating Budget and Proposed FY 2026–2027 Proposed Operating Budget.

FIGURE 18. OPERATING EXPENSES BY BUDGET LEVEL 2*

	FY25 Amended	FY26 Amended	FY27 Proposed
Cost of Energy	1,116.8	969.9	872.3
Professional Services and Consultants	24.3	23.4	23.8
Personnel Costs	**18.6**	**19.6**	**23.4**
Strategic Communications and Outreach	3.0	2.3	2.4
General and Administration	4.9	4.7	6.1
Programs	0.0	0.0	0.0
Subtotal Operating Expenses	**1,167.6**	**1,019.9**	**928.1**
Interest Income	0.0	(18.3)	(23.1)
Interest and Related Expenses	1.3	1.5	1.9
Capital Investment Program (Transfer Out)	**18.2**	**21.9**	**8.0**
Total Expenses	**1,187.1**	**1,025.0**	**914.9**

**Amounts displayed in millions of dollars*

Operating Expenses by Department

Figure 19, below, summarizes the Proposed FY 2026–2027 Operating Budget expenses by department. All personnel costs, including fringe benefits, are included in the Operations Department. The Power Services Department includes Cost of Energy in its expenses.

FIGURE 19. OPERATING EXPENSES BY DEPARTMENT*

	FY25 Amended	FY26 Amended	FY27 Proposed
Power Services	1,118.9	972.0	875.2
Operations	20.6	20.9	23.6
Customer Operations	19.3	18.5	17.2
Finance	2.1	2.8	5.0
Public Affairs	1.8	1.7	1.8
IT and Data Analytics	1.4	1.5	2.0
Regulatory and Legislative Affairs	0.7	0.5	0.5
Human Resources and Administration	0.7	0.9	1.0
Legal	1.8	1.0	1.3
Programs	0	0	0
Executive Team	0.2	0.1	0.4
Total Expenses	**1,167.6**	**1,019.9**	**928.1**

**Amounts displayed in millions of dollars*

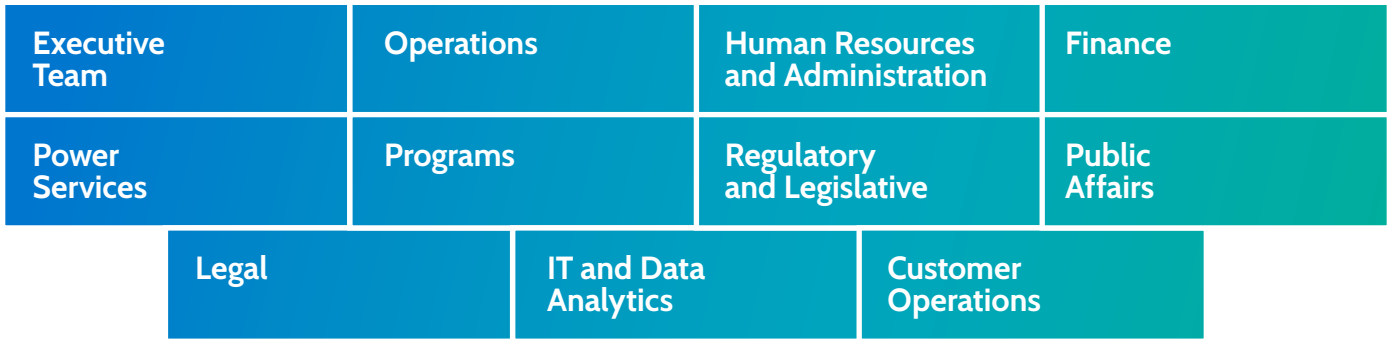
Personnel by Department

Figure 20 below summarizes the projected personnel for the Proposed FY 2026–2027 Operating Budget and the full-time equivalent (FTE) personnel in the FY 2024–2025 and FY 2025–2026 Amended Operating Budgets. While personnel may be authorized, the positions may not be filled. Detailed information showing filled positions and proposed FTE transfers by department is included in the following personnel by department section below. The personnel budget is included within Operations.

FIGURE 20. PERSONNEL BY DEPARTMENT

	FY25 Amended	FY26 Amended	FY27 Proposed
Operating Fund			
Power Services	16	15	16
Executive	5	5	5
Public Affairs	12	11	14
Programs	12	16	16
Finance	9	13	13
Customer Operations	8	6	8
Operations	5	6	5
IT and Data Analytics	9	16	13
Regulatory and Legislative Affairs	5	5	5
Human Resources and Administration	4	7	8
Legal	2	3	3
Total FTEs	**87**	**103**	**106**
External Funding (CIP)			
Programs	3.8	**5**	**7**
Regulatory Affairs	0.5	**0.7**	**0.7**
Finance	1	1	2
Public Affairs	1	1	3
Power Services	-	0.3	0.3
Subtotal External Funding FTEs	6.3	8	13
Net Operating FTEs	**80.7**	**95**	**93**

FIGURE 21. COMMUNITY POWER DEPARTMENTS



Capital Budget

The CIP for FYs 2027–2031 outlines the agency's individual capital projects, major equipment purchases and major programs that are intended to span multiple years. Contributions are considered one-time in nature and do not reflect future funding commitments. The first year of the FY 2027–2031 CIP is Community Power's proposed capital budget for the upcoming fiscal year.

The Proposed FY 2026–2027 Capital Budget totals $71.4 million, and the Proposed FY 2027–2031 CIP totals $310.7 million over the outlook period. The total CIP includes $21.3 million in unspent continuing funds, which were appropriated by the Board in prior fiscal years, and is reflected as a carryforward budget. Carryforward amounts are point-in-time estimates during the budget development process and will be updated for the adopted budget. In addition to carryforward funds, the Proposed FY 2026–2027 Capital Budget includes $63.1 million for the San Diego Regional Energy Network (SDREN), recoverable through the California Public Utilities Commission, that was authorized by the Board in January 2025. Specifically, in January 2025, the Board approved, accepted and appropriated $124.3 million in funds for SDREN, and $63.1 million of these previously authorized funds are expected to be expended in FY 2026–2027, as noted in the figure below.

The Proposed FY 2026–2027 operating budget proposes an $8.0 million transfer from operations into the CIP. This transfer is funded by a combination of net operating revenue and non-operating investment income, based on the nature of the project or program being funded. In contrast to the operating budget, these contributions are carried forward to subsequent fiscal years within the CIP, where they remain until expended or reappropriated through subsequent action.

FIGURE 22. FY 2026–2027 CAPITAL BUDGET OVERVIEW*

	Carryforward[1]	FY27 Authorized Budget	FY27 Proposed Appropriation
Operating Transfer Out	18.4	-	8.0
Regional Energy Network[2]	-	63.1	-
DAC-GT	0.3	0.3	-
Equitable Building Decarbonization	1.4	-	-
Planning and Studies	0.7	-	-
CIP Revenue	**20.6**	**63.4**	**8.0**

**Amounts displayed in millions of dollars*

[1] The carryforward amount reflects actual financial data through February 28, 2026.
Carryforward amounts will be updated for the adopted budget and will be reconciled until the close of fiscal year 2025–2026.

[2] The Regional Energy Network was fully appropriated for $124M in January 2025 for Calendar Years 2024–2027. It is reflected in this table as anticipated spending by fiscal year.

FIGURE 23. FY 2027–2031 CIP PROGRAMS AND PROJECTS*

	Beginning Balance	Expenses	Carryforward[1]	5-Year Budget					
	FY26	FY26	FY26	FY27	FY28	FY29	FY30	FY31	Total
External Funding									
Regional Energy Network[2]	15.9	15.9	-	63.1	51.4	42.0	43.7	45.5	245.7
DAC-GT	0.5	0.2	0.3	0.3	-	-	-	-	0.6
Equitable Building Decarbonization	1.4	-	1.4	-	-	-	-	-	1.4
Planning and Studies	0.7	-	0.7	-	-	-	-	-	0.7
Subtotal	**18.5**	**16.1**	**2.4**	**63.4**	**51.4**	**42.0**	**43.7**	**45.5**	**248.4**
Internal Funding									
Solar Battery Savings	21.9	11.1	10.8	3.5	10.4	8.3	8.5	7.6	49.1
Pilot Programs	2.3	0.5	2.0	2.5	-	-	-	-	4.5
Grants	1.5	0.2	1.3	-	-	-	-	-	1.3
Flexible Load	0.6	0.1	0.5	1.5	-	-	-	-	2.0
IT Projects	3.7	0.5	3.2	0.2	-	-	-	-	3.4
Planning and Studies	0.3	-	0.3	0.3	-	-	-	-	0.6
Application Assistance	0.3	-	0.3	-	0.3	-	-	0.3	0.9
Subtotal	**30.6**	**12.4**	**18.4**	**8.0**	**10.7**	**8.3**	**8.5**	**7.9**	**61.8**
CIP Expense Total	**49.1**	**28.5**	**20.8**	**71.4**	**62.1**	**50.3**	**52.2**	**53.4**	**310.2**

**Amounts displayed in millions of dollars*

[1] The carryforward amount reflects actual financial data through February 28, 2026.
Carryforward amounts will be updated for the adopted budget and will be reconciled until the close of fiscal year 2025–2026.

[2] The Regional Energy Network was fully appropriated for $124M in January 2025 for Calendar Years 2024–2027. It is reflected in this table as anticipated spending by fiscal year.



06 Capital Investment Plan

About the CIP

The Community Power Fiscal Year 2027–2031 Capital Investment Plan (CIP) includes 10 investment categories that will receive funding during the five-year period, totaling $310.8 million in investments across San Diego County. More detail can be found in the companion FY 2027–2031 Capital Investment Plan book.

The Proposed FY 2026–2027 operating budget proposes an $8.0 million transfer from operations into the CIP. This transfer is funded by a combination of net operating revenue and non-operating investment income, based on the nature of the project or program being funded. The draft operating contribution supports the following investments:



$3.5 million, Solar Battery Savings — Community Power's residential Solar Battery Savings Program is designed to help single-family homeowners in Community Power's service territory invest in clean energy and support the grid by installing solar and battery storage in their homes or complement an existing solar system with a new battery system. The program provides two financial incentives for participating customers: an upfront incentive to minimize the initial cost of the battery system and a performance incentive for participating in battery discharges during on-peak dispatch windows to maximize benefits for the customer and the grid.



$2.5 million, Customer Pilot Programs — Pilot programs are small-scale, short-duration projects (6–18 months) that can provide Community Power and stakeholders data on program design, technology acceptance and other information helpful for broader program delivery. Pilot programs support Community Power staff's ability to design and implement programs properly and efficiently. Additionally, pilot programs can cover all customer segments and a variety of technologies or activities, including managed charging for electric vehicles and energy efficiency.



$1.5 million, Distributed Energy Resources Management Systems Software Platform — Central to Community Power's Flexible Load Strategy is the selection and implementation of a Distributed Energy Resource Management System (DERMS). A DERMS is a software platform that incorporates various data points, such as weather, market/price data and customer preferences, to optimize the operation of distributed energy resources (DERs) in support of various grid services. Once operational, this system will allow Community Power to help customers reduce usage during high-cost on-peak periods, while managing portfolio-wide power procurement and resource adequacy costs and risk.



$0.3 million, EV Load Growth Study — The Regional EV Load Analysis will forecast how growing EV adoption can impact electricity demand across Community Power's service territory, including hourly load profiles, adoption scenarios and geographic variation. It will evaluate how different charging behaviors — especially unmanaged vs. managed charging — affect load shape, peak demand and system risks, with a focus on strategies (for example, time-of-use rates or managed charging) that can shift or mitigate EV-related peaks. Overall, the study aims to provide insights that support long-term planning, helping Community Power understand both the risks and opportunities of transportation electrification for load forecasting, Resource Adequacy and program design.

$0.2 million, IT Projects — Focused on Community Power's commitment to fiscal stewardship and operational scaling, this project funds the optimization and expanded rollout of the agency's central Enterprise Resource Planning (ERP) platform. While Phase 1 successfully established core budgeting functionalities, Phase 2 is being considered for strategic rescoping to prioritize immediate agency-wide operational controls and financial efficiencies. Once deployed, this phase will streamline cross-departmental workflows, enhance internal financial controls and automate routine processes. This targeted optimization ensures the finance, non-energy procurement team and broader agency possess the scalable infrastructure required to support expanding community programs and minimize administrative overhead.

This CIP continues Community Power's commitment to plan and finance programs and projects that align with community and organizational priorities. The programs and projects compose a list that gives Community Power the confidence to target a core set of investment types that focus on community needs. It also provides Community Power the flexibility to co-design programs with community partners and to be responsive to external funding opportunities as they emerge.

This plan is not a final or absolute list of funded projects, and projects may not have funding identified. Each funded and partially funded project identifies a potential source of funding, but this does not necessarily indicate that the project has been funded. As design requirements, budgets and priorities change, the planned projects may also move within the plan or drop out entirely.

Likewise, this list is not all-inclusive. Unexpected requirements often require adjustments in the design and execution process. Projects, programs and funding are also subject to Board approval, consistent with the JPA and the agency's internal policies and programs.

CIP Development Process

Community Power will update the CIP annually during its budget development process. Programs and projects are included in the CIP based on community engagement and alignment with Community Power's strategic goals.

The capital budget and the CIP undergo a public outreach process comprising a wide range of stakeholder groups. Additionally, the CIP is a dynamic document intended to be updated regularly as needs shift or fund availability changes. All subsequent updates to the CIP will be brought to the Community Power Board for approval.

FIGURE 24. CIP DEVELOPMENT PROCESS



Operational Impact of Capital Projects

Projects outlined in Community Power's CIP and Budget are generally designed to address the needs of existing assets while enabling the organization to scale its operational capabilities. These investments are not expected to significantly increase ongoing operating costs. However, when a project has a significant operational impact, associated costs are incorporated into Community Power's Five-Year Financial Plan and reflected in the annual budget process. Additionally, staffing, facility operations, equipment maintenance and other related costs are reviewed and approved through the annual budget process and are reflected in the "Budget by Department" section under the sponsoring department.

Capital improvements represent strategic investments to enhance Community Power's technology, systems and organizational infrastructure. While these improvements continue to support upgrades to physical assets and equipment, they are increasingly focused on strengthening the organization's internal systems and processes to support long-term operational efficiency. As Community Power continues to mature, capital projects are shifting from building foundational capabilities to integrating and optimizing those systems across the organization for the long term.

Several projects led by the IT and Data Analytics Department, in coordination with Finance, Power Services and Customer Operations, are central to these efforts. These investments support a more connected and data-driven operating environment while also improving efficiency, reducing manual processes and enabling the organization to scale its operations. Key areas of operational impact include the following:

Enterprise Data Integration and Accessibility — Community Power continues to expand its enterprise data platform by integrating data from internal systems and external partners. This includes critical operational and financial data used across forecasting, rate design, customer programs and accounting. By consolidating these data sources into a centralized platform, the organization can improve data accessibility, reduce duplication of effort and support more consistent decision-making across departments.

Advanced Analytics and Insights — Building on its data infrastructure, Community Power is expanding its use of advanced analytics and platforms to enhance operational performance. These capabilities support improved load forecasting, financial planning and program evaluation while enabling staff to identify trends and proactively address operational challenges. By increasing automation and analytical capacity, these investments reduce reliance on manual processes and improve overall efficiency.

Energy Trading and Risk Management Systems — Capital investments in energy trading and risk management systems strengthen the organization's ability to monitor and manage its financial and market positions. These systems support improved project tracking, coordination and visibility into project timelines, helping to strengthen project implementation across the agency. As a result, Community Power can improve risk management practices, reduce operational complexity and support more informed financial decision-making.

Customer Operations and Billing System Enhancements — Investments in customer operations systems focus on improving billing accuracy, customer communication and overall service delivery. These enhancements streamline customer-facing processes, reduce the need for manual corrections and support greater operational efficiency. In addition, improvements in system integration help reduce reliance on external vendors, resulting in ongoing cost savings while enhancing the customer experience.

Project Management and Workflow Optimization — Implementing project management and workflow tools allows for more effective coordination across departments and improves project tracking and execution. These systems provide greater transparency into project timelines, resource allocation and performance, helping to standardize processes and reduce inefficiencies. As the organization continues to grow, these tools enable more consistent execution of strategic initiatives and strengthen overall organizational effectiveness.

Cybersecurity and System Resilience — As Community Power's reliance on digital systems continues to increase, capital investments in cybersecurity and IT infrastructure are essential to maintaining secure and reliable operations. These investments protect critical data and improve the security and reliability of critical systems as the organization continues to expand its digital infrastructure.

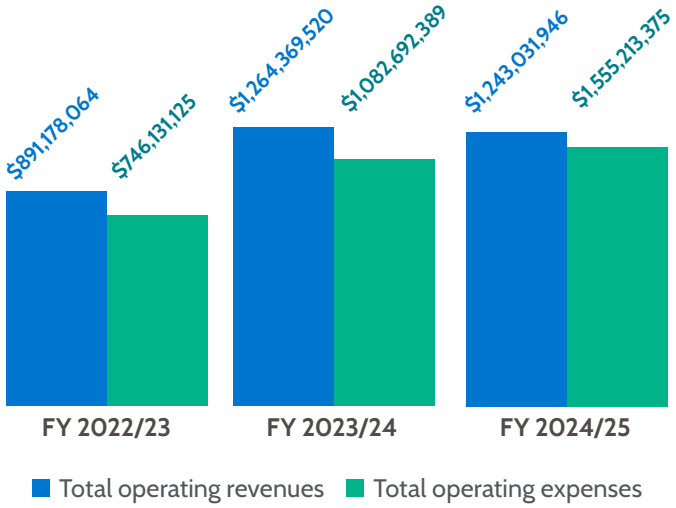


Multiyear Trends

This section presents a multiyear financial trend report for Community Power, reviewing the actuals from FYs 2022–2023, 2023–2024 and 2024–2025 and the FY 2025–2026 Amended Budget. The report includes visualizations that illustrate key financial trends and variances, providing a clear and comprehensive picture of the organization's fiscal trajectory over the past three years. By examining these figures, Community Power can gain insights into revenue patterns, expenditure changes and overall financial stability. This analysis is essential for understanding how past financial outcomes align with future budgetary goals, ensuring effective financial planning and management.

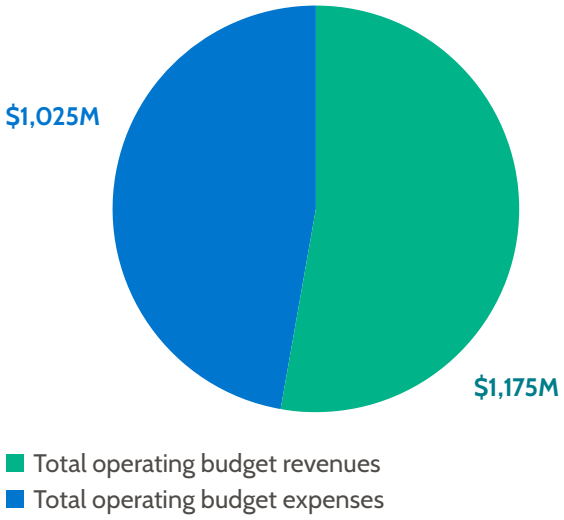
Community Power has experienced substantial growth in both operating revenues and expenditures since the agency's inception in October 2019 through FY 2023–2024. In FY 2021–2022, Community Power's operating revenues were $386 million, increasing to $891 million in FY 2022–2023, and further rising to $1.2 billion in FY 2023–2024. This growth was primarily driven by expanding electricity sales and an increased customer base as Community Power finished enrollment of customers from its member jurisdictions. Concurrently, operating expenses have also escalated, from $329 million in FY 2021–2022 to $746 million in FY 2022–2023, and reaching $1.083 billion in FY 2023–2024, reflecting higher costs associated with electricity procurement and use of contract services, similarly fueled by expanding electricity sales and an increased customer base. Despite these rising costs, Community Power has consistently maintained a positive operating income, indicating effective financial management and strategic planning. The FY 2025–2026 Amended Budget continued growth and stability, ensuring Community Power's ability to meet its operational goals and effectively serve the community. Since FY 2023–2024, Community Power has had stable electricity sales and a stable customer base as enrollment of customers from Community Power's member jurisdictions has been completed. As a result, Community Power's revenues and expenditures have similarly stabilized since FY 2023–2024.

FIGURE 25. OPERATING REVENUES VS. EXPENDITURES



	FY 2022/23	FY 2023/24	FY 2024/25
OPERATING REVENUES			
Electricity sales, net	$891,178,064	$1,252,787,768	$1,239,973,471
Grant revenue	$0	$983,500	$1,780,217
Liquidated damages	$0	$0	$0
Other income	$0	$10,598,252	$ 1,278,258
Total operating revenues	**$891,178,064**	**$1,264,369,520**	**$1,243,031,946**
OPERATING EXPENSES			
Cost of electricity	$720,327,704	$1,047,553,476	$1,101,545,238
Contract services	$15,957,376	$19,750,534	$19,487,406
Staff compensation	$6,726,270	$11,399,388	$17,159,242
Other operating expense	$2,866,222	$3,261,424	$16,295,134
Depreciation and amortization	$253,553	$727,567	$726,355
Total operating expenses	**$746,131,125**	**$1,082,692,389**	**$1,155,213,375**
NET POSITION	**$145,046,939**	**$181,677,131**	**$87,818,571**

FIGURE 26. OPERATING BUDGET*



Community Power's FY 2024–2025 Amended Budget reflects the organization's strong financial growth and stability observed in past fiscal years. The budget included total operating revenues of $1.22 billion and total expenses of $1.18 billion, maintaining a balanced approach similar to previous years. Revenue growth, driven by expanding electricity sales and an increasing customer base, aligns with the upward trend seen from FY 2021–2022 to FY 2023–2024. Increased costs in FY 2024–2025 are primarily due to higher electricity procurement expenses and investments in the CIP. Despite these rising costs, the positive net operating income highlights effective financial management and strategic planning.

	FY25 Amended	FY26 Amended	FY27 Proposed
Gross Revenue	1,243.0	1,194.8	932.8
Less Uncollectible Accounts	(21.8)	(19.4)	(14.0)
Net Operating Revenues	**1,221.3**	**1,175.4**	**918.8**
Cost of Energy	1,116.8	969.9	872.3
Non-Energy Costs	50.8	50.0	55.7
Subtotal Operating Expense	**1,167.6**	**1,019.9**	**928.1**
Interest Income	0.0	(18.3)	(23.1)
Debt Service	1.3	1.5	1.9
Capital Investment Program (Transfer Out)	18.2	21.9	8.0
Total Expenses	**1,187.1**	**1,025.0**	**914.9**
Net Position	**34.2**	**150.4**	**3.9**

**Amounts displayed in millions of dollars*

Long-Range Operating Financial Plan

Community Power uses a multiyear financial planning framework to evaluate the sustainability of the annual budget and to support decisions related to rates, reserves, liquidity, and enterprise risk. Because certain forward-looking inputs — such as power market conditions, procurement strategies, contracting positions and customer load assumptions — are commercially sensitive, the budget document presents the agency's financial outlook at a high level rather than as detailed line-item forecasts.

As part of the annual budget process, management reviews updated revenue, expenditure, load, regulatory and market assumptions; evaluates multiple planning scenarios; and performs financial stress testing to assess financial resilience under changing conditions. This analysis informs budget development, reserve adequacy and risk management decisions and helps support alignment with Board-adopted financial policies and strategic objectives.

Key Assumptions and Financial Framework

The financial framework is based on a defined and regularly updated set of assumptions, including:

- Wholesale energy, capacity and renewable market conditions
- Customer load forecasts, including large-load growth
- Power supply portfolio composition and procurement strategy
- Retail rate competitiveness relative to incumbent utilities
- Regulatory frameworks, including Power Charge Indifference Adjustment (PCIA) and CPUC market benchmarks
- Board-adopted reserve and risk management policies

Community Power's financial framework is anchored by its Financial Reserves Policy (Resolution No. 2025-23), which establishes:

- A minimum reserve threshold of 180 days cash on hand
- A target reserve level of 225 days cash on hand
- A maximum reserve level of 270 days cash on hand

In addition, the Board established a Rate Stabilization Reserve (RSR) (Resolution No. 2026-07) to manage rate volatility. The RSR represents up to 45 days cash on hand above the target reserve level and provides a dedicated mechanism to mitigate near-term financial and rate impacts.

Community Power evaluates long-range financial performance under multiple scenarios, including base-case conditions and Potential Future Exposure (PFE) stress-test scenarios, which assess reasonably foreseeable risks such as:

- Lower-than-forecast load
- Customer participation
- Volatility in wholesale energy markets and benchmark pricing

Across these scenarios, the financial framework is designed to maintain cost recovery, protect existing customers from cost shifting, and ensure compliance with reserve targets.

Relationship to Strategic Goals, Risk Management and the Budget Process

The multiyear financial planning framework is a central component of Community Power's budget development, rate-setting and risk management processes. It ensures that near-term decisions are consistent with long-term financial sustainability and strategic objectives, including:

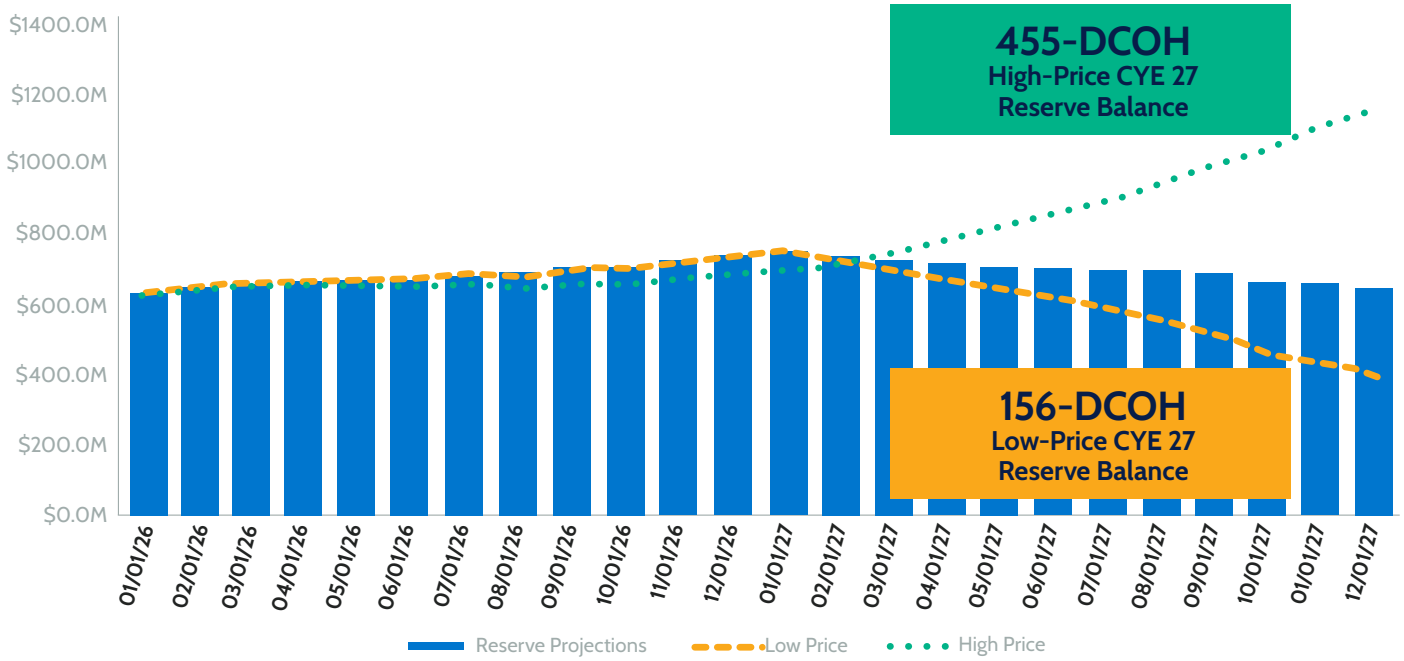
- Maintaining rate competitiveness relative to SDG&E bundled service
- Ensuring customer indifference and full cost recovery
- Preserving financial resilience through policy-compliant reserves and liquidity
- Supporting a disciplined and diversified power procurement strategy

As identified in the Community Power's Quarterly Risk Oversight Committee (ROC) reports to the Finance and Risk Management Committee and as stated in the Board meeting in December 2025, the most significant financial risk to Community Power is volatility in Market Price Benchmarks (MPBs) and its direct impact on the PCIA. Changes in MPBs can materially affect both:

- PCIA charges applied to customers, and
- Competitive benchmark rates of the incumbent utility

Declining market price benchmarks can increase PCIA obligations while simultaneously lowering utility generation rates, creating downward pressure on net revenues and rate competitiveness. Community Power's long-range financial plan explicitly incorporates this risk by modeling PFE stress-test scenarios that reflect benchmark volatility and its potential lagged impacts through PCIA true-ups.

FIGURE 27. RESERVE PROJECTIONS*



**Calendar Year End (CYE) 2027 Days Cash On Hand (DCOH)*

To mitigate this exposure, Community Power integrates:

- Portfolio management strategies (including energy position optimization)
- Contract structures that provide cost stability
- Reserve policies, including use of the RSR to smooth rate impacts

This forward-looking approach allows Community Power to proactively manage financial risk while maintaining flexibility in a dynamic wholesale energy market.



07 Budget by Department

Budget by Department

Executive

Department Description: Mission and Services

The Executive team provides strategic leadership and direction for Community Power. Led by the chief executive officer and supported by the executive team, the department ensures alignment across departments, fosters an accountable and inclusive culture and drives implementation of the agency's strategic plan.

The Executive team represents Community Power in public forums, strengthens partnerships with member agencies, stakeholders and industry leaders, and guides internal systems that support effective operations. Through ongoing engagement with the Board of Directors, Community Advisory Committee and regional coalitions, the team builds trust and positions Community Power as a leading voice in California's clean energy transition.

The Executive budget includes funding for special projects to work with organizations on research, strategic planning and affordability efforts. These initiatives support policy development, advance organizational priorities and ensure Community Power remains responsive to emerging issues and opportunities.

FY 2025–2026 Department Highlights

- Advanced implementation of the Strategic Plan by aligning organizational and departmental priorities, resources and performance expectations
- Strengthened Community Power's leadership position through continued engagement with CalCCA, industry boards and state policy forums
- Supported development of internal systems, training and culture initiatives to reinforce accountability, collaboration and performance
- Increased Community Power's visibility and thought leadership through external engagement with member agencies, policymakers and regional stakeholders

Key Performance Indicators (KPIs)

- Strategic goals aligned across departments (target: seven)
- Annual rate setting via public process (target: effective February 1)
- Reserve balance and days cash on hand (target: 180 days by FY 2028)
- Number of external events attended by executive staff (target: 60)

Department Organizational Structure

FIGURE 28. EXECUTIVE ORGANIZATIONAL STRUCTURE



Karin Burns
Chief Executive Officer



Veera Tyagi
General Counsel



Jack Clark
Chief Operating Officer



Gordon Samuel
Chief Commercial Officer



Jannies Burlingame
Chief Financial Officer and Treasurer

Operations

Improving internal operations and alignment to support strategic execution

Department Description: Mission and Services

Operations is composed of several departments and divisions that ensure Community Power functions effectively and efficiently while advancing the agency's strategic priorities. Led by the chief operating officer and supported by senior directors and project management staff, Operations drives internal coordination, strengthens alignment and operationalizes the strategic plan.

The group includes essential governance and organizational functions, including the Office of the Clerk of the Board, which manages Board and committee administration, agenda development, public meetings and records in accordance with applicable laws and transparency requirements. It also provides leadership for Human Resources and Administration, aligning workforce planning, organizational policies and day-to-day operations.

Operations includes the Office of Strategic Initiatives that advances cross-functional priorities tied to growth and long-term objectives. This work includes advancing local development, potential expansion into new member cities, coordination with local governments and oversight of the project management office.

Through these efforts, the group strengthens internal infrastructure, processes and governance to support efficient scaling, improve accountability and ensure alignment between agency priorities, departmental workplans and available resources.

FY 2025–2026 Operations Highlights

- Advanced the Project Management Office (PMO) by implementing standardized project charters, templates and governance processes, improving consistency, coordination and accountability across the organization
- Expanded agency-wide project tracking and utilization tools to improve transparency and understanding of staff capacity, timelines and cross-functional priorities, supporting more effective resource planning and execution
- Established the Office of Strategic Initiatives function in December to lead cross-functional efforts, which include shaping a local development strategy

FY 2026–2027 Priorities

- Continue to fully develop the PMO by strengthening project intake, prioritization, reporting and governance to improve execution and accountability across departments
- Advance strategic initiatives in support of local development efforts, potential expansion into new member communities and coordination with local governments
- Strengthen organizational alignment and efficiency by coordinating across departments, aligning workplans and resources with agency priorities and enhancing systems and processes to reduce manual work and support data-driven decisions
- Enhance governance and transparency through continued improvements in Board and committee processes, documentation and public engagement

Key Performance Indicators (KPIs)

- Compliance with governance and public meeting requirements (target: 100% compliance)
- Centralized, cross-functional project schedule and tracking systems (target: update quarterly)
- Project reviews with the Executive team to ensure strategic alignment (target: quarterly reviews)
- Utilization and capacity planning framework to support resource allocation and workload management (target: continuous improvement with annual assessment)

FIGURE 29. OPERATIONS POSITIONS

DEPARTMENT POSITIONS	FY26 Amended	FY27 Proposed
Operations	5.0	5.0

Department Organizational Structure

FIGURE 30. OPERATIONS ORGANIZATIONAL STRUCTURE

Operations

Chief Operating Officer
Clerk of the Board
Associate Director of Strategic Initiatives
Local Government Affairs Manager
Project Management Office Manager
Assistant Clerk of the Board

Power Services

Developing a clean energy portfolio that is reliable, affordable and increasingly renewable

Department Description: Mission and Services

The Power Services Department is responsible for managing Community Power's energy procurement and delivery portfolio, ensuring that customers receive clean, reliable and competitively priced electricity. This includes all long- and short-term energy contracting, load forecasting, power scheduling, wholesale market participation, energy risk management and compliance with state regulatory mandates.

Under the leadership of the chief commercial officer, Power Services oversees competitive solicitations and negotiation of power purchase agreements (PPAs) and Energy Storage Service Agreements (ESSAs), working to meet state mandates and voluntary goals related to the Renewable Portfolio Standard (RPS) and Resource Adequacy (RA). The department also plays a key role in diversifying supply, expanding clean energy development and accelerating the build-out of local energy infrastructure, including distributed energy resources (DERs).

FY 2025–2026 Department Highlights

- Implemented Energy Trading Risk Management (ETRM) system and portfolio analytics partners to maximize the value of data and portfolio optimization
- Maintained energy hedging strategy to mitigate cost volatility and market exposure in FY 2026–2027 and beyond
- Remained nimble and engaged in a dynamic environment to maximize the value and viability of developing resources and to continue procurement of additional resources to ensure portfolio breadth and depth
- Marked the onboarding of several local projects, including Arrowleaf Solar and Storage project in Imperial County, the Border Hybrid Energy Center, Chula Vista Energy Center 2 and North Johnson Energy Center projects across San Diego County as well as the nation's largest clean energy infrastructure project, the Sunzia wind project in New Mexico
- Continued contracting for and managing the development of long-term clean energy resources to meet Community Power's 100% renewable energy goals
- Developed new workforce standards for new renewable energy and battery storage procurement agreements
- Supported two prepayment transactions to save customers a combined $97.3 million over the next nine years

FY 2026–2027 Priorities

- Advance toward a 100% renewable energy portfolio by 2035 through the submission of the Integrated Resource Plan (IRP) filing, the Mid-Term Reliability (MTR) update and issuance of the 2026 All-Source Request for Offers (RFO) with a clear focus on Clean-Firm resources, and completion of long-term procurement scenario modeling to inform a phased and evolving strategy
- Bring online eight PPA/ESSAs for a total of 840 MW of generation and 668 MW of battery energy storage systems (BESS)
- Optimize portfolio to manage risk, cost and reliability objectives through risk management tools, sufficient staffing and staff training
- Clear focus and progress toward Power Service's 150MW DER goal
- Gain deeper knowledge of SDG&E interconnection/ deliverability viability and proactively engage in DER policy advocacy
- Ensure cost-effective compliance with RA and RPS requirements and all other state regulatory obligations
- Prioritize projects and partnerships that help create high-quality local jobs in the clean energy economy

Key Performance Indicators (KPIs)

- Maintain alignment with Community Power's energy risk management policy
- Ensure timely filing of all resource adequacy month-ahead filings as well as the year-ahead filing due in October 2026
- Submit IRP, RPS and Mid-Term Reliability updates
- Successfully on-board and implement new vendor tools: YES — ST load forecast; Ascend — asset optimization; Aspen — LT load forecast
- Launch the behind-the-meter (BTM) procurement initiative by December 31, 2026, in support of 150MW DER goal

FIGURE 31. POWER SERVICES POSITIONS

DEPARTMENT POSITIONS	FY26 Amended	FY27 Proposed
Power Services	15.0	16.0

Department Organizational Structure

FIGURE 32. POWER SERVICES ORGANIZATIONAL STRUCTURE

Power Services

Chief Commercial Officer
Senior Director of Power Contracts
Director of Origination
Director of Portfolio Management
Associate Director of Settlements
Portfolio Analyst
Power Contract and Compliance Manager
Principal I — Portfolio Manager
Quantitative Energy Manager
Senior Local Development Manager
Load Forecast Manager*
Senior Portfolio Manager
Senior Portfolio Manager
Senior Settlements Analyst
Senior Origination Associate
Contract Management Associate
Power Contract Coordinator

**Positions proposed in FY 2026–2027*

Finance

Promoting long-term organizational sustainability through sound fiscal management and strategic investment

Department Description: Mission and Services

The Finance Department ensures the long-term fiscal health of Community Power through sound financial planning, risk management and transparency. The department manages budgeting, accounting, cash flow, reserves, audits, financial policy implementation and debt financing, including clean prepayment financing and fiscal compliance.

Finance supports the organization's mission by maintaining strong financial controls, enabling informed decision-making and positioning the agency to invest in programs, infrastructure and operations that advance clean energy access and community benefits.

FY 2025–2026 Department Highlights

- Achieved an "A" rating from S&P in March 2026, placing Community Power among the top-rated Community Choice Aggregators in California
- Executed two prepayment bonds in FY 2025–2026
- Met the 180-day cash-on-hand goal in October 2025
- Built out risk management in FY 2025–2026 to actively develop and manage risk mitigation functions and processes
- Developed effective vendor management processes and brought consistency and visibility to solicitations through a centralized platform, PlanetBids, in May 2026
- Contributed $80M toward Community Power's reserve goal by end of FY 2025–2026

FY 2026–2027 Priorities

- Obtain authorization and execute (if feasible) three additional prepayment bond transactions to continue generating power cost savings
- Fund the Rate Stabilization Reserve for strategic use in maintaining cost competitiveness through market volatility
- Formalize and implement financial controls, policies and procedures across the organization
- Continue risk management enhancements with load forecasting capabilities and enterprise risk management framework
- Advance SDREN and Capital Improvement Program investments to support infrastructure growth
- Support fiscal stability through disciplined financial management during organizational expansion into new communities
- Complete Enterprise Resource Planning (ERP) system rollout, implementation milestones and performance dashboard deployment
- Strengthen cost controls across budgeting, cost management and procurement
- Establish procurement goals for local investment and vendor outreach to deliver local benefits to the San Diego region

Key Performance Indicators (KPIs)

- Achieve reserve balance and days cash-on-hand goal (target: 225 days by FY 2026–2027)
- Achieve rate stabilization reserve balance and days cash-on-hand goal (target: 45 days by FY 2026–2027)
- Number of clean energy prepay transactions executed and savings achieved
- Identify financial efficiencies by reviewing budget-to-actuals to maintain investment-grade credit rating

FIGURE 33. FINANCE POSITIONS

DEPARTMENT POSITIONS	FY26 Amended	FY27 Proposed
Finance	13.0	13.0

Department Organizational Structure

FIGURE 34. FINANCE ORGANIZATIONAL STRUCTURE

Finance

Chief Financial Officer
Senior Director of Finance and Risk
Associate Director of Strategic Finance and Procurement
Associate Director of Finance
Finance Manager
Procurement Manager
Procurement Manager
Risk Manager
Senior Financial Analyst
Senior Financial Analyst
Financial Analyst
Financial Analyst
Procurement Analyst
Procurement Analyst

Customer Operations

Ensuring high customer satisfaction and retention through responsive service, affordability and clear communication

Department Description: Mission and Services

The Customer Operations Department supports customer satisfaction and retention by ensuring clear, timely and accurate billing, analyzing usage trends and delivering exceptional account management services. Under the guidance of the chief operating officer and leadership of the senior director of data analytics and customer operations, the team manages contact center operations, supports key accounts and provides analytical insights to guide revenue recognition, rate strategy, load forecasting, arrearage management and customer service enhancements.

The department plays a central role in delivering Community Power's promise of clean, affordable energy through customer-focused strategies. It leads ongoing efforts to evolve rate strategy to ensure competitiveness, affordability and long-term fiscal sustainability while developing targeted customer strategies to increase retention and engagement.

The department also supports interagency coordination with SDG&E and Calpine to resolve billing issues that cause customer confusion and complaints, mitigate errors and improve the overall customer experience. In parallel, the team is evaluating opportunities to develop best-in-class customer service capabilities, including exploration of a potential energy advisor center, while maintaining the tools and insights that drive high customer retention, satisfaction and service engagement.

FY 2025–2026 Department Highlights

- Proactively developed 2026 rates to mitigate risk, offering Community Power customers the largest discount compared with SDG&E's generation rates
- Collaborated with SDG&E to improve bill presentment and safeguard against split billing through My Energy Center updates
- Partnered with SDG&E and Calpine to improve billing accuracy and address customer concerns
- Oversaw more than $20 million in vendor service contracts, including Calpine and SDG&E in 2025
- Continued enhancements to internal data tools to track opt actions, revenues and customer engagement
- Maintained a customer participation rate of more than 95% over the past three years

FY 2026–2027 Priorities

- Evolve rate strategy to ensure competitiveness, affordability and fiscal sustainability, including the exploration of demand flexibility rate design and an internal rates database
- Maintain high levels of customer satisfaction and education through Key Accounts and Customer Service Center
- Launch the Commercial Energy Assistance Program (CEAP) through Key Accounts
- Resolve outstanding billing and communication issues with SDG&E and continue to advocate against split billing as a threat to customer satisfaction
- Develop a large load and data center framework and tariff
- Implement measures to reduce customer arrearages and improve long-term account health
- Support contact center training and performance monitoring for consistent, high-quality service

Key Performance Indicators (KPIs)

- Customer retention rate (target: 90%+)
- Billing accuracy and timeliness (target: 99.99%)
- Customer satisfaction score via surveys (target: score 9/10)
- Successful roll-out of the Commercial Energy Assistance Program (CEAP) (target: $5M+ in possible customer savings)
- Number of service enhancements implemented or piloted (target: 2–3 new initiatives in FY 2026–2027)

FIGURE 35. CUSTOMER OPERATIONS POSITIONS

DEPARTMENT POSITIONS	FY26 Amended	FY27 Proposed
Customer Operations	7.0	8.0

Department Organizational Structure

FIGURE 36. CUSTOMER OPERATIONS ORGANIZATIONAL STRUCTURE

Customer Operations

Senior Director of Data Analytics and Customer Operations
Account Services Manager
Key Account Services Manager
Rates and Strategy Manager
Senior Rates Analyst
Account Services Analyst
Key Account Services Analyst
Rates Analyst*

**Positions proposed in FY 2026–2027*

IT and Data Analytics

Creating a secure and efficient environment that supports collaboration and innovation

Department Description: Mission and Services

The IT and Data Analytics Department empowers Community Power through secure, scalable and modern digital infrastructure. Led by the associate director of IT and Data Analytics, the department manages enterprise systems, data, analytics and cybersecurity.

The department ensures system reliability and operational continuity through secure, resilient and well-governed technology environments. It standardizes enterprise platforms and workflows to reduce fragmentation, improve efficiency and mitigate operational risk.

IT and Data Analytics develops centralized, cloud-based tools and governed data environments that enable real-time, data-informed decision-making across rate development, customer programs, communications and operations. These capabilities support performance tracking, planning and execution at all levels of the organization.

Through strong governance and accountability, the department establishes policies and controls for data, AI, cybersecurity and technology use. These efforts balance innovation with compliance and public trust while positioning the organization to scale effectively as programs expand and complexity increases.

FY 2025–2026 Department Highlights

- Strengthened system reliability, cybersecurity and vendor oversight through improved monitoring, incident response and standardized controls
- Standardized enterprise platforms and workflows, reducing duplicative tools and manual processes across departments
- Expanded enterprise analytics and reporting by advancing data platform integration and delivering consistent dashboards aligned to organizational KPIs
- Established data and AI governance frameworks, including data classification, defined ownership and accountability and policy guardrails

FY 2026–2027 Priorities

- Expand analytics capabilities to support strategic decision-making, including self-service analytics, predictive insights and executive reporting
- Strengthen cybersecurity and enterprise risk management through measurable, repeatable programs, training and compliance validation
- Modernize and integrate core systems to improve interoperability, reduce manual processes and support organizational scale
- Advance data governance and technology standards to ensure consistent, secure and compliant use of data, AI and enterprise tools
- Position IT and Data Analytics as a strategic enabler by supporting long-range planning, operational scalability and organizational readiness

Key Performance Indicators (KPIs)

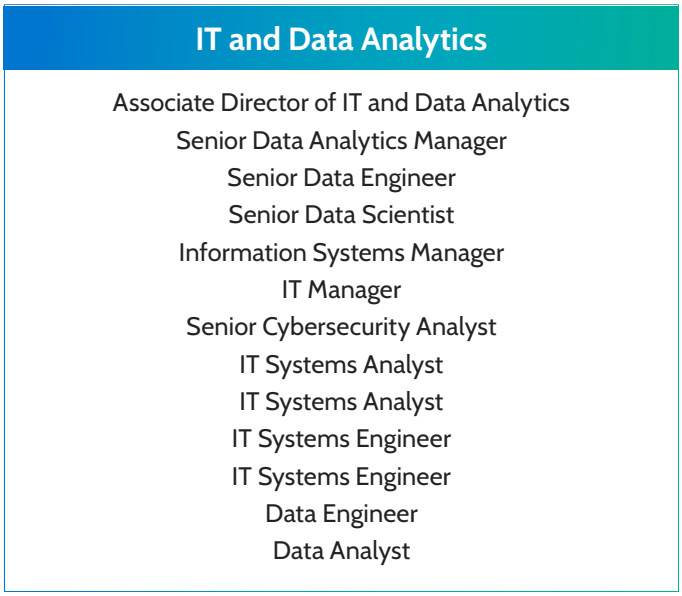
- Percentage of critical enterprise systems meeting uptime and availability targets (target: ≥ 99.9%)
- Percentage of IT incidents resolved within service level agreement (SLA) (target: ≥ 98%)
- Percentage of critical vulnerabilities remediated within target timeframe (target: ≥ 95%)
- Percentage of critical retail operations data systems integrated into the enterprise data platform (target: ≥ 98%)
- Percentage of enterprise reports and dashboards sourced from governed data sets (target: ≥ 90%)
- Number of departments supported with internal analytics and reporting solutions (target: ≥ 4)
- Monthly active usage of priority dashboards and self-service analytics tools (target: year-over-year growth)
- Percentage reduction in duplicative tools and manual workflows in targeted business processes (target: annual improvement)
- Percentage of critical systems, data domains, and technology policies with assigned ownership and approved governance controls (target: ≥ 90%)

FIGURE 37. IT AND DATA ANALYTICS POSITIONS

DEPARTMENT POSITIONS	FY26 Amended	FY27 Proposed
IT and Data Analytics	13.0	13.0

Department Organizational Structure

FIGURE 38. IT AND DATA ANALYTICS ORGANIZATIONAL STRUCTURE



Public Affairs

Building a trusted public agency through strategic outreach, education and engagement

Department Description: Mission and Services

The Public Affairs Department connects Community Power with the people and communities it serves. Through strategic communications and engagement, the team builds awareness of Community Power's mission, programs and benefits while supporting transparency and trust in all public-facing materials.

Led by the senior director of public affairs and reporting to the chief operating officer, the department's community engagement and strategic communications and marketing teams work together to inform, educate and engage customers, stakeholders and community partners across the region.

Community engagement focuses on building relationships with residents, community-based organizations and local partners through direct outreach, events and programs. Strategic communications and marketing advances the agency's brand, messaging and public presence through marketing, media relations, partnerships and sponsorships, ensuring communication is clear, consistent and accessible.

The department also supports customer education, promotes participation in programs that help customers save energy and reduce costs, and provides communications support across the organization. It also manages the Community Advisory Committee (CAC) to ensure community perspectives and local priorities inform agency decisions.

FY 2025–2026 Department Highlights

- Completed a community-informed rebuild of the Community Power website, improving clarity for customers reviewing bills and service plans or seeking resources and programs
- Implemented a comprehensive brand refresh guided by community feedback, strengthening consistency and making Community Power more accessible and relatable for customers
- Developed the San Diego Regional Energy Network (SDREN) brand and website, establishing a unified identity and leading portfolio-wide marketing and communications for regional energy efficiency programs
- Expanded the Power Network of local nonprofits to support program outreach, strengthen community relationships and reinvest in the community
- Maintained strategic relationships with local governments, JPAs, trade associations, the energy industry ecosystem and key businesses through sponsorships, presence and collaborative projects
- Enhanced collaborative ties with the CAC and encouraged active participation through monthly meetings, tabling at events and networking activities
- Participated in 183 community outreach events in FY 2025–2026, resulting in approximately 16,000 unique interactions and nearly 650,000 impressions

FY 2026–2027 Priorities

- Develop and execute a targeted PowerBase campaign and general time-of-use rates education to increase customer awareness of service plans and opportunities to reduce energy costs
- Advance customer education efforts to improve understanding of electricity usage, rate structures and the availability of rebates, incentives and offers
- Expand community engagement initiatives, including the Power Network and the Community Clean Energy Grants, to deepen relationships with community-based organizations and local stakeholders
- Ensure consistency and alignment across all communications by continuing to transition materials to the updated brand and content standards
- Support agency-wide priorities by providing strategic communications, marketing and outreach support for programs, initiatives and policy efforts, including all SDREN programs
- Strengthen media relations and earned media opportunities to increase awareness of Community Power's impact, programs and progress

Key Performance Indicators (KPIs)

- Number of public events attended, hosted or sponsored (target: 200 annually)
- Information on PowerBase and Time-of-Use provided to CARE/FERA customers (target: 100% by the end of calendar year 2026)
- Enroll eligible customers in energy-reducing Flex Load programs (target: 75% by 2028)
- Number of press releases or earned media opportunities and placements (target: 12 annually)
- External-facing materials in alignment with updated brand and content standards (target: full alignment across public materials)

FIGURE 39. PUBLIC AFFAIRS POSITIONS*

DEPARTMENT POSITIONS	FY26 Amended	FY27 Proposed
Public Affairs	12.0	14.0

**3.0 positions will be externally funded in FY 2026–2027*

Department Organizational Structure

FIGURE 40. PUBLIC AFFAIRS ORGANIZATIONAL STRUCTURE

Public Affairs

Senior Director of Public Affairs
Associate Director of Strategic Communications and Marketing
Senior Community Engagement Manager
Marketing and Communications Projects Manager
Marketing Manager
SDREN Marketing Manager
Community Engagement Manager*
Communications Associate
Communications Associate
SDREN Communications Associate
SDREN Outreach Associate*
Community Engagement Associate
Community Engagement Coordinator
Community Outreach Representative (0.5 FTE)
Community Outreach Representative (0.5 FTE)

**Positions proposed in FY 2026–2027*

Programs

Implementing energy projects and programs that reduce emissions, align supply and demand, and deliver community benefits

Department Description: Mission and Services

The Programs Department designs and implements initiatives that reduce customer bills, increase energy resilience and expand access to clean energy. Under the guidance of the chief operating officer and the leadership of the senior director of programs, the team manages incentive programs, pilots and partnerships that serve residential, commercial and public agency customers across the region.

Program area focus and design are guided by Community Power's Community Power Plan (CPP), Climate Action Plans from member agencies, and state and federal policy. From residential battery incentives to electric vehicle-charging management, the department supports scalable, equitable decarbonization across sectors. The department works closely with community-based organizations, industry stakeholders and internal departments to ensure program design is equitable, effective and scalable.

The department also leads the launch and administration of the San Diego Regional Energy Network (SDREN) in partnership with the County of San Diego, a transformative, multiyear effort to deliver energy-efficiency and demand-side management programs across San Diego County.

FY 2025–2026 Department Highlights

- Oversaw full program launch for Solar Battery Savings residential program
- Secured implementors for all 10 SDREN programs and Equitable Building Decarbonization community partners
- Administered pilot projects to reduce peak load consumption via aggregated management of enrolled behind-the-meter customer devices, including smart thermostats and managed EV charging
- Released Request for Offers for Solar Advantage and continued work toward a Power Purchase Agreement
- Built the Distributed Energy Resources Management System (DERMS) platform and supported program infrastructure to scale the Virtual Power Plant (VPP) through Virtual Peaker

FY 2026–2027 Priorities

- Enhance and expand the Solar Battery Savings program
- Develop and launch the nonresidential Solar Battery Savings pilot program for commercial and other nonresidential customers
- Begin enrolling Solar Advantage customers and apply California Public Utility Commission-funded 20% bill discounts
- Continue demonstrating leadership and expertise in customer programs in and beyond Community Power's territory
- Develop a framework to evaluate the success of all programs and pilots
- Ensure customer access to SDREN programs and continue supporting program implementation

Key Performance Indicators (KPIs)

- Add additional capacity toward the 150 MW goal (target: 15 MW in 2026)
- Create a process to enroll at least 75% of eligible incentivized measures (target: enrollment by 2028)
- Achieve annual KPIs for the 10 SDREN programs (target: 2026)
- Direct funding to Communities of Concern (target: 50%)

FIGURE 41. PROGRAMS POSITIONS*

DEPARTMENT POSITIONS	FY26 Amended	FY27 Proposed
Programs	15.0	16.0

**7.0 positions will be externally funded in FY 2026–2027*

Department Organizational Structure

FIGURE 42. PROGRAMS ORGANIZATIONAL STRUCTURE

Programs

Senior Director of Programs
Associate Director of Programs — SDREN
Associate Director of Programs — Flex Load
Senior Program Manager
Senior Program Manager
Senior Program Manager
Senior Program Manager
Program Manager
Program Manager
Program Manager
Program Manager
Senior Program Associate
Senior Program Associate
Senior Program Associate*
Program Associate
Program Associate

**Positions proposed in FY 2026–2027*

Regulatory and Legislative Affairs

Advocating for policies that advance Community Power's mission and protect local decision-making

Department Description: Mission and Services

The Legislative and Regulatory Affairs Department monitors and engages in regulatory proceedings and legislation that directly or indirectly impact Community Power's operations and customers. Under the guidance of the chief operating officer and leadership of the senior director of Regulatory and Legislative Affairs, the department represents Community Power's interests before the California Public Utilities Commission (CPUC), California Energy Commission (CEC), California Air Resources Board (CARB), California Independent System Operator (CAISO), the state Legislature and Congress. As needed, the department also supports engagement with relevant federal agencies, including but not limited to the U.S. Department of Energy and Federal Energy Regulatory Commission (FERC).

The department also supports compliance requirements across multiple state agencies, assists with agency-wide understanding of policy impacts and informs strategies for securing external funding and favorable regulatory outcomes. Community Power participates in trade associations such as the California Community Choice Association (CalCCA) and works collaboratively with member agencies, industry partners and stakeholders across the state to ensure community choice remains a resilient and effective tool for climate action, energy equity, grid reliability and customer affordability.

The department's work is guided by Community Power's Board-approved Regulatory and Legislative Platform, which outlines the agency's values-based approach to policy and advocacy, anchored in accelerating deep decarbonization, promoting local development and stabilizing community choice energy. The platform provides clear guidance for consistent engagement at the local, state and federal levels and ensures that policy advocacy reflects Community Power's mission and customer priorities. **View the platform here.**

FY 2025–2026 Department Highlights

- Actively supported legislation at the state level that will reduce wholesale power costs, increase reliability, reduce transmission costs and help keep down costs for distributed solar
- Supported efforts to obtain or sustain external funding for customer programs, including $700,000 to support the Charging Harmonization and Analysis for Resilient, Grid-Efficient Utilization and Planning (CHARGE UP) pilot and Public Purpose Program funding for the San Diego Regional Energy Network
- Provided analysis for three legislative proposals that affect all Community Choice Aggregators, issued 11 letters of support on legislation, as well as two letters of opposition to bills that would have had negative consequences for operations and customers (all legislative letters issued by Community Power **can be viewed here**)
- Coordinated with other CCAs to educate key members of Congress about renewable energy cost impacts in their districts from H.R. 1 and assisted the Community Choice Energy Alliance, a new national trade association of CCAs, in forming its first Federal Affairs Committee; developed its initial policy platform to help nationwide CCAs increase our federal policy presence
- Co-led a coalition of 39 organizations to educate state lawmakers and their staff about the importance of energy efficiency program funding and to successfully oppose legislation that would have undermined the funding
- Advanced SDREN's regulatory position by leading and coordinating joint REN filings in the CPUC's energy efficiency oversight proceeding, successfully elevating equity, non-energy benefits, and funding continuity considerations in the Commission's policy framework
- Intervened in Energy Resource Recovery Account (ERRA) proceedings to reduce cost pressure on Power Charge Indifference Adjustment (PCIA) rates that impact Community Power customers

FY 2026–2027 Priorities

- Advance policy solutions that focus on affordability, including the advancement of legislation and regulations that protect customers, reduce PCIA volatility, create market efficiencies in the CPUC's resource adequacy framework and re-establish customer tax credits
- Support state and federal legislation that reduces barriers to reliable renewable and clean energy deployment, including equitable deployment of local clean energy that enables an affordable path to 100% renewable energy
- Advance regulatory and legislative outcomes that uphold procurement and rate-making authority for Community Power
- Identify applicable grant and funding opportunities that benefit customers and member agencies
- Actively participate in trade associations and multiagency coalitions to shape the policy landscape
- Track and manage participation in regulatory proceedings to ensure timely and accurate engagement

Key Performance Indicators (KPIs)

- Number of regulatory proceedings tracked (target: 40+)
- Number of bills analyzed (target: 100+)
- Legislative positions advanced in alignment with platform (target: 10+)
- Number of unique interactions with state and federal policymakers (target: 50+)

FIGURE 43. REGULATORY AND LEGISLATIVE AFFAIRS POSITIONS

DEPARTMENT POSITIONS	FY26 Amended	FY27 Proposed
Regulatory and Legislative Affairs	5.0	5.0

Department Organizational Structure

FIGURE 44. REGULATORY AND LEGISLATIVE AFFAIRS ORGANIZATIONAL STRUCTURE

Regulatory and Legislative Affairs

Senior Director of Regulatory and Legislative Affairs
Associate Director of Legislative Affairs
Senior Policy Manager
Senior Strategic Policy Manager
Regulatory Manager

Human Resources and Administration

Fostering a high-performing, inclusive workplace through strategic talent development and operational excellence

Department Description: Mission and Services

The Human Resources and Administration Department serves as a strategic partner for leadership and staff, building the internal systems needed to support a high-performing, mission-aligned organization. The department integrates human resources and administrative operations into a unified function that enables employee success and ensures consistency and efficiency across the agency.

Human Resources leads compensation, recruitment, onboarding, benefits administration, compliance, professional development and performance management, aligning workforce strategies with Community Power's mission, values and organizational priorities.

The administrative team supports agency-wide operations through coordination of internal processes, executive support, facilities and scheduling. Together, these functions ensure organizational effectiveness, reinforce accountability and support the agency's ability to scale and operate efficiently.

FY 2025–2026 Department Highlights

- Trained all employees in workplace violence prevention and emergency preparedness and held additional safety meetings
- Hired top talent in accordance with plan and budget
- Evolved into a learning organization, emphasizing professional development for staff and people leaders
- Measured and ensured high employee engagement through consistent improvement, onboarding survey metrics and annual baseline surveys with Nash Consulting
- Designed and launched a summer intern program for local college students interested in the clean energy industry
- Integrated Administration into the larger People Operations team and developed a cadence for internal and external team events and activities

FY 2026–2027 Priorities

- Align workforce planning, hiring, onboarding and succession planning with agency priorities
- Strengthen employee engagement, development and leadership capacity
- Institutionalize HR programs and administrative processes to support performance, compliance and consistency
- Continue implementation of employee safety and emergency preparedness programs
- Standardize administrative systems and processes to improve efficiency
- Strengthen internal communication to support alignment and coordination

Key Performance Indicators (KPIs)

- Headcount: 95
- Hired: 19 FTE FY 2025–2026 and an additional 4 Interns for a total of 23
- Departed: 3 FY 2025–2026
- Turnover Rate (target 3.16%)
- Time-to-fill for key positions (target: 60 days)

FIGURE 45. HUMAN RESOURCES AND ADMINISTRATION POSITIONS

DEPARTMENT POSITIONS	FY26 Amended	FY27 Proposed
Human Resources and Administration	8.0	8.0

Department Organizational Structure

FIGURE 46. HUMAN RESOURCES AND ADMINISTRATION ORGANIZATIONAL STRUCTURE

Human Resources and Administration

Senior Director of People Operations and Administration
Senior Human Resources Manager
Senior Executive Assistant
Talent Acquisition and Learning Specialist
Human Resources Analyst
Executive Assistant
Executive Assistant
Facilities Manager

Legal

Providing legal guidance, ensuring compliance, transparency and accountability to support organizational integrity

Department Description: Mission and Services

The Legal Department is led by Community Power's general counsel, who reports directly to the Board of Directors and serves as a member of the Executive team. Under the leadership of the general counsel, the department provides legal guidance across a range of areas, including public agency governance, regulatory compliance, contract law, employment law and risk management.

The department plays a critical role in supporting internal policy development, mitigating organizational risk and maintaining transparency in all agency actions. As Community Power expands in scale and complexity, the department ensures the agency's decisions and operations remain aligned with local, state and federal legal requirements and uphold public trust.

FY 2025–2026 Department Highlights

- Supported the execution of two bond prepayment agreements, which generated continued power cost savings
- Provided legal guidance on long-term Power Purchase Agreements (PPAs) and related procurement efforts
- Provided legal support for the launch of major customer programs, including Solar Battery Savings and the San Diego Regional Energy Network (SDREN)
- Reviewed and updated nine Board and two internal policies

FY 2026–2027 Priorities

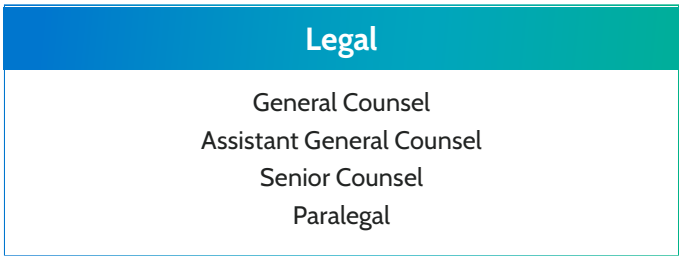
- Continue to support the execution of three to five clean energy prepay transactions and associated legal review
- Continue to provide legal guidance on long-term PPAs and related procurement efforts
- Continue to develop new and revised Community Power policies and provide legal support for procedures
- Update and improve on Community Power contract forms, including provisions for insurance, cybersecurity and intellectual property
- Provide legal support for Community Power Initiatives, including tribal projects, Community Power-owned assets and data centers
- Develop and provide a regular cadence of training to committees and agency staff on public agency governance (including the Brown Act and Public Records Act)

FIGURE 47. LEGAL POSITIONS

DEPARTMENT POSITIONS	FY26 Amended	FY27 Proposed
Legal	3.0	3.0

Department Organizational Structure

FIGURE 48. LEGAL ORGANIZATIONAL STRUCTURE





08 Budget by Level 2 and Level 3

Budget by Level 2 and Level 3

Operating Revenue

Community Power's sole source of revenue currently is the retail sale of electricity to its customers. Revenue budgeted for FY 2026–2027 reflects a full fiscal cycle of retail sales to our commercial and industrial customer base, as well as the majority of the residential customer base.

Generally, operating revenue through the retail sale of electricity is derived by: 1) estimating Community Power's energy load for the upcoming fiscal year; 2) applying the Board-approved generation rates to the energy load; and 3) applying a 1.5% uncollectible rate based on revenue that Community Power does not expect to collect — the result is Community Power's operating revenue for the fiscal year.

Community Power offers four service levels to its customers, which, taken together, ultimately comprise the source of ratepayer funds for the agency:

- **PowerBase**, our most affordable service option, with a renewable content that is intended to meet or exceed SDG&E's whenever possible and provides customers with a 10% discount compared with SDG&E's rates.
- **PowerOn**, our standard service offering that provides 53% renewable power and offers a 4% discount compared with SDG&E's rates.
- **Power100**, our premium service that provides customers with 100% renewable energy. It is currently priced at an additional $0.01/kWh more than PowerOn.
- **Power100 Green+** is our stand-alone 100% renewable and carbon-free service that is Green-e® Certified, available only to commercial and industrial customers. It is currently priced at $0.02/kWh more than PowerOn.

Additional assumptions for net operating revenue include:

- Enrollment of customers is complete for all member jurisdictions
- A 95% participation rate across all jurisdictions
- A 1.5% uncollectible rate that is a decrease from the 1.75% uncollectible rate assumed in the prior year budget
- Trifurcation of rates continues to ensure a fair, equitable and balanced rate structure across customers with differing vintage years
- Rates remain at the levels adopted by the Board on May 1, 2026. Any rate changes are subject to Board approval

FIGURE 49. OPERATING REVENUE BY BUDGET LEVEL 2 AND LEVEL 3*

	FY25 Amended	FY26 Amended	FY27 Proposed
Gross Ratepayer Revenues	1,243.0	1,194.8	932.8
Uncollectible Customer Accounts; FY25 and FY26 Less 1.75%, FY27 Less 1.5%	(21.8)	(19.4)	(14.0)
Net Operating Revenues	**1,221.2**	**1,175.4**	**918.8**

**Amounts displayed in millions of dollars*

Cost of Energy

The cost of energy is Community Power's largest expense. Generally, the cost of energy is derived by: 1) estimating Community Power's energy load for the upcoming fiscal year; 2) applying energy already contracted for to the projected energy load; and 3) applying forward market prices to the remaining energy load that Community Power has not yet contracted for — the result is Community Power's cost of energy for the fiscal year.

Community Power prioritizes purchasing electricity that is generated from renewable sources like solar or wind. The agency purchases enough electricity to cover the needs of our customers. SDG&E delivers this electricity through its existing power lines and continues to provide meter reading, billing and line maintenance to customers.

While Community Power emphasizes its commitment to clean energy, various factors can influence the cost of this energy for Community Power, impacting the overall cost of energy for the agency. The following factors are key considerations:

- **Market Fluctuations** — Unlike traditional energy sources with more stable pricing, renewable energy sources like solar and wind are subject to fluctuations in the electricity market. This means that during periods of lower renewable energy production or higher demand, Community Power may need to purchase additional power from the market, potentially at a higher cost. These costs can then be passed on to customers.
- **Seasonal Variations** — San Diego could experience significant heat waves in the summer months. During these periods, peak electricity demand rises due to increased air conditioning use. This can put a strain on renewable energy sources, forcing Community Power to supplement with power from the market, potentially at a premium, similar to the impact of market fluctuations.
- **Increased Load** — Community Power's customer base is projected to remain steady; however, the overall electricity demand (load) is projected to increase as California transitions to sourcing from more renewable energy. To maintain grid reliability, Community Power may need to secure additional power sources, potentially impacting the cost of energy.

Beyond market-driven factors, regulations such as Resource Adequacy (RA) requirements play a role in Community Power's energy costs. The California Public Utilities Commission (CPUC) mandates RA requirements. These require Community Power to procure a predetermined amount of electricity based on its projected load. This ensures a consistently reliable grid with sufficient energy available. Meeting these RA requirements might necessitate purchasing additional power, especially during peak demand periods, potentially at higher costs.

The potential for cost increases due to these factors is a trade-off inherent in pursuing renewable energy. While costs may fluctuate, Community Power's commitment to clean energy aligns with California's sustainability goals.

It's important to note Community Power strives to offer competitive rates compared with traditional energy providers. The agency achieves this through various strategies, including long-term power purchase agreements and a diverse renewable energy portfolio to mitigate market fluctuations.

FIGURE 50. COST OF ENERGY BY BUDGET LEVEL 2 AND LEVEL 3*

	FY25 Amended	FY26 Amended	FY27 Proposed
Cost of Energy	1,116.8	969.9	872.3

**Amounts displayed in millions of dollars*

Professional Services and Consultants

Professional Services and Consultants includes SDG&E fees, data management fees from Calpine, technical support, legal/regulatory services and other general contracts related to IT services, audits and accounting services.

- **Legal/Regulatory Services** – Community Power retains outside legal counsel to assist with complex legal and regulatory matters. This line item will also allow for the retention of both a state and federal lobbyist to support Community Power's legislative and regulatory efforts.
- **Technical Support** – Community Power engages consultants to assist with rate setting, policies, joint-rate comparisons with SDG&E, load analysis and a scheduling coordinator. After electric power is scheduled for delivery to customers and consumed by those customers, the actual electric consumption must be trued up against the forecasted and scheduled energy. This true-up occurs through the settlement process. Settlements also entail addressing several other market and regulatory requirements. As Community Power grows its internal staff, it will look to continue performing portions of this service in-house.
- **Other Services** – Community Power contracts or plans to contract for audit services (data and financial), accounting services and other services as needed. Community Power continues to examine whether these services are more cost-effective or efficient to bring in-house. As Community Power expands its in-house functions, it expects a reduction in the related professional services support areas.
- **SDG&E Service Fees** – Service fees paid to SDG&E consist of a charge of a fixed fee per account per month. The fees cover SDG&E's costs associated with meter reading, additional data processing and bill coordination as mandated and regulated by the CPUC. Numerous small fees are also associated with data requests.
- **Data Management** – This is a broad scope of services that includes all "back office" billing data validation, bill coordination with SDG&E, call center services and billing technical support, customer enrollment database management, move-in/move-out services, customer research for enrollment support, and many support functions related to data reporting.

FIGURE 51. PROFESSIONAL SERVICES AND CONSULTANTS BY BUDGET LEVEL 2 AND LEVEL 3*

	FY25 Amended	FY26 Amended	FY27 Proposed
Data Management	14.6	13.8	12.9
SDG&E Fees	3.4	3.8	3.5
Legal/Regulatory	2.1	1.2	1.5
Other Services	2.1	2.3	2.9
Technical Support	2.1	2.3	3.0
Professional Services and Consultants	**24.3**	**23.4**	**23.8**

**Amounts displayed in millions of dollars*

Personnel Costs

Personnel costs include salaries, payroll taxes, benefits, and excused absence and paid time off for staff. In addition, costs include assumptions from the Board-adopted compensation policy, including potential merit and cost-of-living increases.

The recruitment strategy includes adding approximately five new staff members during the FY 2026–2027 budget cycle, growing the agency to 106 FTE.

FIGURE 52. PERSONNEL COSTS BY BUDGET LEVEL 2 AND LEVEL 3*

	FY25 Amended	FY26 Amended	FY27 Proposed
Salaries	14.1	14.4	17.2
Benefits (retirement/health)	2.6	3.8	4.1
Payroll Taxes	1.0	0.5	0.6
Accrued PTO	0.9	0.9	1.5
Personnel Costs Total	**18.6**	**19.6**	**23.4**

**Amounts displayed in millions of dollars*

Strategic Communications and Outreach

Strategic Communications and Outreach includes expenses for mandatory rate mailers, communication consultants, mailers, printing, sponsorships, and partnerships to inform the community of Community Power. Strategic communication and outreach are further broken down into the following Budget Level 3 categories:

- **Printing —** The agency is periodically required to send mailers to its customers notifying the community about several aspects of rates, including changes to rates through Joint Rate Comparisons.
- **Strategic Communications and Outreach —** An important focus of Community Power is ensuring the community is informed about Community Power, that we build professional-level name recognition and trust and provide education. This also covers the design of all required notifications sent to customers, including opt-out procedures and rate comparisons, as well as other notices or educational or marketing information.
- **Partnerships/Sponsorships/Local Memberships —** This legacy category has been folded into the Strategic Communications and Outreach section to better reflect the interconnected work of the department. In addition to required noticing, Community Power engages with local stakeholder groups to educate the community on the benefits of community choice and to encourage awareness of our mission. This comes in the form of media advertising, sponsorships of community events and organizations, and mailers, as well as targeted customer communications.
- **Memberships –** These local, regional and statewide memberships support community Power's objectives related to legislative and regulatory engagement, workforce development, sector leadership, and external visibility.

FIGURE 53. STRATEGIC COMMUNICATION AND OUTREACH BY BUDGET LEVEL 2 AND LEVEL 3*

	FY25 Amended	FY26 Amended	FY27 Proposed
Printing	1.1	0.7	0.6
Partnerships/Sponsorships/Local Memberships	1.2	1.0	0.0
Marketing and Communications	0.7	0.6	0.0
Strategic Communications and Outreach	0.0	0.0	1.6
Memberships	0.0	0.0	0.2
Strategic Communications and Outreach Total	**3.0**	**2.3**	**2.4**

**Amounts displayed in millions of dollars*

General and Administration

General and Administration includes costs needed to conduct daily business. These expenses are divided into four categories:

1. CalCCA membership dues
2. Rent for leased office space
3. Agency insurance
4. Other, which reflects the cost of daily business operations. This includes office supplies, banking fees, IT equipment, human resources infrastructure, subscriptions to technical platforms and payroll services. The category also encompasses regulatory fees and the cost of governance-related activities, such as Board and committee expenses and Board stipends.

FIGURE 54. GENERAL AND ADMINISTRATION BY BUDGET LEVEL 2 AND LEVEL 3*

	FY25 Amended	FY26 Amended	FY27 Proposed
Other General and Administration	3.6	2.8	4.3
CalCCA Dues	0.5	0.6	0.6
Rent	0.7	0.9	0.9
Insurance	0.1	0.3	0.4
General and Administration Total	**4.9**	**4.6**	**6.1**

**Amounts displayed in millions of dollars*



09 Debt Financing

Debt Financing

Credit Facility

On January 23, 2023, the Community Power Board approved a new credit agreement to establish a $150 million line of credit under a JPMorgan credit facility. Subsequently, on October 25, 2024, the Community Power Board approved an amendment to increase the credit facility to $250 million.

The credit agreement with JPMorgan provides for a $250 million multiuse revolving line of credit. This credit facility includes a term of up to five years from the date of renewal. The funds are available for general corporate purposes, including line-of-credit draws, collateral postings and postings for the provider of last resort collateral requirements.

Community Power does not anticipate needing to use its credit facility to finance operations in FY 2026–2027 but may periodically access the credit facility for one-time needs. In FY 2024–2025, Community Power accessed $47.0 million from the credit facility and satisfied the loan payment in December 2024. Currently, Community Power has zero debt. However, Community Power still pays debt service fees to maintain its $250 million credit facility and to satisfy fees related to standby letters of credit.

FIGURE 55. DEBT PAYMENTS*

Year ended June 30, 2025	Beginnings	Additions	Payments	Ending
Bank note payable	-	47.0	47.0	-
Loans payable	-	-	-	-
Total	-	**47.0**	**47.0**	-

**Amounts displayed in millions of dollars*

Debt Considerations

The Community Power Board has taken several important steps to achieve an investment-grade credit rating that includes among many items:

- Developing and updating a Reserve Policy in December 2025 to increase liquidity by establishing a minimum reserve requirement of 180 days cash on hand, a reserve target of 225 days' cash on hand, and a maximum reserve of 270 days cash on hand.
- Establishing a Rate Stabilization Reserve (RSR) that includes a Target RSR Balance that may be an amount up to or equivalent to 45 days cash on hand
- Approving rates effective April 1, 2026, that allowed Community Power to achieve its 225 days cash on hand reserve target in calendar year 2026

Ultimately, on March 9, 2026, Community Power earned its first public credit rating from S&P Global Ratings, receiving an investment-grade "A" issuer credit rating with a stable outlook; a milestone that positions the agency to negotiate more favorable energy contracts and credit terms that can reduce costs for customers.

With this investment-grade credit rating, Community Power has an enhanced ability to issue tax-exempt or taxable bonds to finance ownership in energy generation or energy-storage assets. Direct asset ownership may provide the opportunity to control energy costs.

Community Power's ability to issue tax-exempt debt to finance an ownership interest in a generating or storage facility is a distinct advantage over investor-owned utilities and direct access providers. No specific asset purchases are currently under consideration by staff.

The Debt Policy enables Community Power to issue bonds that will ultimately be subject to Board approval as a separate action. The Debt Policy will help Community Power take advantage of ownership opportunities that may arise, especially in conjunction with state or federal funding that might be available. To date, Community Power has not issued debt.

The Debt Policy articulates:

- The situations and steps necessary for the issuance of debt
- The types of debt that may be issued
- How the debt fits into Community Power's strategic plan and potential capital investment program

The Debt Policy also includes sections to:

- Facilitate decision making
- Establish basic parameters and principles
- Articulate and clarify other related aspects to guide future Boards, staff and consultants

FIGURE 56. DEBT FY 2021–2025

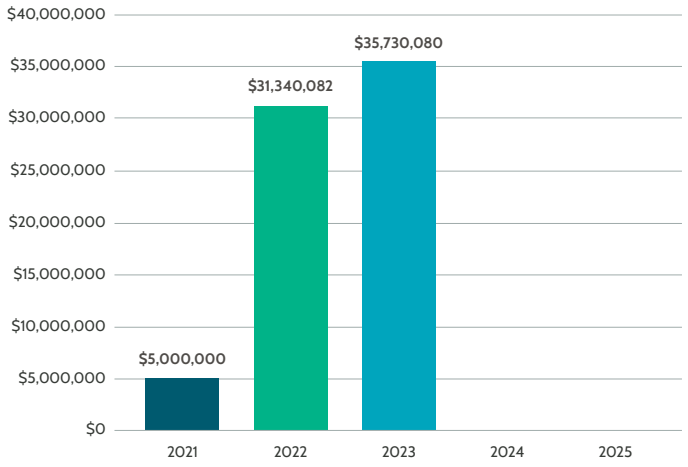
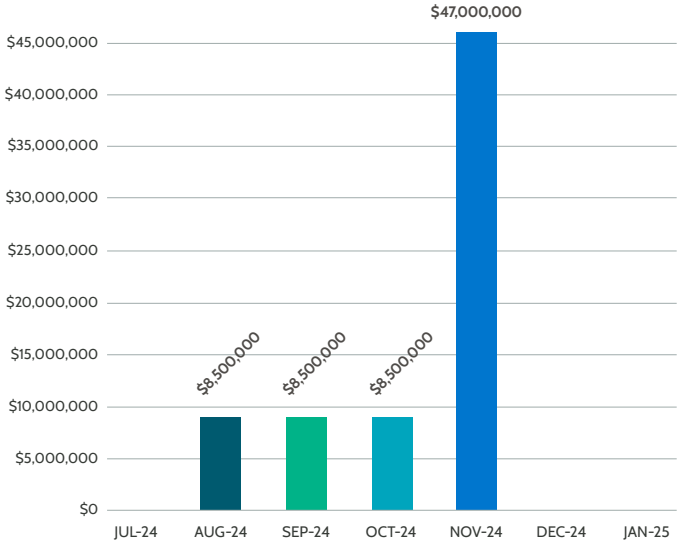


FIGURE 57. DEBT BY MONTH



The Community Power Debt Policy also includes additional requirements as follows:

- Green Bonds — To the extent possible, Community Power bond issuances shall be green bonds. A green bond is a type of fixed-income instrument specifically earmarked to raise money for climate and environmental projects.
- 1.5x Max Annual Debt Service — While the specific formulation of the Additional Bonds Test may vary depending on the type of bonds being contemplated, Community Power will utilize an Additional Bonds Test that establishes a limitation on new issuances such that the pledged revenues are no less than one and a half times (1.5x) the maximum annual principal and interest and debt service for the aggregate outstanding senior lien bonds, including the debt service for the new issuance.
- 5% Annual Debt Service Limit — Community Power will also seek to maintain aggregate annual debt service on long-term debt at a level not to exceed 5% of Community Power's annual total operating expenses. The actual terms and conditions specific to each debt issue will be controlled by the applicable documents.



10 Financial Policies

Financial Policies

San Diego Community Power's financial policies establish the long-term framework for prudent fiscal management, financial stability and accountability. These policies are intended to protect the agency's financial position and ratepayer interests by guiding key budgetary and financial decisions, including reserves, rate stabilization, investments, debt and overall financial oversight. A balanced budget is defined as one in which ongoing revenues and other available resources are sufficient to fund planned expenditures. The FY 2026-2027 Budget has been developed in accordance with these policies and reflects the agency's commitment to disciplined, transparent and sustainable financial management. These policies are summarized below and the full Board-approved policies can be found in Financial Policies – Attachment 1.

Budget Policy

The Budget Policy establishes a transparent and structured framework for the development, approval and management of the agency's annual budget, ensuring alignment with the Joint Powers Agreement and Board governance requirements. It requires the preparation of a comprehensive annual budget that reflects all anticipated revenues, expenditures and program activities, and mandates that the Board of Directors review and adopt the budget in a public meeting prior to the start of each fiscal year. It additionally requires a balanced budget whereby the total projected revenues are greater than or equal to total projected expenditures.

The policy outlines a defined annual budget development process led by the chief financial officer, including preparing financial forecasts, coordinating with staff and leadership to develop budget proposals and refining the budget through internal review and Board committee input to ensure alignment with organizational goals and financial planning. It further establishes that all expenditures must be made in accordance with the adopted budget and authorized approvals, reinforcing strong fiscal controls and accountability.

The policy provides controlled flexibility, allowing the Board to revise the budget as needed to address contingencies, and authorizes limited administrative adjustments within defined thresholds to support operational efficiency. This approach maintains a transparent, Board-approved budgeting process, ensuring all financial activities are governed by adopted budget parameters and upholding responsible stewardship of public funds.

Financial Reserves Policy

Community Power's Financial Reserves Policy defines an approach for accumulating and managing reserves to support long-term financial stability, maintain liquidity and ensure the agency can meet its financial obligations. The policy is designed to support strategic objectives, maintain creditworthiness, satisfy contractual requirements, provide working capital and respond to unanticipated expenses while supporting rate stability.

The policy establishes a target reserve level based on days cash on hand, with contributions determined through the annual budget and rate-setting processes. Reserve levels are reviewed regularly through the budget cycle and annual audit to ensure alignment with financial conditions, operational needs and organizational priorities.

The policy also defines how reserves may be used and managed, including clear conditions for use and Board oversight. When reserves exceed target levels, funds may be strategically allocated for capital investments, program funding, debt reduction or rate stabilization, and may be designated for specific purposes such as stabilization or programmatic reserves to address cost variability and unforeseen needs.

This approach ensures reserve levels are maintained, integrated into financial processes and managed in a transparent and disciplined manner.

Rate Stabilization Reserve Policy

This policy governs the use of reserves to mitigate the impact on rates and the budget caused by short-term market and operational variability. It reflects the agency's exposure to wholesale energy market volatility, including fluctuations in power and capacity prices, weather-driven demand and regulatory changes, and is designed to support stable and predictable customer rates over time.

The policy defines the purpose and structure of a Rate Stabilization Reserve, providing a Board-adopted mechanism to maintain adequate liquidity and support financial commitments while smoothing the financial effects of changing market conditions. It establishes guidelines for how reserves are funded and incorporated into the agency's rate-setting process, ensuring alignment with broader financial planning and reserve policies.

The policy also outlines parameters for the use and governance of the reserve, including Board oversight, approval requirements and reporting expectations. These provisions ensure that the use of stabilization reserves is transparent, controlled and aligned with the agency's financial objectives while preserving long-term fiscal stability.

Non-Energy Procurement Policy

The Non-Energy Procurement Policy outlines procedures for procuring goods and services and establishes competitive requirements based on contract value. Allowable exceptions are defined, including noncompetitive procurement, emergency procurements and sole-source awards, each with clear criteria and approval requirements.

The policy authorizes cooperative and piggyback procurement methods to improve efficiency and reduce costs. It also establishes evaluation criteria for solicitations, including qualifications, cost competitiveness and alignment with workforce and supplier diversity policies.

The policy further defines requirements for contract amendments, written agreements and delegated authority as well as ethical standards, protest procedures and nondiscrimination provisions. These ensure procurement activities are conducted with integrity and in accordance with regulatory and reporting requirements.

Debt Policy

The Debt Policy guides the issuance and management of debt to support capital investments and strategic objectives. It defines the circumstances in which debt may be issued, the types of debt permitted and how debt aligns with the agency's capital investment program and long-term financial strategy.

The policy is designed to ensure prudent financial management by maintaining cost-effective access to capital markets, managing financial risk and preserving future financial flexibility. It emphasizes the use of debt to finance capital projects, acquisitions and improvements in a timely and efficient manner while supporting the agency's broader financial planning goals.

The policy also establishes guiding principles for debt management, including maintaining strong credit ratings, fostering positive investor relations and adhering to all applicable legal, disclosure and reporting requirements. It reinforces the agency's commitment to full and timely repayment of obligations and responsible stewardship of borrowed funds.

The policy incorporates governance and oversight provisions for debt issuance and administration, including Board approval requirements and integration with the agency's budget and rate-setting processes to ensure sufficient revenues are available to meet operating costs and debt service obligations.

Investment Policy

Investment activities, including cash reserves, deposits and investments, are guided by objectives and priorities for managing the agency's funds as outlined in the Investment Policy to ensure assets are protected while producing a reasonable rate of return.

The policy defines the objectives and priorities for investment activities, consistent with California Government Code requirements, and establishes the types of permitted and prohibited investments along with the controls needed to safeguard funds.

The policy is guided by core investment objectives, including preservation of principal, maintenance of sufficient liquidity to meet operational needs and attainment of an appropriate return on invested funds. Safety of principal is the foremost priority, followed by liquidity, return on investment, and standard of care, with all investments managed under a prudent standard of care.

The policy also establishes oversight and governance for investment activities, including Board authority and coordination with financial and risk management functions, to ensure funds are managed in accordance with established controls and regulatory requirements.

Rate Development Policy

The Rate Development Policy governs the design, development and implementation of customer rates, ensuring the process remains transparent, fiscally responsible and centered on customer value. Rates must recover all costs associated with power procurement, operations and debt service while supporting the development of prudent reserves and maintaining long-term financial sustainability.

Rate-setting decisions are based on requirements for cost recovery, reserve development, competitiveness, stability and equitable treatment of customers. The policy emphasizes the need for simple, understandable rate structures and allows for the development of pilot rates to support evolving programs and customer needs.

Customer value considerations are also incorporated, which include providing competitive alternatives to the incumbent utility and supporting higher renewable energy offerings. The policy recognizes the role of reserves and stabilization mechanisms in mitigating rate volatility over time.

Transparency is maintained through Board review and approval of rates in publicly noticed meetings, ensuring accountability and consistent engagement with customers and stakeholders.



11 Glossary of Terms

Glossary of Terms

AB – Assembly Bill: An Assembly Bill is a piece of legislation that is introduced in the Assembly. In other words, the Assembly (rather than the Senate) is the bill's house of origin in the Legislature. In California, it is common for legislation to be referred to by its house of origin number even after it becomes law. However, because bill numbers "reset" and start again from 1 in each legislative session, it is less confusing to include chapter and statute information when referring to a bill that has become law; for example, SB 350 (Chapter 547, Statutes of 2015).

AL - Advice Letter: An Advice Letter is a request by a California Public Utilities Commission (CPUC) jurisdictional entity for Commission approval, authorization or other relief.

ALJ – Administrative Law Judge: ALJs preside over CPUC cases to develop the evidentiary record and draft proposed decisions for Commission action.

ARB – Air Resources Board: The California Air Resources Board (CARB or ARB) is the "clean air agency" in the state government of California. CARB is charged with protecting the public from the harmful effects of air pollution and developing programs and actions to fight climate change.

AReM – Alliance for Retail Energy Markets: A not-for-profit corporation that advocates for continued development of successful customer choice in retail energy markets and provides a focused voice for competitive energy retailers and their customers in select public policy forums at the state level. AReM represents direct access providers such as Constellation NewEnergy and Direct Energy.

BayREN – Bay Area Regional Energy Network: BayREN offers regionwide energy programs, services and resources to members of the public by promoting energy efficient buildings, reducing carbon emissions and building government capacity.

CAISO – California Independent System Operator: A nonprofit public benefit corporation that oversees the operation of the California bulk electric power system, transmission lines and electricity market generated and transmitted by its members (approximately 80% of California's electric flow). Its stated mission is to "operate the grid reliably and efficiently, provide fair and open transmission access, promote environmental stewardship and facilitate effective markets and promote infrastructure development." CAISO is regulated by the Federal Energy Regulatory Commission (FERC) and governed by a five-member governing board appointed by the governor.

CalCCA – California Community Choice Association: A statewide association, made up of Community Choice Aggregators (CCAs), that represents the interests of California's community choice electricity providers.

CALSEIA – California Solar Energy Industries Association: CALSEIA represents more than 200 companies doing solar-related business in California, including manufacturers, distributors, installation contractors, consultants and educators. Members' annual dues support professional staff and a lobbyist who represents the common interests of California's solar industry at the Legislature, Governor's Office and state and local agencies.

CALSLA – California City-County Street Light Association: A statewide association representing cities, counties and towns before the CPUC that is committed to maintaining fair and equitable streetlight electricity rates and facilities charges and disseminating streetlight-related information.

CAM – Cost Allocation Mechanism: The cost recovery mechanism to cover procurement costs incurred in serving the central procurement function.

CARB – California Air Resources Board: The CARB is charged with protecting the public from the harmful effects of air pollution and developing programs and actions to fight climate change in California.

CARE – California Alternative Rates for Energy: A state program for low-income households that provides a 30% discount on monthly energy bills and a 20% discount on natural gas bills. CARE is funded through a rate surcharge paid by all other utility customers.

CBE – Communities for a Better Environment: An environmental justice organization that was founded in 1978. The mission of CBE is to build people's power in California's communities of color and low-income communities to achieve environmental health and justice by preventing and reducing pollution and building green, healthy and sustainable communities and environments.

CCA – Community Choice Aggregator: A community choice aggregator, sometimes referred to as community choice aggregation, is an entity of local governments that procure power on behalf of their residents, businesses and municipal accounts from an alternative supplier while still receiving transmission and distribution service from their existing utility provider. CCAs are an attractive option for communities that want more local control over their electricity sources, more green power than is offered by the default utility, and/or lower electricity prices. By aggregating demand, communities gain leverage to negotiate better rates with competitive suppliers and choose greener power sources.

CCSF – City and County of San Francisco: The City and County of San Francisco often engage in joint advocacy before the CPUC. San Francisco operates CleanPowerSF, a CCA.

CEC – California Energy Commission: The CEC is the primary energy policy and planning agency for California, whose core responsibilities include advancing state energy policy, achieving energy efficiency, investing in energy innovation, developing renewable energy, transforming transportation, overseeing energy infrastructure and preparing for energy emergencies.

CEE – Coalition for Energy Efficiency: CEE is a nonprofit composed of U.S. and Canadian energy-efficiency administrators working together to accelerate the development and availability of energy-efficient products and services.

CLECA – California Large Energy Consumers Association: CLECA is an organization of large, high-load factor industrial customers located throughout the state; its members are in the cement, steel, industrial gas, pipeline, beverage, cold storage, food packaging and mining industries and their electricity costs comprise a significant portion of their costs of production. Some members are bundled customers, others are Direct Access (DA) customers, and some are served by Community Choice Aggregators (CCAs); a few members have onsite renewable generation.

CPUC – California Public Utility Commission: The CPUC is a state agency that regulates privately owned electric, natural gas, telecommunications, water, railroad, rail transit and passenger transportation companies, in addition to authorizing video franchises.

C&I – Commercial and Industrial: C&I customers are business customers who generally consume much higher volumes of electricity and gas. Many utilities segment their C&I customers by energy consumption (small, medium and large).

CP – Compliance Period: A Compliance Period is the time period to become Renewables Portfolio Standard (RPS) compliant, set by the California Public Utilities Commission (CPUC).

DA – Direct Access: Direct Access is an option that allows eligible customers to purchase their electricity directly from third-party providers known as Electric Service Providers (ESPs).

DA Cap: The DA Cap is the maximum amount of electric usage that may be allocated to Direct Access customers in California or, more specifically, within an investor-owned utility service territory.

DACC – Direct Access Customer Coalition: DACC is a regulatory advocacy group composed of educational, governmental, commercial and industrial customers that utilize direct access for all or a portion of their electrical energy requirements.

DA Lottery: The DA Lottery is a random drawing by which DA waitlist customers become eligible to enroll in DA service under the currently applicable Direct Access Cap.

DA Waitlist: The DA Waitlist consists of customers that have officially registered their interest in becoming a DA customer but are not yet able to enroll in service because of DA cap limitations.

DAC – Disadvantaged Community: "Disadvantaged communities" refers to the areas throughout California that most suffer from a combination of economic, health and environmental burdens. These burdens include poverty, high unemployment, air and water pollution and the presence of hazardous wastes as well as high incidences of asthma and heart disease. One way that the state identifies these areas is by collecting and analyzing information from communities statewide. CalEnviroScreen, an analytical tool created by the California Environmental Protection Agency (CalEPA), combines different types of census tract-specific information into a score to determine which communities are the most burdened or "disadvantaged."

DASR – Direct Access Service Request: DASR is a request submitted by C&I customers to become direct access eligible.

Demand: Demand refers to the rate at which electric energy is delivered to or by a system or part of a system, generally expressed in kilowatts (kW), megawatts (MW) or gigawatts (GW), at a given instant or averaged over any designated interval of time. Demand should not be confused with Load or Energy.

DER – Distributed Energy Resource: A DER is a small-scale physical or virtual asset (e.g., EV charger, smart thermostat, behind-the-meter solar/storage, energy efficiency) that operates locally and is connected to a larger power grid at the distribution level.

Distribution: Distribution refers to the delivery of electricity to the retail customer's home or business through low-voltage distribution lines.

DLAP – Default Load Aggregation Point: In the CAISO's electricity optimization model, DLAP is the node at which all bids for demand should be submitted and settled.

DR – Demand Response: DR is an opportunity for consumers to play a significant role in the operation of the electric grid by reducing or shifting their electricity usage during peak periods in response to time-based rates or other forms of financial incentives.

DRP – Distributed Resource Plans: Distributed Resource Plans are required by statute and intended to identify optimal locations for the deployment of distributed resources.

DWR – Department of Water Resources: DWR is the state agency charged with managing California's water resources, systems and infrastructure in a responsible, sustainable way.

ECR – Enhanced Community Renewable: ECR is an IOU (Investor-Owned Utility) program that reflects the "Community Solar" model of renewable energy purchasing. Customers sign up to purchase a portion of a local solar project directly from a developer at a level that meets at least 25% and up to 100% of their monthly electricity demand. The customer pays the developer for the subscribed output and receives a credit on their utility bill that reflects their enrollment level.

ED – Energy Division: The CPUC's Energy Division develops and administers energy policy and programs to serve the public interest, advise the Commission and ensure compliance with Commission decisions and statutory Mandates.

EE – Energy Efficiency: Energy Efficiency refers to the use of less energy to perform the same task or produce the same result. Energy-efficient homes and buildings use less energy to heat and cool and run appliances and electronics, and energy-efficient manufacturing facilities use less energy.

ELCC – Effective Load Carrying Capacity: ELCC is the additional load met by an incremental generator while maintaining the same level of system reliability. For solar and wind resources, the ELCC is the amount of capacity that can be counted for Resource Adequacy purposes.

EPIC – Electric Program Investment Charge: The EPIC program was created by the CPUC to support investments in clean energy technologies that provide benefits to the electricity ratepayers of Pacific Gas and Electric (PG&E), San Diego Gas & Electric Company (SDG&E) and Southern California Edison Company (SCE).

ERRA – Energy Resource Recovery Account: ERRA proceedings are used to determine fuel and purchased power costs that can be recovered in rates. The utilities do not earn a rate of return on these costs and recover only actual costs. The costs are forecast for the year ahead. If the actual costs are lower than forecast, then the utility gives money back, and vice versa.

ES – Energy Storage: Energy Storage is the capture of energy produced at one time for use at a later time to reduce imbalances between energy demand and energy production.

ESA – Energy Storage Agreement: An ESA refers to a battery services contract, a capacity contract, demand response contract or similar agreement.

ESP – Energy Service Provider: An Energy Service Provider is an energy entity that provides service to a retail or end-use customer.

EV – Electric Vehicle: An EV is a vehicle that uses one or more electric motors for propulsion.

FCR – Flexible Capacity Requirements: "Flexible capacity need" is defined as the quantity of resources needed by the CAISO to manage grid reliability during the greatest three-hour continuous ramp in each month. Resources will be considered as "flexible capacity" if they can sustain or increase output or reduce ramping needs during the hours of "flexible need." FCR means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC decisions.

GHG – Greenhouse Gas: Water vapor, carbon dioxide, tropospheric ozone, nitrous oxide, methane and chlorofluorocarbons (CFCs) are gases that cause the atmosphere to trap heat radiating from the earth. The most common GHG is carbon dioxide.

GRC – General Rate Case: General Rate Cases are proceedings used to address the costs of operating and maintaining the utility system and the allocation of those costs among customer classes. For California's three large IOUs, the GRCs are parsed into two phases. Phase I of a GRC determines the total amount the utility is authorized to collect, while Phase II determines the share of the cost each customer class is responsible for and the rate schedules for each class. Each large electric utility files a GRC application every three years for review by the Public Advocate's Office and interested parties and for approval by the CPUC.

GTSR – Green Tariff Shared Renewables: The GTSR program enables customers to receive 50 to 100 percent of their electricity demand from renewable sources. The GTSR program has two components: the Green Tariff (GT) component and the Enhanced Community Renewables (ECR) component. Through GT, a customer may pay the difference between their current generation charge and the cost of procuring 50 to 100 percent renewables. With ECR, a customer agrees to purchase a share of a community renewable (typically solar) project directly from a developer and in exchange will receive a credit from their utility for the customer's avoided generation procurement.

GWh – Gigawatt-hour: This is the unit of energy equal to that expended in one hour at a rate of one billion watts. One GWh equals 1,000 megawatt-hours.

ICA – Integration Capacity Analysis: The enhanced integrated capacity and locational net benefit analysis quantify the capability of the system to integrate Distributed Energy Resources (DERs) within the distribution system. Results are dependent on the most limiting element of the various power system criteria such as thermal ratings, power quality, system protection limits and safety standards of existing equipment.

IDER – Integrated Distributed Energy Resources: A CPUC proceeding that aims to more effectively coordinate the integration of demand-side resources in order to better meet customer and grid needs, while enabling California to attain its greenhouse gas reduction goals.

IDSM – Integrated Demand-Side Management: This is an approach that joins together all the resources utilities have at their disposal to plan, generate and supply electricity in the most efficient manner possible.

IEPA – Independent Energy Producers Association: IEPA is California's oldest and leading nonprofit trade association, representing the interest of developers and operators of independent energy facilities and independent power marketers.

IMD – Independent Marketing Division: Under state law, IOUs are prohibited from lobbying or marketing on community choice unless the IOU forms an independent marketing division funded by shareholders rather than ratepayers. SDG&E and its parent company Sempra were permitted by the CPUC to create such an independent marketing division, which allowed SDG&E to lobby against plans to create a CCA program.

IOU – Investor-Owned Utility: An IOU is a private electricity and natural gas provider, such as SDG&E, PG&E or SCE, which are the three largest IOUs in California.

IRP – Integrated Resource Plan: An Integrated Resource Plan outlines an electric utility's resource needs in order to meet expected electricity demand long-term.

kW – Kilowatt: This is a measure of power where power (watts) = voltage (volts) x amperage (amps) and 1 kW = 1,000 watts.

kWh – Kilowatt-hour: This is a measure of consumption. It is the amount of electricity that is used over some period of time, typically a one-month period for billing purposes. Customers are charged a rate per kWh of electricity used.

LCE – Lancaster Choice Energy: LCE is the CCA that serves the City of Lancaster, California.

LCFS – Low Carbon Fuel Standard: This is a CARB program designed to encourage the use of cleaner low-carbon fuels in California, encourage the production of those fuels and, therefore, reduce greenhouse gas emissions.

LCR – Local (RA) Capacity Requirements: This is the amount of Resource Adequacy capacity required to be demonstrated in a specific location or zone.

LMP – Locational Marginal Price: Each generator unit and load pocket is assigned a node in the CAISO optimization model. The model will assign a LMP to the node in both the day-ahead and real-time market as it balances the system using the least cost. The LMP is composed of three components: the marginal cost of energy, congestion and losses. The LMP is used to financially settle transactions in the CAISO.

LNBA – Locational Net Benefits Analysis: This is a cost-benefit analysis of distributed resources that incorporates location-specific net benefits to the electric grid.

Load: Load refers to an end-use device or customer that receives power from an energy delivery system. Load should not be confused with Demand, which is the measure of power that a load receives or requires. See Demand.

LSE – Load-serving Entity: Load-serving Entities have been granted authority by state, local law or regulation to serve their own load directly through wholesale energy purchases and have chosen to exercise that authority.

LTPP – Long-Term Procurement Rulemaking: This is an "umbrella" proceeding to consider, in an integrated fashion, all of the CPUC's electric procurement policies and Programs.

MCE – Marin Clean Energy: MCE was the first CCA in California and began serving customers in 2010. It serves customers in Contra Costa, Marin, Napa and Solano counties in Northern California.

MEO – Marketing Education and Outreach: This is a term generally used to describe various strategies to inform customers, such as to motivate consumers to take action on energy efficiency or conservation measures and change their behavior.

MW – Megawatt: A megawatt hour (Mwh) is equal to 1,000 Kilowatt hours (Kwh) or 1,000 kilowatts of electricity used continuously for one hour.

MWH – Megawatt-hour: This is a measure of energy.

NAESCO – National Association of Energy Service Companies: NAESCO is an advocacy and accreditation organization for energy service companies (ESCOs). Energy service companies contract with private and public-sector energy users to provide cost-effective energy efficiency retrofits across a wide spectrum of client facilities.

NBC – Non-Bypassable Charge: Non-Bypassable Charges are fees that are paid on every kilowatt-hour of electricity that is consumed from the grid. These charges can be used to fund things like energy assistance programs for low-income households and energy efficiency programs. These charges apply even if customers buy grid-supplied power from an outside power company such as a CCA.

NDA – Non-Disclosure Agreement: An NDA is a contract by which one or more parties agree not to disclose confidential information that they have shared with each other.

NEM – Net Energy Metering: NEM is a program in which solar customers receive credit for excess electricity generated by solar panels.

NRDC – Natural Resources Defense Council: NRDC is a nonprofit international environmental advocacy group.

NP-15 – North Path 15: NP-15 is a CAISO pricing zone usually used to approximate wholesale electricity prices in Northern California in PG&E's service territory.

OIR – Order Instituting Rulemaking: An OIR is a procedural document that is issued by the CPUC to start a formal proceeding. A draft OIR is issued for comment by interested parties and made final by vote of the five commissioners of the CPUC.

OSC – Order to Show Cause: OSC is an order requiring an individual or entity to explain, justify or prove something.

ORA – Office of Ratepayer Advocates: The ORA is an independent consumer advocate within the CPUC, now called the Public Advocates Office.

PA – Program Administrator (for EE Business Plans): IOUs and local government agencies can be authorized to implement CPUC-directed energy efficiency programs.

PCE – Peninsula Clean Energy Authority: PCE is the CCA serving San Mateo County and all 20 of its cities and towns as well as the City of Los Banos.

PCC1 – RPS Portfolio Content Category 1: RPS Portfolio Content Category 1 includes bundled renewables where the energy and Renewable Energy Certificate (REC) are dynamically scheduled into a California Balancing Authority (CBA) such as the CAISO, also known as "in-state" renewables.

PCC2 – RPS Portfolio Content Category 2: RPS Portfolio Content Category 2 includes bundled renewables where the energy and Renewable Energy Certificate (REC) are from out of state and not dynamically scheduled to a CBA.

PCC3 – RPS Portfolio Content Category 3: RPS Portfolio Content Category 3 includes Unbundled Renewable Energy Certificate (REC).

PCIA or "exit fee" – Power Charge Indifference Adjustment: The Power Charge Indifference Adjustment (PCIA) is an "exit fee" based on stranded costs of utility generation set by the California Public Utilities Commission. It is calculated annually and assessed to customers of CCAs and paid to the IOU that lost those customers as a result of the formation of a CCA.

PCL – Power Content Label: The PCL is a user-friendly way of displaying information to California consumers about the energy resources used to generate the electricity they sell, as required by AB 162 (Chapter 313, Statutes of 2009) and SB 1305 (Chapter 796, Statutes of 1997).

PD – Proposed Decision: A PD is a procedural document in a CPUC Rulemaking that is formally commented on by parties to the proceeding. A PD is a precursor to a final decision voted on by the five commissioners of the CPUC.

PG&E – Pacific Gas & Electric: PG&E is the IOU that serves 16 million people over a 70,000-square-mile service area in Northern California.

PHC – Prehearing Conference: A PHC is a CPUC hearing to discuss the scope of a proceeding, among other matters. Interested stakeholders can request party status during these conferences.

Pnode – Pricing Node: In the CAISO optimization model, this is a point where a physical injection or withdrawal of energy is modeled and for which an LMP is calculated.

PPA – Power Purchase Agreement: A PPA is a contract used to purchase the energy, capacity and attributes from a renewable resource project.

PRP – Priority Review Project: These are transportation electrification pilot projects approved by the CPUC pursuant to SB 350 (Chapter 547, Statutes of 2015).

PRRR – Progress on Residential Rate Reform: Pursuant to a CPUC decision, the IOUs must submit to the CPUC and other parties periodic updates on the progress of their efforts to assist customers with residential rate design changes related to rate reform, including tier collapse and transition to a default time of use rate.

PUC – Public Utilities Code: The PUC is a California statute that contains 33 divisions; the range of topics within this code includes natural gas restructuring, private energy producers, telecommunication services, and specific municipal utility districts and transit authorities; the primary statute for governance of utilities as well as CCAs in California.

PURPA – Public Utilities Regulatory Policy Act: The PURPA is a federal statute passed in 1978 by Congress in response to the 1973 energy crisis to encourage fuel diversity via alternative energy sources and to introduce competition into the electric sector. It was intended to promote energy conservation (reduce demand) and promote greater use of domestic energy and renewable energy (increase supply).

RA – Resource Adequacy: Under its Resource Adequacy (RA) program, the California Public Utilities Commission (CPUC) requires load-serving entities — investor-owned utilities, electricity service providers and CCAs — to demonstrate in both monthly and annual filings that they have purchased capacity commitments of no less than 115% of their peak loads.

RAM – Renewables Auction Mechanism: This is a procurement program the investor-owned utilities (IOUs) may use to procure RPS eligible generation. The IOUs may use RAM to satisfy authorized procurement needs, for example, system Resource Adequacy needs, local Resource Adequacy needs, RPS needs, reliability needs, Local Capacity Requirements, Green Tariff Shared Renewables needs and any need arising from commission or legislative mandates.

RE – Renewable Energy: Renewable energy is energy from a source that is not depleted when used, such as wind or solar power.

REC – Renewable Energy Certificate: A REC is the property right to the environmental benefits associated with generating renewable electricity. For instance, homeowners who generate solar electricity are credited with 1 solar REC for every megawatt-hour of electricity they produce. Utilities obligated to fulfill an RPS requirement can purchase these RECs on the open market.

RES-BCT – Renewables Energy Self-Generation Bill Credit Transfer: This program enables local governments and universities to share generation credits from a system located on one government-owned property with billing accounts at other government-owned properties. The system size limit under RES-BCT is 5 MW, and bill credits are applied at the generation-only portion of a customer's retail rate.

RFO – Request for Offers: This is a competitive procurement process used by organizations to solicit the submission of proposals from interested parties in response to a scope of services.

RPS – Renewable Portfolio Standard: RPS is a law that requires California utilities and other load-serving entities (including CCAs) to provide an escalating percentage of California qualified renewable power (culminating at 33% by 2020) in their annual energy portfolio.

SB – Senate Bill: A Senate Bill is a piece of legislation that is introduced in the Senate. In other words, the Senate, rather than the Assembly, is the house of origin in the Legislature for the Legislation.

SBP – Solar Billing Plan: The Solar Billing Plan, also known as the Net Billing Tariff or NEM 3.0, is the new method of compensating customer-sited renewable energy self-generation, intended to promote grid reliability and incentivize solar and battery storage.

SCE – Southern California Edison: SCE is the large IOU that serves the Los Angeles and Orange County area.

SCP – Sonoma Clean Power: SCP is the CCA serving Sonoma County and surrounding areas in Northern California.

SDG&E – San Diego Gas & Electric: SDG&E is the IOU that serves San Diego County and owns the infrastructure that delivers Community Power energy to our customers.

SGIP – Self-Generation Incentive Program: SGIP is a program that provides incentives to support existing, new and emerging distributed energy resources (storage, wind turbines, waste heat to power technologies, etc.).

SUE – Super User Electric: This is an electric surcharge intended to penalize consumers for excessive energy use.

SVCE – Silicon Valley Clean Energy: SVCE is the CCA serving the communities in Santa Clara County.

TCR EPS Protocol – The Climate Registry Electric Power Sector Protocol: This refers to online tools and resources provided by The Climate Registry to assist organizations to measure, report and reduce carbon emissions.

TE – Transportation Electrification: For the transportation sector, electrification means replacing fossil fuels with electricity as the means of powering light-duty vehicles and medium- and heavy-duty trucks and buses. The primary goal is to reduce greenhouse gas (GHG) emissions and, ultimately, contribute to mitigating the effects of climate change on the planet.

Time-of-Use (TOU) Rates: TOU Rates refers to the pricing of delivered electricity based on the estimated cost of electricity during a particular time block. Time-of-use rates are usually divided into three or four time blocks per 24 hour period (on-peak, mid-peak, off-peak and sometimes super off-peak) and by seasons of the year (summer and winter). Real-time pricing differs from TOU rates in that it is based on actual (as opposed to forecasted) prices that may fluctuate many times a day and are weather sensitive, rather than varying with a fixed schedule.

TM – Tree Mortality: This is a term that refers to the death of forest trees and provides a measure of forest health. In the context of energy, as part of the Governor's Tree Mortality Emergency Proclamation, the CPUC is tasked with utilizing its authority to extend contracts and take actions to authorize new contracts on bioenergy facilities that receive feedstock from high hazard zones.

TURN – The Utility Reform Network: TURN is a ratepayer advocacy group charged with ensuring that California IOUs implement just and reasonable rates.

Unbundled RECs: Unbundled RECs are renewable energy certificates that verify a purchase of a MWH unit of renewable power where the actual power and the certificate are "unbundled" and sold to different buyers.

VPP – Virtual Power Plant: A Virtual Power Plant is a cloud-based network that leverages an aggregation of distributed energy resources (DERs) to shift energy demand or provide services to the grid. For example, thousands of EV chargers could charge at a slower speed and hundreds of home batteries could discharge to the grid during a demand peak to significantly reduce the procurement of traditional supply resources.

VAMO – Voluntary Allocation, Market Offer: VAMO is the process for SDG&E to allocate a proportional share of its renewable portfolio to Community Power and other LSEs in the service territory.



12 Budget Resolution

Budget Resolution

RESOLUTION NO. 2025-06

A RESOLUTION OF THE BOARD OF DIRECTORS OF SAN DIEGO COMMUNITY POWER ADOPTING THE FISCAL YEAR 2025-2026 OPERATING BUDGET, THE FISCAL YEAR 2025-2026 CAPITAL BUDGET, AND THE FISCAL YEAR 2026-2030 CAPITAL INVESTMENT PLAN.

A. San Diego Community Power ("Community Power") is a joint powers authority formed pursuant to the Joint Exercise of Powers Act, Cal. Gov. Code § 6500 *et seq.*, California Public Utilities Code § 366.2, and a Joint Powers Agreement effective on October 1, 2019, and amended on December 16, 2021, ("JPA Agreement").

B. The JPA Agreement provides that Community Power's fiscal year ("FY") shall be 12 months commencing each year on July 1 and ending on June 30 the following year.

C. The JPA Agreement further provides that all expenditures shall be made in accordance with the approved budget and upon the approval of any officer so authorized by the Board in accordance with its policies and procedures.

D. The Community Power Board proposes to adopt the FY 2025-2026 Operating Budget and the FY 2025-2026 Capital Budget, attached hereto as Exhibit A.

E. The SDCP Board further proposes to adopt the FY 2026-2030 Capital Investment Plan that provides comprehensive five-year plan for Community Power's capital investment expenditures, attached hereto as Exhibit B.

F. The FY 2025-2026 Operating Budget, FY 2025-2026 Capital Budget, and the FY 2026-2030 Capital Investment Plan, are based on the reasonable and necessary costs incurred by Community Power to operate and provide electric services, programs, and other offerings to Community Power customers; that the services, programs, and other offerings are reasonable and necessary; and that the costs have a fair and reasonable relationship to the benefit, privilege, service or product provided to the customer.

FPO

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of San Diego Community Power as follows:

Section 1. The Board of Directors hereby adopts the FY 2025-2026 Operating Budget.

Section 2. The Board of Directors hereby adopts the FY 2025-2026 Capital Budget.

Section 3. The Board of Directors hereby adopts the FY 2026-2030 Capital Investment Plan.

Section 4. The Board of Directors finds that the FY 2025-2026 Operating Budget, FY 2025-2026 Capital Budget, and the FY 2026-2030 Capital Investment Plan, are based on the reasonable and necessary costs incurred by Community Power to operate and provide electric services, programs, and other offerings to Community Power customers; that the services, programs, and other offerings are reasonable and necessary; and that the costs have a fair and reasonable relationship to the benefit, privilege, service or product provided to the customer.

Section 5. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED at a meeting of the Board of Directors of San Diego Community Power held on June 26, 2025.

AYES:	Chair Aguirre, Vice Chair Lawson-Remer, Alternate Director Cazares, Directors Elo-Rivera, Inzunza, San Antonio and Yamane
NOES:	None
ABSTAINED:	None
ABSENT:	None

Paloma Aguirre

Paloma Aguirre, Chair
Board of Directors
San Diego Community Power

ATTEST:

Maricela Hernandez

Maricela Hernandez, MMC, CPMC
Secretary, Board of Directors
San Diego Community Power

APPROVED AS TO FORM:

Veera Tyagi

Veera Tyagi, General Counsel
San Diego Community Power



13 Acknowledgments

Acknowledgments

Finance Department

San Diego Community Power's Finance Department works to maintain a fiscally responsible budget in accordance with Community Power's Budget Policy. The department ensures sufficient funding to meet procurement needs, sustain operational needs and support sustained growth while delivering clean energy to the communities we serve. In addition, the team actively works to build Community Power's reserves and develop policies that consider future economic conditions, provides an understandable and transparent operating budget for internal and external users, strives to keep the Community Power Board, committees and staff informed of Community Power's fiscal condition and develops a budget that will ultimately prioritize people, transparency and our communities.

Board of Directors

Supervisor Terra Lawson-Remer, Chair
Councilmember Ditas Yamane, Vice Chair
Councilmember Sean Elo-Rivera, Director
Councilmember Jack Fisher, Director
Councilmember Michael Inzunza, Director
Councilmember Marco San Antonio, Director
Councilmember Genevieve Suzuki, Director

Finance and Risk Management Committee

Councilmember Ditas Yamane, Chair
Councilmember Genevieve Suzuki, Vice Chair
Councilmember Michael Inzunza, Director

Community Advisory Committee

CHULA VISTA
- Anthony Sclafani
- Alonso Gonzalez

COUNTY OF SAN DIEGO
- Peter Andersen
- Ross Pike

ENCINITAS
- Tara Hammond
- Molly Hintlian

IMPERIAL BEACH
- Vacant
- Kenneth Hoyt

LA MESA
- David Harris
- Shaun Sumner

NATIONAL CITY
- Sorayda Santos
- Larry Emerson

SAN DIEGO
- Luis Montero-Adams
- Matthew Vasilakis

Community Power Executive Team

Karin Burns, Chief Executive Officer
Veera Tyagi, General Counsel
Jack Clark, Chief Operating Officer
Gordon Samuel, Chief Commercial Officer
Jannies Burlingame, Chief Financial Officer and Treasurer

Finance Department

Jannies Burlingame, Chief Financial Officer and Treasurer
Tim Manglicmot, Senior Director of Finance and Risk
Jeb Spengler, Associate Director of Finance and Procurement
William Weisman, Associate Director of Finance
Christopher Stephens, Procurement Manager
Krystal Carranza, Procurement Manager
Diana Gonzalez, Risk Manager
Mark Alfaro, Finance Manager
Christopher Do, Senior Financial Analyst
Michelle Phillips, Senior Financial Analyst
Julissa Mercedes, Financial Analyst
Kevin Bateman, Financial Analyst
Paige Spounias-Flynn, Procurement Analyst
Angad Kapoor, Procurement Analyst



14 Financial Policies Attachment 1

Financial Policies

Budget Policy

Purpose

This policy ("Policy") establishes San Diego Community Power's (SDCP's) timeline for annual budget preparation and for discretionary budget adjustments. This Policy is adopted pursuant to Government Code Section 6508 et seq. and must be adopted or amended by resolution.

Budget Guidelines

On October 1, 2019, the Founding Members of SDCP adopted the Joint Powers Agreement (JPA), which was amended and restated on December 16, 2021. There are several sections of the JPA that guide the development and management of the budget.

- **Section 4.6 Specific Responsibilities of the Board.** 4.6.2 Formulate and adopt an annual budget prior to the commencement of the fiscal year.
- **Section 7.2 Depository.** 7.2.3 All expenditures shall be made in accordance with the approved budget and upon the approval of any officer so authorized by the Board in accordance with its policies and procedures.
- **Section 7.3 Budget and Recovery Costs.** 7.3.1 Budget. The initial budget shall be approved by the Board. The Board may revise the budget from time to time as may be reasonably necessary to address contingencies and unexpected expenses. All subsequent budgets of SDCP shall be prepared and approved by the Board in accordance with its fiscal management policies that should include a deadline for approval. Section 4.6.2 of the JPA specifies that the SDCP Board of Directors (Board) shall adopt an annual budget with a fiscal year that runs from July 1 to June 30.

Budget Preparation

The Chief Financial Officer (CFO) begins the annual budget process in February of any given year. The Finance department develops initial revenue and expense estimates and updates its short-term financial plan. In March and April, SDCP staff develop and refine budget proposals to develop an initial budget baseline for the Agency for the upcoming budget year. The budget is further refined through strategic planning sessions and through the SDCP Finance and Risk Committee. The CFO shall then prepare and submit to the CEO (who further submits to the Board) a draft proposed budget for the next following fiscal year in May, or no later than the second month immediately preceding the start of the respective fiscal year. The budget shall be in alignment with established goals and shall reflect all activities including operating programs, revenues, and expenditures. The budget shall be approved by the Board at a public meeting in June, or no later than the month immediately preceding the start of the respective fiscal year.

CEO and CFO Authority

CEO and CFO Authority: The Chief Executive Officer (CEO) or CFO will have the discretion to authorize expense transfers from line items between and within SDCP's Budget Level 2 categories as established and approved in the annual budget process by the SDCP Board, provided that net transfers total $150,000 or less from the budget category. For example, within the Professional Services and Consultants Budget Level 2 category, the CFO may authorize that $150,000 move from the Data Management to the Technical Support Budget Level 3 categories, provided that the total Professional Services and Consultants budget level 2 category remains the same.

FIGURE 58. EXAMPLE: EXPENSE TRANSFERS WITHIN BUDGET LEVEL 2 CATEGORIES

Professional Services and Consultants	FY23 Original Budget	FY23 Amended Budget	Change
Data Management	$10,541,810	$10,391,810	$(150,000)
Legal/Regulatory	$1,330,000	$1,330,000	$ -
Other Services	$1,111,000	$1,111,000	$ -
SDG&E Fees	$2,563,226	$2,563,226	$ -
Technical Support	$1,335,000	$1,485,000	$150,000
Total Professional Services Expenses	**$16,881,036**	**$16,881,036**	**$ -**

Additionally, for example, the CEO may authorize that $150,000 move from the Professional Services and Consultants to the General Administration Budget Level 2 categories.

FIGURE 59. EXAMPLE: EXPENSE TRANSFERS BETWEEN BUDGET LEVEL 2 CATEGORIES

Budget Level 2	FY23 Original Budget	FY23 Amended Budget	Change
Cost of Energy	$661,638,828	$661,638,828	$ -
General and Administration	$2,591,363	$2,741,363	$150,000
Marketing and Outreach	$4,164,167	$4,164,167	$ -
Personnel Costs	$7,951,499	$7,951,499	$ -
Professional Services and Consultants	$16,881,036	$16,731,036	$(150,000)
Programs	$1,395,000	$1,395,000	$ -
Debt Service	$1,314,922	$1,314,922	$ -
Total Budget Level 2	**$695,936,815**	**$695,936,815**	**$ -**

The CEO, under his or her discretion, may still require approval of the Board for any budget changes that may fall under the discretion of the Policy. Amendments to the annual budget as approved by the Board will reset the original appropriation (revenue or expense) for the fiscal year for the purposes of the Policy.

Balanced Budget

A balanced budget shall exist when the total projected revenues are greater than or equal to the total projected expenses. Total revenues shall include all revenues from retail and wholesale sales of electricity. Total expenses shall include all operating expenses, program expenses, and contributions to reserve funds. Any year-end surplus will be used to maintain reserve levels. Any decrease in revenues and or increase in expenditures that causes the budget to become imbalanced will require an amended budget. The CFO shall prepare a proposed amended budget and submit it to the Board for approval.

Financial Reserves Policy

Purpose and Scope

San Diego Community Power ("Community Power" or "agency") will maintain Financial Reserves (Reserves) as described in this policy.

Definitions

- **Days cash on hand:** Unrestricted cash, cash equivalents, and investments unencumbered by legal agreements and not earmarked for specific purposes x 365 / (budgeted operating expenses for the current fiscal year)
- **Reserves:** Unrestricted cash, cash equivalents, and investments unencumbered by legal agreements and not earmarked for specific purposes. Any Reserves that are designated by the Board of Directors as Rate Stabilization Reserves are included in the total Reserves calculation and reserve thresholds.
- **Reserve Event:** An occurrence that necessitates the use of Reserves to preserve Community Power's financial stability or to address risk factors. Reserve Events may include, but are not limited to:
    - Volatility in energy costs, market price benchmarks, and energy sales (load)
    - An increase in uncollectable customer accounts due to an unforeseen event
    - Need to stabilize customer rates
    - Ensuring sufficient working capital, including funding for strategic capital projects
    - Covering unanticipated expenditures
- **Rate Stabilization Reserves:** A type of reserve intended to provide budget stabilization for the organization while mitigating financial impacts and cost of energy to customers due to cyclical cost of energy fluctuations. It is intended to reduce rate shocks while maintaining compliance with financial covenants.

Policy

A. Reserves Balance Thresholds

Community Power's Reserves policy establishes three key thresholds:

Minimum Reserve Balance: Community Power will strive to ensure a minimum reserve balance sufficient to cover at least 180 days cash on hand. This minimum level provides the agency with the ability to meet essential obligations and maintain financial stability.

Target Reserve Balance: Community Power will strive to maintain a target reserve balance sufficient to cover at least 225 days cash on hand. The Target Reserve Balance provides sufficient reserves for typical fluctuations in market volatility. This target level ensures the agency's ability to absorb unexpected cost increases or revenue shortfalls without immediate negative impacts on operations, credit rating, or customer rates.

Maximum Reserve Balance: Community Power will strive to build reserves sufficient to cover no more than 270 days cash on hand, unless specifically authorized by the Board. The Maximum Reserve Balance provides sufficient reserves for significant fluctuations in market volatility or unforeseen circumstances.

B. Purpose and Intent of Reserves Balance Thresholds:

The Board shall determine the contribution to Reserves at least annually, with the goal of maintaining balances between the Target Reserve Balance and Maximum Reserve Balance. However, to the extent fiscal year end reserves fall between the Minimum and Maximum Reserve Balances, no immediate Board action is required.

If Reserves are below the Minimum Reserve Balance: The Board should ensure that Reserves do not drop below the Minimum Reserve Balance unless determined by the Board to be necessary to address a Reserve Event. The Minimum Reserves Balance is essential to maintain operational requirements and credit worthiness by providing reserves sufficient to meet basic threats of risk.

Should Community Power's Reserves fall below the Minimum Reserve Balance, a plan to restore Reserves to the Minimum Reserve Balance shall be included in subsequent budget and rate discussions to return to the Minimum Reserve Balance as soon as practicable.

If Reserves are above the Maximum Reserve Balance: If Fiscal Year End Reserves are above the Maximum Reserve Balance, the Board may evaluate opportunities for strategic investments, programmatic reserves, or other purposes as authorized by the Board.

C. Permissible Use of Reserves:

- The Board may authorize the use of Reserves for any Reserve Event.
- The Board may authorize the use of Reserves between the Target Reserve Balance and Maximum Reserve Balance to be designated as Rate Stabilization Reserves. Rate Stabilization Reserves allows Community Power to defer revenues in years of strong financial results for use in future years when

financial results are weaker or stressed. This strategy would enable Community Power to address spikes in energy costs or other variable costs through the use of the Rate Stabilization Reserves and mitigating or avoiding substantial rate increases for customers.

D. Permissible Use of Reserves:

- Temporary reductions in Reserves for cash flow purposes to even out the expected peaks or dips in revenues and expenditures are normal cyclical occurrences to be expected during the fiscal year, and do not constitute a use of reserves. Transfers to and from Reserves to account for such temporary cash flow fluctuations is within the discretion of the Chief Financial Officer.
  The Chief Executive Officer ("CEO") will have the discretion to authorize the use of reserves during the fiscal year up to the lesser of 10% of the year's total budgeted costs, or $100 million, for the following purposes:
  1. Cover increases in power supply expenses due to spikes in costs and/or due to higher customer demand;
  2. Meet any margin or collateral posting requirements under energy supply contracts; and
  3. Provide resources to meet emergency expenditures.
- Any use of the reserves under the CEO's authority shall be reported to the Board at the next regularly scheduled meeting.
- Any further use of reserves as necessary or desirable, must be recommended by the CEO to the Board for approval of such use.

D. Reserve Review and Reporting

Reserves and annual contributions will be reviewed on an annual basis as part of Community Power's budget process. Reserves will also be reviewed at the completion of Community Power's annual audit to reconcile the Reserve balance. The results will be reported to the Board as part of the year-end financial report presentation.

E. Excess Reserve Distribution

If Fiscal Year End reserves exceed the Maximum Reserve Balance, the Board may authorize excess reserve distributions at their discretion, including for the following purposes:

- **Strategic Uses:** Use excess funds for capital projects, financing programs, paying down existing debt, rate reductions, or other strategic purposes.
- **Programmatic Reserve:** Use excess funds to establish a contingency for programs and projects. Specifically, this Reserve could fund unforeseen and unexpected needs such as cost overruns, local leveraging or matching for external funds, or other programmatic needs as required.

F. Policy Review

Community Power staff will complete a periodic review of this Financial Reserve Policy.

Rate Stabilization Reserve Policy

Purpose and Scope

San Diego Community Power (Community Power) may maintain a Rate Stabilization Reserve (RSR) as recognized in the Board-adopted Financial Reserves Policy. Any RSR will be maintained and utilized as described in this policy for the intention of providing customer rate stability.

Definitions

- **Reserves:** Unrestricted cash, cash equivalents, and investments unencumbered by legal agreements and not earmarked for specific purposes. Any Reserves that are designated by the Board of Directors as Rate Stabilization Reserves are included in the total Reserves calculation and reserve thresholds.
- **Rate Stabilization Reserves:** A type of reserve intended to provide budget stabilization for the organization while mitigating financial impacts and cost of energy to customers due to cyclical cost of energy fluctuations. It is intended to reduce rate shocks while maintaining compliance with financial covenants.
- **Rate Stability Metrics:** The change in generation rates experienced by customers due to rate changes approved by the Board of Directors, which may be measured as year-over-year rate change or value proposition change. Regular components of rates that fluctuate independently of changes approved by the Board, such as seasonal or time-differentiated rates or changes to delivery rates may be excluded from rate stability metrics.
- **Fiscal Year (FY):** The consecutive twelve-month period of July through June, identified by the calendar year of the latter half (i.e., July 2025 through June 2026 is FY 26), for use in financial planning, or as otherwise established by the Community Power Board pursuant to Section 7.1 of the Joint Powers Agreement.
- **Calendar Year (CY):** The consecutive twelve-month period of January through December, aligned with the calendar, for use in rate-setting.
- **Revenue Transfer:** A financial decision within a strong FY, defined by expected net position, to allocate a portion of revenues to the RSR. In this scenario, the allocation to the RSR is classified as a negative contribution to net position, so that these funds are not recognized as revenue within that FY.
- **Revenue Recognition:** A financial decision within a weak FY, defined by net position or rate stability metrics, to allocate a portion or all of funds in the RSR to revenues. In this scenario, the allocation from the RSR is classified as a positive contribution to net position, so that these funds are recognized as revenue within that FY.

Policy

Objectives

The RSR allows Community Power to defer revenues in strong fiscal years and to withdraw revenues in weak fiscal years, relative to net position, in order to provide rate stability to customers and avoid substantial rate increases. The primary use case of the RSR is to mitigate rate volatility caused by Market Price Benchmark (MPB) and Power Charge Indifference Adjustment (PCIA) rate fluctuations, or for any other purpose, to reduce year-over-year rate changes and/or maintain Community Power's rate competitiveness between rate setting cycles.

Community Power staff will closely monitor reserves and metrics associated with rate stability and affordability to determine appropriate Revenue Transfers and Revenue Recognitions via the RSR during the fiscal year and the rate-setting process.

Target RSR Balance

The Target RSR Balance may be an amount up to or equivalent to 45 Days Cash on Hand, representing the Reserves between the Target Reserve Balance and Maximum Reserve Balance of Community Power's Financial Reserves, as defined in the Financial Reserves Policy. Community Power may reevaluate this Target RSR Balance annually to determine that the RSR is sufficient to cover identified risks and to mitigate rate volatility for customers. Should the balance increase above the amount equivalent to 45 Days Cash on Hand, the Community Power Board may authorize adjustment to the balance consistent with the Financial Reserves Policy.

Accounting

The RSR is accounted for under Government Accounting Standards Board Statements 62 which codify deferred outflows and inflows of resources. The balance of the RSR, including annual Revenue Transfers and Recognitions, will be recorded on the statement of net position in Community Power's Statement of Revenues.

Trigger Mechanism: Revenue Transfers should be considered during fiscal years with positive net position, in which reserves are above the Target Reserve Balance as defined by the Financial Reserves Policy. Revenue Recognitions should be considered during fiscal years with an expected negative net position, or during the rate-setting process to mitigate substantial rate increases for customers. The impacts on financial or bank covenants and other appropriate financial metrics should also be a factor in the decision-making process. Community Power staff shall strive to not negatively impact the agency's financial standing via decisions related to the RSR.

Replenishment Mechanism: When Revenue Recognition decisions from the RSR are approved, Community Power staff must also present a plan to replenish the RSR within 2-4 years by the next regularly scheduled Board meeting, if feasible. Revenue Transfers and Recognitions may be made within the same fiscal year, provided that all other criteria are met.

Reporting and Authorization

The Chief Executive Officer (CEO) will have the discretion to authorize Revenue Transfer and Recognition decisions related to the RSR during the fiscal year. Any Recognition of the RSR during a fiscal year must be recommended by the CEO to the Board for approval of such use, subject to appropriation approved by the Board.

Revenue Transfer and Recognition decisions will be reported to the Board of Directors by Community Power staff at the next regularly scheduled meeting. The year-end financial report presentation to the Board will also include an update on the status of the RSR.

Policy Review

Community Power will complete a periodic review of this Rate Stabilization Reserve Policy and recommend updates to the Board, as appropriate.

Miscellaneous

Nothing in this policy shall supersede any provisions established or updated via Community Power's Financial Reserves Policy and Rate Development Policy.

Non-Energy Procurement Policy

Purpose

It is in the interest of San Diego Community Power ("Community Power") to establish procurement practices that facilitate efficient business operations and provide fair compensation and local workforce opportunities, whenever possible, within a framework of high quality and competitive service offerings.
This Non-Energy Procurement Policy ("Policy") shall not apply to energy procurement or transactions governed by the Energy Risk Management Policy as enacted, adopted or revised from time to time by Community Power's Board of Directors ("Board").

Policy

1. Procurement of Professional Services

Community Power may contract for professional services, which are services that require expertise and knowledge, including but not limited to consultant, legal, or design services, in its sole discretion. Community Power shall procure professional services in compliance with this Policy. Community Power shall endeavor to secure the highest quality professional services available and is not required to award a contract for services to the lowest-cost proposer.

2. Procurement of General Services

Community Power may contract for general services, which are services that are not professional services, including but not limited to cleaning or maintenance services, in its sole discretion. Community Power shall procure general services in compliance with this Policy. Although Community Power shall not be required to award a contract to the lowest-cost proposer, Community Power shall seek to procure general services at the lowest costs.

3. Procurement of Goods

Community Power shall procure goods, including but not limited to supplies, materials, furnishings, software or equipment, in compliance with this Policy. Although Community Power shall not be required to award a contract to the lowest-cost proposer, Community Power shall seek to procure goods at the lowest costs. Community Power is encouraged to jointly procure goods with other governmental agencies to obtain the lowest cost when possible.

4. Procurement of Public Works Projects

Community Power shall comply with California Public Contract Code Section 20160 et seq. and other applicable laws and regulations when procuring public projects in excess of $5,000. For purposes of this section, a "public project" shall have the same meaning as defined in Public Contract Code Section 20160, and includes, among other things, projects for the erection, improvement, painting, or repair of public buildings and works.

5. Competitive Procurement Requirements

a. **Contracts Exceeding $150,000.** One of the following methods shall be used for anticipated goods and/or services with an aggregate contract value exceeding $150,000 over the entire duration of the contract:

   i. **Request for Proposals ("RFP"):** An RFP is typically used to procure technical, complex and unique services, and/or when the requirements are qualitative rather than quantitative. A RFP tends to be used when creative or innovative approaches are needed or when Community Power is looking for a customized solution to a problem. An RFP will include, at a minimum, a requirements statement or statement of work; experience, expertise, or qualification criteria; and an evaluation criteria for which a proposal will be evaluated. Proposals will be required to include a detailed explanation of Proposer's approach, detailed work plans, solutions, or methods, and price/budget, as applicable. All RFPs shall, at a minimum, be posted on Community Power's website.

   i. **Request for Qualifications ("RFQ"):** An RFQ is typically used to procure goods and/or services when Community Power needs to establish a pool of pre-qualified providers ("PQPs"). The RFQ process is typically used to determine a proposer's capability to perform specified services and meet stipulated requirements. The RFQ will specify the areas of expertise, experience, or knowledge that Community Power seeks, and, if applicable, the process for a proposer to become a pre-qualified provider in those specified areas. PQPs are then eligible to propose and compete in subsequent task order solicitations when defined scopes of work are identified by Community Power. Subsequent task order solicitations will include scope of work, experience, expertise or qualifications, and evaluation criteria for which proposals will be evaluated against.

   i. Additionally, the RFQ method can be used to award contracts for services that include scopes of work to be authorized on an as-needed basis. All RFQs shall, at a minimum, be posted on Community Power's website.

b. Contracts between $10,000 and $150,000. For anticipated goods and/or services with an aggregate contract value between $10,000 and $150,000 over the entire duration of the contract. Community Power shall obtain written quotes or bids from at least three providers, if feasible. Each quote or bid shall include the provider's name, address, phone number, professional license number (if applicable), a description of the work to be performed, and the proposed cost. Public advertising is not required for these solicitations.

6. Non-Competitive Procurement

a. Contracts Less than $10,000. For anticipated goods and/or services with an aggregate contract value of less than $10,000 over the entire duration of the contract, no competitive procurement is required, but staff is directed to seek the lowest cost goods and the highest quality services available. This process shall not be used when it is reasonably foreseeable that additional goods and/or services are anticipated from the same vendor would exceed the $10,000 threshold in the aggregate, in which case competitive procurement shall be used.

b. Legal Services. No competitive procurement is required for legal services.

c. Rent or Lease of Office Space. No competitive procurement is required to rent or lease office space.

d. Contracting with a Government Agency. No competitive procurement is required for goods and/or services provided by another governmental agency, provided that such agency's procurement is in compliance with California law.

e. Emergencies. In the event of an emergency, the Chief Executive Officer ("CEO") may suspend the normal purchasing and procurement requirements for goods and/or services related to abatement of the impacts or effects of the emergency. "Emergency" for purposes of this Policy means a situation creating an imminent danger to life or property or other material financial loss that calls for immediate action with inadequate time for a competitive procurement.

7. Sole-Source

The Board or the CEO, as applicable, after consultation with the General Counsel, may waive the competitive procurement requirements in this Policy and procure goods and/or services from a sole source, based upon written documentation justifying a sole-source award as described below, and as allowed by applicable law.

a. Written justification for a sole-source award must demonstrate that:

i. The desired goods and/or services are available from only the sole source based upon one or more of the following reasons: (a) The unique experience and capabilities of the sole source; (b) The project involves the use of proprietary technology from sole source; or (c) The sole source has ownership of key assets required for project performance; or

i. Other circumstances exist which in the determination of the Board or the CEO, as applicable, require such waiver in the best interests of Community Power. Such circumstances may include, but are not limited to: (a) Projects involving cost sharing by multiple sponsors; (b) Time extension of an existing sole source agreement; or (c) Projects requiring compatibility with existing specialized equipment.

b. The following are not permissible justification for sole source:

i. Personal preference for product or vendor;

ii. Cost, vendor performance or local service (the latter may be considered an award factor in competitive procurements);

iii. Features that exceed the minimum requirements for the goods and/or services; or

iv. The length of time needed to conduct a competitive procurement is inconvenient.

8. Additional Authorized Procurement Methods

a. Cooperative Procurement. Cooperative Procurement refers to the combining of requirements of two or more government agencies to leverage the benefits of volume purchases, delivery and supply chain advantages, best practices, the reduction of administrative time and expenses, or some combination thereof. Community Power may use Cooperative Procurement when the use of it enhances operational efficiencies and demonstrates potential cost savings for Community Power, including transaction costs.

b. Piggyback Procurement. Piggyback Procurement is a type of Cooperative Procurement, and it refers to a government agency's use of an existing competitively awarded contract from another government agency to form its own contract directly with that vendor to purchase goods and/or services on the same or similar terms. Community Power may use Piggyback Procurement when such a procurement enhances operational efficiencies and demonstrates potential cost savings for Community Power, including transaction costs.

9. RFP/RFQ Proposal Evaluation

a. Responses received through an RFP or RFQ shall be subject to a set of criteria and a scoring system, reviewed and evaluated by relevant Community Power staff and an evaluation committee selected by the CEO or, at the discretion of the Board, members of a designated Board committee. Responses received shall be evaluated based on competency to perform the scope of work, best fit, price competitiveness, and other additional criteria pursuant to Community Power's Inclusive and Sustainable Workforce Policy. The preferences below may not apply to procurements conducted jointly with other public agencies, and shall not apply when prohibited by state or federal statutes or regulations that require award to the lowest responsible bidder. Proposers may only pursue two of the four preferences.

   i. Businesses with office(s) located in San Diego County and include at least 25% San Diego County residents under their employment shall receive a bonus of up to 5 points or 5% out of a 100-point scoring system in competitive solicitations. To receive the preference, a proposer must submit written information relating to the location of its office(s) in San Diego County and the percentage of San Diego County residents under its employment.

   ii. Businesses certified as disabled veteran business enterprises by the Supplier Clearinghouse (thesupplierclearinghouse.com) shall receive a bonus of up to 5 points or 5% out of a 100-point scoring system in competitive solicitations. To receive the preference, a proposer must submit proof of current, valid certification by the Supplier Clearinghouse. Such proof shall be subject to verification by Community Power.

   i. Businesses certified as a Persons with Disabilities business enterprise by the Supplier Clearinghouse or Disability:IN shall receive a bonus of up to 5% or 5 points out of a 100 point scoring system in competitive solicitations. To receive the preference, a proposer must submit proof of current, valid certification by the Supplier Clearinghouse or Disability:IN. Such proof shall be subject to verification by Community Power.

   i. Businesses certified as small business by the Department of General Services shall receive a bonus of up to 5% or 5 points out of a 100-point scoring system in competitive solicitations. To receive the preference, a proposer must submit proof of current, valid certification by the Department of General Services. Such proof shall be subject to verification by Community Power.

b. Community Power is committed to the highest standards of responsible behavior and integrity in all of its business relationships. Community Power will consider an organization's business practices, environmental record, and commitment to fair employment practices and compensation in its procurement decisions.

10. Amendments.

a. For non-Board-approved contracts with an original value less than $10,000, amendments may be authorized to increase the aggregate contract value up to $10,000.

b. For non-Board-approved contracts with an original value between $10,000 and $150,000 that were procured in accordance with Section 5 of this Policy, amendments may be authorized to increase the aggregate contract value up to $150,000.

c. For Board-approved contracts, amendments may be authorized to increase the aggregate contract value by up to an additional $150,000 or 10% of the original contract value, whichever is greater, without Board approval. Amendments exceeding these values shall require Board approval. The contract amendments shall be reported at the next regular Board meeting.

11. General Provisions.

The provisions below shall apply to all methods of procurement described above.

a. All awards resulting from solicitations conducted in accordance with this Policy shall be documented in a written agreement. Execution of such agreements shall be effectuated in accordance with Community Power's Delegated Authority Policy.

b. The Board may, consistent with applicable law, waive one or more purchasing procedures in this Policy in its sole discretion.

c. The Board designates the CEO as Community Power's purchasing agent. As the purchasing agent for Community Power, the CEO is hereby authorized on behalf of Community Power to (i) purchase Goods; (ii) rent furnishings and equipment; (iii) contract for Services, Professional Services, or Legal Services, or (iv) procure Public Works projects, as provided herein. The CEO may further delegate this authority in the CEO's discretion.

d. The CEO, at their discretion, may direct Community Power to use competitive procurement for anticipated

goods and/or services with an aggregate contract value of $150,000 or less for a contract term.

e. When procuring goods and/or services utilizing state or federal funds (e.g., grant or loan funds), Community Power shall comply with all state and federal project requirements in securing any goods or services necessary. If there is a conflict between the foregoing, the more restrictive requirements shall apply.

f. Community Power shall not be required to award a contract to purchase goods or services from the lowest responsible bidder, unless required by California law.

g. A contract shall not split purchases into more than one purchase in order to avoid the Competitive Procurement Requirements in this Policy. If it is reasonably foreseeable that similar goods and/or services are anticipated from a vendor that would have an aggregate value of $10,000 or more, the competitive procurement requirements of this Policy shall apply.

h. No Community Power officer or employee shall accept, directly or indirectly, any gift, rebate, money or anything of value from any person or entity if such gift, rebate, money or anything of value is intended to reward or be an inducement for conducting business, placing orders with, or otherwise using the officer's or employee's position to secure a contract with Community Power.

12. Protests

a. Protest Regarding Solicitation – an interested party that is an actual or prospective proposer with a direct economic interest in the procurement may submit a protest in writing relating to the form or content of a solicitation to Community Power's Procurement Manager at least five (5) business days before the deadline to submit proposals.

b. Protest Regarding Award of Contract – a proposer may submit a protest in writing regarding the award of a contract to Community Power's Procurement Manager no later than five (5) business days after proposer receives notification of non-award.

c. Protest Contents – For the protest to be valid, it must: clearly identify the procurement action being protested; specify, in detail, the factual and legal grounds for the protest, including identifying the specific provisions of the solicitation, rules, regulations or laws upon which the protest is based; include all relevant, supporting documentation with the protest at the time of filing; identify the specific relief requested; and include the name, mailing, address, telephone number and email address of the person representing the protester. Any matters not set forth in the protest shall be deemed waived.

d. Community Power Review – upon receipt of a valid and timely protest, Community Power will investigate the protest and will provide a written response to the protester within a reasonable time. If necessary, the CEO at their sole discretion may extend the deadline to submit proposals to allow for a reasonable time to review the protest. The CEO at their sole discretion may elect to withhold contract execution until the protest is resolved or denied, or proceed with contract execution while the review is pending. If the protest is upheld, the CEO will consider all circumstances surrounding the procurement in their decision for a fair and reasonable remedy, including the degree of prejudice to the protester or to the integrity of the competitive procurement process, the urgency of the procurement, the extent of performance if the contract has already been executed, the cost to Community Power, and the impact of the proposed remedy. The remedy may include, but is not limited to, reissuance of the solicitation, revised evaluation of the proposals, or termination of the contract.

e. Exclusive Remedy – The procedure set forth in this Policy is mandatory. Failure by a protester to comply with the procedure for protests will constitute a waiver of any right to pursue the protest, including the filing of a claim under the relevant Government Code section or initiating legal proceedings. In no event will a protest be considered if all proposals are rejected or no contract is awarded. If Community Power determines that the protest is frivolous, the protester may be deemed ineligible for future contract awards.

13. Nondiscrimination Contract Clause

Each Community Power contract and subcontract shall contain a nondiscrimination clause that reads substantially as follows:

"Contractor shall not discriminate on the basis of race, gender, gender expression, gender identity, religion, national origin, ethnicity, sexual orientation, age, or disability in the solicitation, selection, hiring, or treatment of subcontractors, vendors, or suppliers. Contractor shall provide equal opportunity for subcontractors to participate in subcontracting opportunities."

14. Information on Supplier Diversity

Public Utilities Code Section 366.2(m) requires certain community choice aggregators, including Community Power, to annually submit to the California Public Utilities Commission (CPUC): (1) a detailed and verifiable plan for increasing procurement from small, local, and diverse business enterprises; and (2) a report regarding its procurement from women, minority, disabled veteran, and LGBT business enterprises. General Order 156 (GO 156), adopted by the CPUC, requires

certain California public utilities to engage in outreach activities and meet specific procurement goals from women, minority, disabled veteran, persons with disabilities, and LGBT business enterprises. Qualified businesses become GO 156 certified through the CPUC and are then added to the GO 156 Supplier Clearinghouse database (www.thesupplierclearinghouse.com). To assist Community Power with its reporting obligations under Public Utilities Code Section 366.2(m) and with evaluating its supplier outreach and other activities, proposers that are awarded the contract will be asked to voluntarily disclose their certification status with the CPUC Clearinghouse, as well as their efforts to work with diverse business enterprises, including WBEs, MBEs, DVBEs, and LGBTBEs. Except as otherwise expressly provided under this Policy and/or required by applicable state or federal law or funding requirements (including, without limitation, any grant or loan conditions), Community Power shall not use any demographic information received from potential vendors in any way as part of its decision-making or selection process. Rather, Community Power will use such information solely for compliance with its reporting obligations to the CPUC and evaluation of Community Power's outreach and other activities consistent with applicable law. Pursuant to Article I, Section 31 of the California Constitution, Community Power shall not discriminate against or give preferential treatment to any individual or group on the basis of race, sex, color, ethnicity, or national origin except as otherwise allowed therein.

15. Signing Authority

Community Power's CEO and designated staff are authorized to execute contracts and related documents in accordance with Community Power's Delegated Contract and Signature Authority Policy, as enacted, adopted or revised from time to time by the Board.

16. Review and Approval as to Form by General Counsel

All Community Power agreements must be approved as to the form and content by the General Counsel or his/her designee prior to signature by any authorized individual.

Debt Policy

Purpose

This Debt Policy ("Policy") establishes San Diego Community Power's ("SDCP") Debt Policy. The Policy articulates: (1) the situations and steps necessary for the issuance of debt; (2) the types of debt that may be issued; and (3) how the debt fits into SDCP's capital investment program (CIP), Community Power Plan, integrated resource plan, or strategic policy goals.
This Policy is adopted pursuant to Senate Bill 1029 (Hertzberg, 2016) and Government Code Section 8855 et seq. and must be adopted or amended by resolution. The SDCP Board of Directors ("Board") is required to adopt a formal Debt Policy before any debt can be used.

Background

The SDCP Board adopts budgets and establishes and adjusts rates, as appropriate, each fiscal year to provide sufficient revenues to pay all operating expenses, make required payments and comply with commitments on all other debts or financial obligations of the Agency.
SDCP is committed to long-term financial planning, maintaining appropriate reserve levels, and employing prudent practices in governance, management, and budget administration. The SDCP Board further adopted its Strategic Plan on June 23, 2022, which included the goal to adopt financial controls and policies to meet or exceed best practices and manage risk.
SDCP utilizes financial policies that foster financial stability, support fiscal discipline, and enable SDCP to maintain strong investment-grade credit ratings.
This Policy confirms the commitment of the SDCP Board, management, staff, advisors and other decision makers to adhere to sound financial management practices, including full and timely repayment of all borrowings, allowing continuing ready access to the capital markets to achieve the most effective cost of capital within prudent risk parameters. The goals and objectives of this Policy are as follows:

- Maintain cost-effective access to capital markets
- Maintain a prudent level of financial risk
- Preserve future financial flexibility
- Finance capital projects, acquisitions, or improvements in a timely and cost-effective manner
- Manage debt effectively within SDCP Board established objectives and parameters
- Maintain strong credit ratings and good investor relations
- Maintain compliance with all relevant laws, reporting, and disclosure requirements
- Foster integrity in the debt management process

Further, this Policy is intended to comply with the regulatory requirements of California Government Code Section 8855 and Senate Bill 1029 which, among many things, requires debt issuers to adopt a local debt policy governing the issuance of debt and to enhance the management of government financial resources.

Scope and Authority

This Policy shall govern the issuance and management of all bonds and other forms of indebtedness of SDCP, together with any credit, liquidity, or other security instruments and agreements that may be executed in connection with the issuance of bonds and other forms of indebtedness ("bonds" or "debt"). It also considers certain financial targets which SDCP and its Board may contemplate in the future in order to continue to implement its capital investment program and to support cost-effective borrowing.

While this Policy specifically governs debt issued directly by SDCP, SDCP may consider joint arrangements with other municipal issuers or private parties to finance a project when it serves SDCP's policy objectives. SDCP is authorized to join together with other municipal agencies to create a separate entity, such as a joint powers authority, to issue debt on behalf of SDCP or the project participants. Typically, joint venture debt is repaid through revenues generated by the project, and SDCP will be liable only for its share of debt service, as specified in a contract executed in connection with the joint venture debt. If the potential for a joint venture does exist, SDCP will examine and negotiate the financial arrangements, obligations, liabilities, tax issues and other factors that may arise in the context of impacts on SDCP and its direct debt obligations using this Policy and financial best practices as guidance. SDCP will comply with state law limitations and in general, avoid joint procurement situations if SDCP lends it credit or enhances the credit of another entity, unless doing so will result in other net tangible benefits to SDCP. Further, as with all SDCP debt, any joint venture debt would be subject to evaluation and authorization of the Board.

While adherence to this Policy is generally required, it is recognized that changes in the capital markets, SDCP programs and other unforeseen circumstances may from time to time produce situations that are not covered by the Policy and will require modifications or exceptions to best achieve policy goals. In these cases, management flexibility is appropriate, provided specific authorization from the SDCP Board is obtained.

This Policy shall be reviewed at least annually as described below and presented to the SCDP Board for approval of any changes as appropriate. This Policy will remain in effect as amended or restated in the future by the Board.
Notwithstanding anything in this Policy to the contrary, the failure of SDCP to comply with any provisions of this Policy

shall not affect the authorization, validity, or enforceability of any debt or other forms of indebtedness that are otherwise issued in accordance with law.

Use of Debt

To achieve its objectives, SDCP may consider debt financing for the construction, acquisition, rehabilitation, replacement, or expansion of physical assets, including real and personal property, equipment, furnishings, and improvements. Debt may also be issued for other Board-approved needs or for the refunding of prior outstanding debt.

For example, SDCP may consider the use of debt to finance ownership interest in generating or storage assets if it is determined to be a cost-effective alternative to a standard power purchase agreement or if asset ownership may afford synergies between SDCP'S other objectives (e.g., resiliency, GHG free energy, etc.) or additional measurable advantages in terms of operational efficiency.

SDCP, under the direction of the Board, will retain full flexibility in determining the best funding approach on a case-by-case basis.

Types of Debt

Types of bond issuance, further described in the Appendix, include:

- **New Money:** Debt may be incurred to provide for capital financing for future capital expenditures or reimbursement of prior expenditures.
- **Refunding:** Refunding bonds may be issued to realize debt service savings, restructure outstanding debt, modify covenants, or for other debt management purposes. Absent significant non-economic factors, refunding transactions contemplated solely for debt service savings must produce a minimum aggregate net present value debt service savings of at least 3% of the par value of the refunded bonds, calculated using the refunding issue's true interest cost ("TIC") as the discount rate. SDCP will work with its Municipal Advisor ("MA") to assess potential refunding opportunities.

Bonds may be issued as taxable or federally tax-exempt:

- **Tax-Exempt:** Interest received by bondholders of SDCP's bonds issued on a federally tax- exempt basis is exempt from federal income tax, and so typically may be issued at lower interest rates, reducing SDCP's cost of borrowing. Additional interest rate advantages may be available for bank qualified bonds (where SDCP will issue less than $10 million of tax- exempt bonds in a year). However, SDCP is limited by federal tax law in the uses of tax- exempt bond proceeds and must comply with additional federal tax law requirements during the full term of any bond issue. Uses of proceeds typically require a governmental purpose and must be spent on capital improvements rather than operating expenses. Tax implications include having reasonable expectations for spending proceeds at the time of issuance, limiting private use of financed projects, and complying with arbitrage restrictions on the bond proceeds.
- **Taxable:** Taxable debt's interest is not exempt from federal income tax, and so is typically issued at higher interest rates than tax-exempt debt. However, the IRS restrictions described above do not apply, and so SDCP may wish to use taxable debt in situations where the project or purpose of borrowing may not meet federal tax law requirements. SDCP may also consider taxable tax credit or direct subsidy bonds, such as Clean Renewable Energy Bonds, Qualified Energy Conservation Bonds, etc., that offer lower costs of borrowing to SDCP through the issuance of taxable debt that is supported by federal subsidy payments on the interest expense to SDCP.

Method of Sale

SDCP may choose to issue bonds using either a competitive or negotiated sale process. SDCP may also sell bonds by means of a private placement or direct sale with a financial institution or other accredited investor when this method is expected to result in cost savings or provide other advantages compared to a traditional public offering. SDCP staff will work with its Municipal Advisor to determine the most appropriate method of sale for each issuance. Please see the Appendix for a detailed description of the different methods of sale that SDCP may consider.

Structure and Term

The repayment schedule of a bond issue can vary greatly from one sale to another. The same is true for other debt instruments. SDCP will consider which structures meet SDCP's strategic goals, are cost effective, minimize the new debt's impact on SDCP's overall debt service schedule, future debt capacity, and other factors when deciding how to structure new debt. In addition to debt amortization terms, structuring options may include the addition and procurement of credit enhancement, the establishment of reserves, the use of capitalized interest, and call or redemption options.

In structuring debt service, SDCP shall consider (1) current and forecasted revenues and any anticipated changes to rates, charges and operating expenses, (2) future borrowing plans, (3) meeting the Credit Considerations described in the next section, and (4) feedback from the Municipal Advisor and rating agencies on a structure's potential impacts to SDCP's credit worthiness. Generally, but not a requirement under

this Policy, SDCP prefers level debt service over time. SDCP, consistent with tax law, will not structure debt with a maturity date that materially exceeds the average useful life of the assets or improvements being financed.

Green Bonds

To the extent possible, SDCP bond issuances shall be green bonds. A green bond is a type of fixed-income instrument that is specifically earmarked to raise money for climate and environmental projects. These bonds are typically asset-linked and backed by the issuing entity's balance sheet, so they usually carry the same credit rating as their issuers' other debt obligations.

Credit Considerations

When SDCP issues debt, the Agency will have to execute certain bond documentation and agreements (herein generally referred to as 'indentures') that will bind SDCP to specific terms or requirements. Generally speaking, SDCP will agree to abide by certain covenants written in the indenture which describes in detail the obligations and responsibilities of SDCP and the rights of the bondholders which are designed to protect bondholders by setting standards by which SDCP agrees to comply. These types of covenants may require SDCP to meet certain requirements or, conversely, may forbid SDCP from undertaking certain activities that would jeopardize SDCP's ability to repay its debt. An indenture defines SDCP's contractual obligations and determines the parameters of SDCP's permissible financial behavior.

The incorporation of effective bond covenants into SDCP's future bond issues and respective documentation signal a commitment to abide by stated financial and operating parameters over the long-term and contribute towards SDCP's ability to maintain strong financial health. Credit ratings are ultimately statements about the likelihood of full and timely debt repayment. Because bond covenants govern an issuer's ongoing financial behavior, the analysis of bond/indenture covenants and their impact on the risk profile of a bond is an integral part of the credit rating process.

Credit ratings are fundamentally forward-looking opinions on the relative default risk associated with a particular issuer and its debt obligations. Credit ratings have a significant impact on the interest rates for SDCP debt, and therefore SDCP will work to address the cost and benefits of obtaining and maintaining strong credit ratings. Depending on the lien structure of the debt, some, or all, of the following factors may be included in its bond documentation in order to obtain and maintain strong credit ratings that would broaden the appeal of and lower the cost of debt issued by SDCP.

- **Debt Service Coverage Ratio:** The ability of an agency to pay debt service (i.e. principal and interest on debt obligations) when due is often measured by how much cash flow is available, after payment of operating expenses, to cover debt service payments (Debt Service Coverage Ratio). Debt Service Coverage Ratio is a common financial metric used in the utility industry and is used by the rating agencies and investors to determine the ability of a utility to fulfill its debt obligations and ensure that the utility generates sufficient revenues to make its debt secure. SDCP's future indentures will likely require cash flow in excess of debt service, or a Debt Service Coverage Ratio greater than 1.0x. Many public agencies target a Debt Service Coverage Ratio in its financial and debt policies higher than the minimum required by its indenture to improve debt ratings and lower their costs of borrowing. Should SDCP establish a minimum Debt Service Coverage Ratio in its future indentures, the Board may consider establishing a target ratio in this Policy that is higher than the legal minimum. Note, that a failure by SDCP to meet a target ratio proposed in this Policy will not result in a default under the indenture so long as the minimum Debt Service Coverage Ratio is achieved.
- **Rate Covenant:** A rate covenant is a promise to set rates or fees at levels that are set to recover sufficient revenues at a designated threshold level to cover operating expenses and debt service payments. This designated threshold level is the same as the Debt Service Coverage Ratio discussed previously. SDCP may develop one or more rate covenants in order to measure and govern operating performance. As noted, future indentures may establish minimum levels of coverage and SDCP's Board-adopted financial policies may establish internal goals that exceed these minimum coverage requirements.
- **Additional Bonds Test:** If SDCP were to issue bonds or other debt obligations, the indentures governing those obligations may have covenants that stipulate whether SDCP may sell additional bonds in the future that share that same pledged revenue stream as security. SDCP may develop conditions or standards in its indentures that describe the parameters whereby SDCP could issue additional bonds (referred to as an "additional bonds test"). This test is intended to ensure that future bond issuance does not reduce bondholder security by placing too high a burden on the revenue stream. The additional bonds test may require that SDCP demonstrate that it has sufficient revenues to meet or exceed the designated Debt Service Coverage Ratio before additional bonds can be issued.

While the specific formulation of the Additional Bonds Test may vary depending on the type of bonds being contemplated, the SDCP will utilize an Additional Bonds which establishes a limitation on new issuances such that the pledged revenues are no less than one and a half times (1.5x) the maximum annual principal and interest and debt service for the aggregate outstanding senior lien bonds including the debt service for the new issuance.

The Agency will also seek to maintain aggregate annual debt service on long- term debt at a level not-to-exceed 5% of the Agency's annual total operating expenses. The actual terms and conditions specific to each debt issue will be controlled by the applicable documents.

- **Reserves:** SDCP may maintain reserves including those in compliance with GASB 62 such as the adopted Operating Reserve Fund to act as a rate stabilization fund that can help mitigate the impacts of revenue variability. Depending on whether or not SDCP incorporates a rate stabilization fund reserve into its indentures, this reserve may be used to help meet Debt Service Coverage Ratio requirements during times of revenue shortfalls. This fund can be a valuable tool to manage and mitigate the risk related to any Debt Service Coverage Ratio requirements included in future indentures and to address revenue and rate volatility. There are other reserves that the Board may consider adopting in the future that, for example, may be utilized for paying debt service, for funding specific capital projects, or for emergency purposes etc.
- **Additional Ratio Targets:** In the future the Board will continue to monitor this Policy and will establish enhancements to further strengthen the financial ratios and targets of SDCP. For example, while not a ratio included in Indenture covenants, another ratio that can help measure SDCP's financial health and tion is the ratio of debt-funded capital to overall capital spending (i.e., debt to pay-go spending). Prudent use of debt financing rather than pay-go funding of capital projects can facilitate better allocation of resources over time and ensure payment equity across generations for the use of long-term assets.

Financing Team and Professional Services

SDCP will assemble a financing team that will provide advice and support for the development and implementation of debt issuance as well as ongoing analysis and support. The financing team will include both SDCP staff and outside professional consultants. When required by SDCP's procurement policy, SDCP will use a competitive process through a Request for Proposal ("RFP") in the retention of professional consultants. Otherwise, SDCP will adhere to its best practices in contracting to procure such vendors. The professional consultants selected by SDCP could be engaged to help develop a credit strategy, issue debt and/or assist SDCP with its compliance with applicable federal and state statutes, and Internal Revenue Code at the time of issuance as well as on a continuing basis. Please see the Appendix for a detailed description of the outside professional consultants SDCP may include on its financing team.

Debt Administration

The Chief Executive Officer ("CEO"), or designee shall make recommendations on budget, stabilization transfers and rate adjustments. The Chief Financial Officer shall be responsible for the administration and implementation of this Policy and will have day- to-day responsibility for structuring, implementing and managing SDCP's debt program.

Internal Control Procedures

When issuing debt, in addition to complying with the terms of this Policy, SDCP shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post- issuance compliance, and investment of bond proceeds. Please see the Appendix for a detailed description of SDCP's internal control procedures.

Post-Issuance Administration

SDCP will comply with requirements pertaining to initial bond disclosure, continuing disclosure, tax-exemption, post-issuance compliance, and investment of bond proceeds. This includes any continuing disclosure undertakings under Securities and Exchange Commission ("SEC") Rule 15c2-12; tax covenants and related federal tax compliance requirements such as arbitrage restrictions and rebate requirements; and all California State reporting requirements. Please see the Appendix for a detailed description of SDCP's Post-Issuance Compliance Policy and additional information on SDCP's post-compliance procedures.

Training

The Chief Financial Officer shall provide training the members of SDCP staff involved in the tax compliance and the initial or continuing disclosure process in coordination with the CEO, and the SDCP Board regarding their respective responsibilities for disclosure and tax compliance.

The Chief Financial Officer, or designee, shall arrange for periodic disclosure and tax training sessions conducted by SDCP's disclosure counsel or other professionals (e.g., seminars) which shall include education regarding disclosure policies, SDCP's disclosure obligations under applicable federal and state securities and tax laws, and the tax compliance and disclosure responsibilities of SDCP.

Policy Review

In coordination with the CEO, the Chief Financial Officer, or designee, will be responsible for regularly reviewing and updating this Policy, and shall present any recommended revisions to the Board for consideration and adoption.

APPENDIX

Permitted Types of Debt

SDCP may legally issue both short-term and long-term debt, through either a direct loan or through the public market, using the debt instruments described below. SDCP in consultation with its internal Counsel, Bond Counsel and Municipal Advisors, shall determine the most appropriate instrument for a proposed debt offering.

SDCP may issue the following types of tax-exempt or taxable Debt:

- **Long-Term Debt:** Long-term debt generally includes debt issued to finance capital expenditures with the objective of structuring repayment within the expected life of the financed asset. Debt may be used as a tool for rate stabilization as repayment of the debt is spread over the useful life of the financed project. Long-term bonds may bear interest at fixed or variable rates or structured with level debt service payments or otherwise with term maturities. Long-term revenue bonds are a type of debt that may be entered into by SDCP and which may be secured by a lien on the revenues of SDCP. SDCP may also enter into long-term loans with state or federal agencies. These loans typically have fixed interest rates. Government loan programs may offer favorable interest rates and terms, and should be considered as alternatives to market rate debt when available. The use of long-term debt will be evaluated with pay-as-you-go capital investment and would not be expected (absent extraordinary circumstances) to fund non-capital operational expenditures or operating deficits.
- **Short-Term Debt:** Short-term debt generally has a maturity of less than 7 years and may take several forms, including notes, commercial paper, direct bank loans and other short- term products with either fixed or variable rates. Short- term debt products are flexible cash management tools that are primarily used to meet interim funding (pending the issuance of long-term debt). When approving short-term debt products, the Board may limit SDCP's percentage of short-term debt when compared to its long-term debt portfolio taking into account future market access, term-out provisions and retail rate stability.
- **Variable-Rate Debt:** In addition to interim financing, which includes commercial paper and similar short-term borrowing programs, it may be appropriate to issue long-term variable rate debt that bears an interest rate that is reset periodically at predetermined intervals, including entering into revolving credit facilities, to diversify the debt portfolio, to reduce interest costs, and to improve the match of variable rate assets (such as short-term investments and reserves) to liabilities. The amount of variable rate debt will generally not exceed a net 20% after consideration of investments and cash equivalents of the outstanding debt portfolio of SDCP.
- **Refunding Debt:** Refunding bonds may be issued to refinance existing bonds to achieve debt service savings, restructure the type of debt outstanding, modify SDCP's covenants to bondholders, restructure future debt service payments, take advantage of market opportunities, or to reduce exposure to certain counterparties. SDCP will work with its Municipal Advisor (MA) to assess potential savings and determine whether refunding bond issuance is warranted. If refunding bonds are being contemplated solely for debt service savings, the refunding should generally result in a reduction in average annual debt service or provide an overall savings target (net of all costs) set by the Board at the time it approves the financing. This savings target may be adjusted depending on the remaining term of the debt or under circumstances where the number of refunding options is then limited by federal tax law.

SDCP may consider the following types of fixed or variable rate debt:

- Revenue Bonds secured by general revenues or project revenues
- Commercial Paper or other Interim Funding Notes
- Capital Leases
- Certificates of Participation/Lease Revenue Bonds
- Installment Sale or Purchase Agreements Revenue Bonds
- Bond or Grant Anticipation Notes
- Tax and Revenue Anticipation Notes
- State and Federal Loans and Grants
- Direct Bank Loans or Lines of Credit
- Public Private Partnerships

This list is not meant to be inclusive of all options that may be available to SDCP as different circumstances may dictate. SDCP may from time to time find that other types of debt would be beneficial to further its purposes and may approve such debt without an amendment to this Policy.

Method of Sale

SDCP may choose to issue bonds using either a competitive or negotiated sale process. SDCP may also sell bonds by means of a private placement or direct sale with a financial institution or other accredited investor when this method is demonstrated to result in cost savings or provide other advantages relative to a traditional public offering. SDCP staff will work with its Municipal Advisor to determine the most appropriate method of sale for each issuance.

- **Competitive Sale:** SDCP may elect to sell bonds in the public market on a competitive basis depending on market conditions, required size of issuance and relative complexity of structure. The Bonds are marketed to a wide audience of investment banking (underwriting) firms. The underwriter is selected based on its bid for the securities. SDCP will award the sale of the competitively sold bonds on the basis of the lowest true interest cost basis. Pursuant to this policy, The Chief Financial Officer, or designee, is authorized to sign the bid form on behalf of the SDCP fixing the interest rates on bonds sold on a competitive basis.
- **Negotiated Sale:** SDCP may elect to sell bonds in the public market on a negotiated basis depending on market conditions, required size of issuance and relative complexity of structure. SDCP staff selects the underwriter, or team of underwriters, of its securities in advance of the bond sale on the basis of responses to a proposal review. With the assistance of the Municipal Advisor (MA), SDCP staff works with the underwriter to bring the issue to market and negotiates all rates and terms of the sale. In advance of the sale, SDCP staff will determine compensation for and liability of each underwriter employed and the designation rules and priority of orders under which the sale itself will be conducted. Pursuant to this policy, the Chief Financial Officer or designee will be authorized to sign the bond purchase agreement on behalf of SDCP, fixing the interest rates on bonds sold on a negotiated basis.
- **Private placement:** SDCP may elect to issue debt on a private placement basis. Such method shall be considered if it is demonstrated to result in cost savings or provide other advantages relative to other methods of debt issuance, or if it is determined that access to the public market is unavailable and/or timing considerations require that a financing be completed more quickly than required for a competitive or negotiated sale.

Financing Team and Professional Services

SDCP will assemble a financing team that will provide advice and support for the best execution of each debt transaction. The financing team may consist of multiple parties with distinct responsibilities and is generally comprised of both SDCP staff and outside professional consultants. These outside professional consultants may include:

- **Municipal Advisors:** SDCP shall utilize the services of independent MAs in connection with debt-related issuances or projects. SDCP's MA will not serve as an underwriter on negotiated bond sales of SDCP
- **Underwriters:** SDCP will utilize an underwriter in the sale of bonds on a competitive or negotiated basis. An underwriter is a financial services firm that acquires (by purchase) bonds for resale in the public bond markets. For a negotiated sale, SDCP will select an underwriter through a request for proposal process; basing the selection on value for SDCP including capital structure, underwriting capabilities, demonstrated expertise and experience as well as proposed fees. SDCP may also select an underwriting firm to act as placement agent in connection with a private placement of bonds. In a competitive sale, bonds are offered for sale at a designated date and time, and multiple underwriters may submit bids. The bonds are awarded to the underwriter (or group of underwriters) that submit the lowest bid.
- **Disclosure Counsel:** SDCP will endeavor to provide complete and appropriate disclosure of financial and legal condition in the issuance of debt. SDCP will also take steps and adopt policies in order to provide for compliance with continuing disclosure requirements. Disclosure counsel, which may be Bond Counsel, shall be responsible for assisting SDCP in the preparation of the Preliminary and Final Official Statements and any other disclosure documents. SDCP will select, through a request for proposal process, and retain qualified and experienced counsel in achieving this objective of appropriate disclosure.
- **Bond Counsel:** SDCP will retain qualified and experienced legal counsel as representation of SDCP to provide the customary opinions required for the issuance of bonds and other financial obligations. Bond counsel shall be responsible for developing the legal documents required for each transaction and draft and review documentation sufficient to provide approving legal opinions. Bond counsel will render customary approving legal and tax opinions for each transaction.
- **Trustee:** SDCP may select through a request for proposal process the services of a financial institution, acting through its trust division, to act as trustee. The trustee may hold, invest and disburse financing proceeds as directed by SDCP. The trustee will act as registrar as well as the paying agent for SDCP debt. The Chief Financial Officer or designee shall monitor the services rendered by the trustee.

Internal Control Procedures

All debt transactions must be approved by the Board of Directors. The proceeds of bond sales will be invested until used for the intended project(s) in order to maximize utilization of the public funds. The investments will be made consistent with the following guidelines: (1) compliance with federal tax arbitrage requirements, as applicable; (2) safety of principal; (3) liquidity; (4) diversity; and (5) return on investment or yield, and may be held as cash. SDCP's Investment Policy guidelines and bond indentures will govern objectives and criteria for investment of bond proceeds. The Treasurer will oversee the investment of bond proceeds consistent with the foregoing guidelines.

Proceeds of debt will be held either by a third-party trustee or by SDCP. The trustee will disburse bond proceeds to SDCP upon submission of one or more written requisitions signed by an authorized SDCP officer. If the funds are held directly by SDCP, they must be held and accounted for in a separate fund or account, the expenditure of which will be documented by SDCP and subject to established internal controls consistent with SDCP's applicable policies and procedures. These procedures will include, in connection with each requisition or expenditure of proceeds held by SDCP, a written record of the particular capital project or program or other expense to which the funds drawn were applied or allocated.

For bond proceeds that are meant to reimburse SDCP for previous expenditures, SDCP staff will provide documentation that conform to tax requirements and other applicable regulations. To support this certification, staff will analyze capital expenditures and establish that requirements are met before the bond issuance takes place and maintain a written record of such analysis and the amount reimbursed to each particular capital project or program or other expense to which such reimbursed proceeds are to be allocated.

For bond proceeds intended to provide funding for ongoing or upcoming capital expenditures, SDCP staff will monitor the expenditure process. Staff will analyze the use of proceeds on an annual basis or more frequently, if deemed appropriate, until the proceeds are completely spent and will perform monitoring and record-keeping in accordance with SDCP's accounting guidelines and other applicable regulatory requirements.

Refunding bond proceeds are generally held by a third-party trustee or fiscal agent to be applied in connection with written directions generally prepared by bond counsel. SDCP will maintain records of the directions to the trustee, and will review of fund statements and other records received from, the trustee.

Post-Issuance Administration

SDCP will comply with requirements pertaining to initial bond disclosure, continuing disclosure, tax-exemption, post-issuance compliance, and investment of bond proceeds. This includes any continuing disclosure undertakings under SEC Rule 15c2- 12; tax covenants and related federal tax compliance requirements such as arbitrage restrictions and rebate requirements; and all California State reporting requirements.

- **Post-Issuance Compliance Policy:** SDCP will adopt a Post-Issuance Compliance Policy ("PICP") to provide for ongoing monitoring and reporting with respect to compliance with SEC requirements for publicly offered indebtedness and with tax regulations applicable to tax-exempt debt. The PICP will provide for the federal disclosure requirements, responsibility for reporting, training, and describe procedures for compliance with continuing disclosure agreements entered into for each such series of bonds from the date they are issued until the bonds are no longer outstanding. The PICP may be administratively adopted and amended without approval of the Board.
- **Financial Disclosure:** SDCP will comply with applicable deliverable obligations and financial disclosure requirements, as specified in any and all bond and debt- related documents. Staff has developed and will maintain an updated schedule of the requirements in compliance with SDCP's internal record-keeping processes. SDCP will post required documents to the Municipal Securities Rulemaking Board's ("MSRB") Electronic Municipal Market Access ("EMMA") website as required on a timely basis. SDCP, at its discretion, may also post documents voluntarily to EMMA. SDCP will provide financial disclosure to rating agencies, institutional and individual investors, other levels of government, and the general public to share clear, comprehensible, financial information using the appropriate channels/policies/procedures. The Chief Financial Officer is responsible for monitoring the compliance by SDCP of applicable disclosure requirements. SDCP also may contract with an outside service provider to monitor disclosure postings.
- **Tax Compliance:** SDCP will comply with applicable federal arbitrage and rebate regulations related to its bonds and other debt instruments. These responsibilities include monitoring the investment and expenditure of bond proceeds, maintaining a system of record-keeping and reporting and contracting for the services of outside arbitrage consultants as necessary. SDCP will establish and implement post-issuance procedures to guide its compliance with these requirements. The Chief Financial Officer is responsible for monitoring the compliance by

SDCP of applicable tax requirements for debt issued on a tax- exempt basis.

- **Record Keeping:** A copy of all debt-related records shall be retained at SDCP's offices or otherwise electronically. At a minimum, these records shall include all official statements, bid documents, bond documents/ transcripts, indentures, resolutions, trustee statements, leases, and title reports for each financing (to the extent available). The following documents shall be maintained for the term of each issue of bonds (including refunding bonds) plus at least three years:
  - A copy of the bond closing transcript(s) and other relevant documentation delivered to SDCP at or in connection with closing of the issue of bonds;
  - A copy of material documents relating to capital expenditures financed or refinanced by bond proceeds, including (without limitation) construction contracts, purchase orders, invoices, trustee requisitions and payment records, draw requests for bond proceeds and evidence as to the amount and date for each draw down of bond proceeds, as well as documents relating to costs paid or reimbursed with bond proceeds and records identifying the assets or portion of assets that are financed or refinanced with bond proceeds, including a final allocation of bond proceeds;
  - A copy of all contracts and arrangements involving the use of bond-financed or refinanced assets; and
  - A copy of all records of investments, investment agreements, arbitrage reports and underlying documents, including trustee statements, in connection with any investment agreements, and copies of all bidding documents, if any.

Investment Policy

Purpose and Scope

The San Diego Community Power ("Community Power") Investment Policy ("Policy") establishes investment guidelines for protecting Community Power's cash reserves, deposits, and investments (collectively, "Funds") while producing a reasonable rate of return on investments.

This Policy articulates: (1) the objectives and priorities for Community Power investments; (2) the types of investments that are permitted and prohibited; and (3) the controls Community Power will implement to ensure investments are protected.

This Policy is adopted pursuant to California Government Code Section ("Section") 53600-53608 and must be adopted or amended by resolution. The Community Power Board of Directors ("Board") is not required to adopt a formal Investment Policy by statute, however, it is in the best practice to ensure agency assets are protected.

Background

On October 1, 2019, the founding members of Community Power adopted the Joint Powers Agreement (JPA) which was amended and restated on December 16, 2021.

Section 3.2.12 of the JPA specifies that the Board may at its discretion adopt rules, regulations, policies, bylaws and procedures governing the operation of Community Power.

Further, Section 4.5.5 of the JPA states that one of the general purposes of the Board is to set policy.

Section 5.10.2(C) of the JPA states that one of the primary purposes of the Financial and Risk Management Committee (FRMC) is to review and recommend to the Board financial policies and procedures to ensure equitable contributions by parties consistent with a recommendation for Board approval of the Policy herein. Further, this section states the FRMC may have such other responsibilities as may be approved by the Board, including but not limited to, advising the Chief Executive Officer on fiscal and risk management policies and procedures, rules and regulations governing investment of surplus funds, audits to achieve best practices in corporate governance, selection and designation of financial institutions for deposit of Community Power funds, and credit/depository matters.

Investment Objectives

To the extent possible, investments will align with Community Power's mission, vision, value, and goals. When managing Funds, Community Power's primary objectives shall be to (1) safeguard the principal of the Funds, (2) meet the liquidity needs of Community Power, (3) achieve a return on Funds invested, and (4) exercise a high standard of care on Funds within Community Power's control.

1. Safety

Safety of principal is the foremost objective of cash and investment management activities. The investment of Funds shall be undertaken in a manner that seeks to ensure the preservation of principal.

2. Liquidity

The Funds of Community Power shall remain sufficiently liquid to meet all operating needs that may be reasonably anticipated. Since all possible cash demands cannot be anticipated, the investment of Funds in deposits or instruments that are available on demand is recommended.

3. Return on Investments

Community Power's deposit and investment portfolio shall be designed with the objective of attaining a market rate of return throughout the economic cycle while considering investment risk and liquidity constraints. The return on deposits and investments is of secondary importance compared to the safety and liquidity objectives described in Investment Objectives, Section (1) and Investment Objectives, Section (2), above.

4. Standard of Care

Community Power will manage the Funds in accordance with the "Prudent Investor Standard" pursuant to California Government Code Section 53600.31[1] as follows:

> "All governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling or managing public funds, a trustee shall act with care, skill, prudence and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

[1] *All further statutory references are to the California Government Code unless otherwise stated.*

Delegation of Authority

Pursuant to Section 53607, the Board has the authority to delegate the responsibility to manage Community Power's funds to the Treasurer. The Treasurer has authority to appoint Deputy Treasurer(s) as the Treasurer deems necessary to carry out the duties in accordance with the Policy.

Community Power may engage the services from one or more external investment advisers, who are registered under the Investment Advisers Act of 1940, to assist in the management of Community Power's investment portfolio in a manner consistent with Community Power's Policy. External investment advisers may be granted discretion to purchase and sell investment securities in accordance with the investment objective set forth in this Policy.

Scope

This Policy applies to all funds and investment under the direct authority of Community Power. This Policy does not apply to the investment of bond proceeds, which would be governed by any applicable bond documents, and any other funds specifically exempted by the Board.

Acceptable Investment Types: To the extent possible, investments will align with Community Power's mission, vision, value, and goals.

1. **Deposits at Bank(s):** Funds may be invested in non-interest-bearing depository accounts to meet Community Power's operating and collateral needs and grant requirements. Funds not needed for these purposes may be invested in interest-bearing depository accounts or Federal Deposit Insurance Corporation (FDIC) insured certificates of deposit with maturities not to exceed five (5) years. Banks eligible to receive deposits will be federally or state chartered and will conform to Section 53635.2 which requires that banks "have received an overall rating of not less than 'satisfactory' in its most recent evaluation by the appropriate federal financial supervisory agency of its record of meeting the credit needs of California's communities, including low- and moderate-income neighborhoods, pursuant to Section 2906 of Title 12 of the United States Code." As per Section 53652, banks must collateralize the deposits of public agencies in an amount equal to no less than 110% of as currently stated in the value of the deposits. The Treasurer will monitor the credit quality of eligible banks holding Community Power deposits that exceed FDIC insurance limits to ensure the safety of Community Power deposits. There are no limits on the dollar amount or percentage that Community Power may invest in collateralized bank deposits.
2. **Local Agency Investment Fund (LAIF):** Funds may be invested in the Local Agency Investment Fund established by the California State Treasurer for the benefit of local agencies. LAIF's investments in instruments prohibited by or not specified in Community Power's policy do not exclude the investment in LAIF itself from Community Power's list of allowable investments, provided LAIF's reports allow the Treasurer to adequately judge the risk inherent in LAIF's portfolio.
3. **US Treasury Obligations:** Funds may be invested in United States Treasury obligations with a term to maturity not exceeding five (5) years and subject to the limitations set forth in Sections 53601 et seq. and 53635 et seq.
4. **Federal Agency Securities:** Funds may be invested in Federal Agency Securities or Government-Sponsored Enterprise (GSE) obligations with a term to maturity not exceeding five (5) years and subject to the limitations set forth in Sections 53601 et seq. and 53635 et seq. No more than 20% of the total portfolio may be invested in callable agency securities and no more than 30% of the total portfolio may be invested in any single Agency/ GSE issuer.
5. **Bankers' Acceptances:** Funds may be invested in Banker's Acceptances provided that they are issued by institutions which have short-term debt obligations rated "A-1" or its equivalent or better by at least one Nationally Recognized Statistical Rating Organization (NRSRO). Not more than 40% of the portfolio may be invested in Bankers' Acceptances, and no more than 5% of the portfolio may be invested in any single issuer. The maximum maturity shall not exceed 180 days.
6. **Negotiable Certificates of Deposit:** Funds may be invested in negotiable certificates of deposit in accordance with the requirements of Section 53601 and 53601.8, and subject to the following limitations:
    a. Issued by an entity as defined in Section 53601(i); and
    b. No more than 30% of the total portfolio shall be invested in certificates of deposit, no more than 5% of the total portfolio may be invested in any single issuer, and the maximum maturity does not exceed 5 years.
7. **Placement Service Deposits:** Funds may be invested in deposits placed with a private sector entity that assists in the placement of deposits with eligible financial institutions located in the United States (Section 53601.8). No more than 30% of the total portfolio may be invested in a combination of qualifying placement service deposits. The full amount of principal and the interest that may be accrued during the maximum term of each deposit shall at all times be insured by federal deposit insurance. Under

a provision sunsetting on January 1, 2031, no more than 50% of the portfolio may be invested in deposits through a placement service. The maximum maturity shall not exceed five (5) years.

8. **Money Market Funds:** Funds may be invested in money market funds pursuant to Section 53601(l)(2) and subject to Section 53601(l)(4). No more than 20% of the portfolio may be invested in the shares of any one Money Market Fund. No more than 20% of the total portfolio may be invested in these securities.

9. **Commercial Paper:** Funds may be invested in commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by an NRSRO. The entity that issues the commercial paper must meet all of the following conditions in either paragraph A or paragraph B below:

    a. The entity meets the following criteria: (i) is organized and operating in the United States as a general corporation, (ii) has total assets in excess of five hundred million dollars ($500,000,000), and (iii) has debt other than commercial paper, if any, that is rated in a rating category of "A" or its equivalent or higher by an NRSRO.
    b. The entity meets the following criteria: (i) is organized within the United States as a special purpose corporation, trust, or limited liability company, (ii) has program-wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond, and (iii) has commercial paper that is rated "A-1" or higher, or the equivalent, by an NRSRO.
        - No more than 10% of the outstanding commercial paper of any single issuer.
        - No more than 25% of Community Power's investment assets under management may be invested in Commercial Paper. Under a provision sunsetting on January 1, 2026, no more than 40% of the total portfolio may be invested in Commercial Paper if Community Power's investment assets under management are greater than $100,000,000.
        - No more than 5% of the total portfolio may be invested in any single issuer. The maximum maturity does not exceed 270 days.

10. **Medium Term Notes (MTN):** The issuer is a corporation organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States (Section 53601 et seq). The securities are rated in a rating category of "A" or its equivalent or better by at least one NRSRO. No more than 30% of the total portfolio may be invested in MTNs, no more than 5% of the total portfolio may be invested in any single issuer and the maximum maturity does not exceed five (5) years.

11. **Pass Thru Securities:** Asset-Backed, Mortgage-Backed, Mortgage Pass-Through Securities, and Collateralized Mortgage Obligations (Section 53601 et seq) from issuers not defined in sections 3 and 4 of the Acceptable Investment Types section of this Policy, provided that, the securities are rated in a rating category of "AA" or its equivalent or better by an NRSRO, no more than 20% of the total portfolio may be invested in these securities, no more than 5% of the total portfolio may be invested in any single Asset-Backed or Commercial Mortgage security issuer and the maximum maturity does not exceed five (5) years.

12. **Municipal Securities:** These include obligations of Community Power, the State of California and any local agency within the State of California (Section 53601). provided that, the securities are rated in a rating category of "A" or its equivalent or better by at least one NRSRO, no more than 5% of the total portfolio may be invested in any single issuer, no more than 30% of the total portfolio may be in Municipal Securities and the maximum maturity does not exceed five (5) years.

13. **Municipal Securities:** Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California (Section 53601). The securities are rated in a rating category of "A" or its equivalent or better by at least one NRSRO, no more than 5% of the total portfolio may be invested in any single issuer, no more than 30% of the total portfolio may be in Municipal Securities and the maximum maturity does not exceed five (5) years.

14. **Supranationals:** Issues are US dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank. (Section 53601). The securities are rated in a rating category of "AA" or its equivalent or better by an NRSRO, no more than 30% of the total portfolio may be invested in these securities, no more than 10% of the total portfolio may be invested in any single issue and the maximum maturity does not exceed five (5) years.

15. **Local Government Investment Pools (LGIPs):** Shares of beneficial interest issued by a Joint Powers Authority (JPA) organized pursuant to California Government Code Section 6509.7 that invest in the securities and obligations authorized in subdivisions (a) to (r), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the JPA. To be eligible under this section, the JPA issuing the shares will have retained an investment adviser who is registered with the SEC (or exempt from registration), has assets under management in excess of five hundred million dollars ($500,000,000), and has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q) of Government Code Section 53601, inclusive.

Prohibited Investment Types

Pursuant to Section 53601.6, Community Power shall not invest Funds in any security that could result in a zero-interest accrual, or less, if held to maturity. These prohibited investments include, but are not limited to, inverse floaters, range notes, or mortgage-derived interest-only strips. The purchase of foreign currency denominated securities is prohibited. The purchase of Crypto Asset Securities is prohibited. The purchase of a security with a forward settlement date exceeding 45 days from the time of the investment is prohibited. Trading securities for the sole purpose of speculating on the future direction of interest rates is prohibited. Purchasing or selling securities on margin is prohibited. The use of reverse repurchase agreements, securities lending or any other form of borrowing or leverage is prohibited. Community Power is prohibited from investing in any company or organization whose business do not align with Community Power's mission, vision, value, and goals.

Investment Portfolio Management

The term to maturity of any Funds invested shall not exceed five (5) years pursuant to Section 53601. The Treasurer will allocate Funds among authorized investments consistent with the objectives and standards of care outlined in this Policy.

Collateralization

Certificates of Deposit (CDs). Community Power shall require any commercial bank or savings and loan association to deposit eligible securities with an agency of a depository approved by the State Banking Department to secure any uninsured portion of a Non-Negotiable Certificate of Deposit. The value of eligible securities as defined pursuant to California Government Code, Section 53651, pledged against a Certificate of Deposit shall be equal to 150% of the face value of the CD if the securities are classified as mortgages and 110% of the face value of the CD for all other classes of security.

Bank Deposits. A bank or financial institution may pledge securities or other deposits for the purpose of securing repayment of deposited funds. Community Power shall require any bank or financial institution to comply with the collateralization criteria defined in California Government Code, Section 53651.

Risk Management and Diversification

Community Power's investment portfolio will be diversified to avoid incurring unreasonable and avoidable risks associated with concentrating investments in specific security types, maturity segment, or in individual financial institutions. No more than 5% of the investment portfolio shall be in securities of any one issuer except for U.S. Treasuries, U.S. Government Agency issues, Supranationals and investment pools such as LAIF and money market funds.

a. **Credit Risk:** Credit risk, defined as the risk of loss due to failure of the insurer of a security, shall be mitigated by investing in those securities with an "A" or above rating and approved in this Policy and by diversifying the investment portfolio so that the failure of any one issuer would not unduly harm Community Power's cash flow.

b. **Market Risk:** Market risk or interest rate risk, defined as the risk of market value fluctuations due to overall changes in the general level of interest rates, shall be mitigated by implementing a short term and long-term investment strategies. It is explicitly recognized herein, however, that in a diversified portfolio, occasional measured losses are inevitable and must be considered within the context of overall investment return.

   The duration of the portfolio will generally be approximately equal to the duration (typically, plus or minus 20%) of a Market Benchmark, an index selected by Community Power based on Community Power's investment objectives, constraints and risk tolerances.

c. **Credit Rating:** This Policy sets forth minimum credit ratings for each type of security. These credit ratings apply to the initial purchase of a security and do not automatically force the sale of a security if the credit ratings of the security fall below the policy limits Minimum credit ratings:

   1. For securities with maturities of 13 months or less, the rating must be in the highest short-term rating category (without regard to qualification of such rating symbol such as "+" or "- ") by at least one NRSRO.
   2. For securities with maturities greater than 13 months, the rating must be "A" or higher by at least one NRSRO.

The monitoring of credit ratings consists of the following procedures:

1. When a credit rating downgrade occurs which results in a rating below the minimum credit requirement, Community Power's Finance Department or external investment adviser will analyze and evaluate the credit rating to determine whether to hold or sell the investment.
2. In the event a security in the Fund receives a credit rating downgrade which results in a rating below the minimum credit rating requirement, Community Power's Treasurer will report the rating change to the Finance and Risk Management Committee in the monthly public report. In the same manner, the Finance and Risk Management Committee will be informed on the decision to hold or sell a downgraded security.
3. The Investment Officials or authorized employees involved in the investment process and external investment advisers shall meet at least quarterly to review and update the approved list of securities and establish credit criteria for each category of security.

To ensure that the Fund maintains the highest overall credit rating with the contracted NRSRO, the asset allocation and portfolio holdings will be provided to the contracted NRSRO on a monthly basis.

Brokers

The Treasurer shall endeavor to complete investment transactions with institutions eligible to transact investment business with Community Power, in accordance with Section 53601.5, including:

a. Institutions licensed by the state as a broker-dealer.

b. Institutions that are members of a federally regulated securities exchange.

c. Primary government dealers as designated by the Federal Reserve Bank and non-primary government dealers.

d. Nationally or state-chartered banks.

e. The Federal Reserve Bank.

f. Direct issuers of securities eligible for purchase.

Broker/dealers shall be approved by the Chief Executive Officer upon recommendation by the Treasurer. Selection of broker/dealers shall be based upon the following criteria: the reputation and financial strength of the company or financial institution, the reputation and expertise of the individuals employed, and pursuant to the requirements of Section 53601.5. The Treasurer shall require any selected broker, brokerage firm, dealer, or securities firm to affirm that it has not, within any 48-consecutive month period, made a political contribution to any member of the Board, or any candidate who may join the Board in an amount exceeding the limitations contained in Rule G-37 of the Municipal Securities Rulemaking Board, the Political Reform Act, including section 84308, or any applicable Community Power Policy, as amended from time to time. The selected broker or dealers shall be provided with and acknowledge receipt of this Policy.

Losses

Losses are acceptable on a sale before maturity and may be taken if required to meet the liquidity needs of Community Power or if the reinvestment proceeds will earn an income flow with a present value higher than the present value of the income flow that would have been generated by the original investment, considering any investment loss or foregoing interest on the original investment.

Delivery and Safekeeping

The delivery and safekeeping of all securities shall be made through a third-party custodian when practical and cost effective as determined by the Treasurer, or a duly appointed Deputy Treasurer, and in accordance with Section 53608. The Treasurer shall review all transaction confirmations for conformity with the original transaction and monitor for excessive trading.

Ethics and Conflict of Interest

The Investment Officials or authorized employees involved in the investment process, shall act as custodians of the public trust and will refrain from personal business activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial decisions. Investment Officials and any external investment advisers acknowledge that all direct Community Power investments are subject to public review and evaluation. Community Power Investment Officials involved in the investment process shall refrain from personal business activity that could create a conflict of interest or the appearance of a conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Community Power Investment Officials shall disclose to General Counsel or designee (i) any material interests in financial institutions with which they conduct business, and (ii) disclose any personal investments with a direct, indirect or beneficial interest totaling $2,000 or more. Investment Officials shall refrain from undertaking any personal investment transactions with the same individual from the external investment adviser with whom business is conducted on behalf of Community Power.

Investment Officials, pursuant with all applicable laws, shall not accept honoraria, gifts, and gratuities from advisers, brokers, dealers, bankers, or other entity with whom Community Power conducts business.

Any external investment adviser contracted by Community Power will comply with Municipal Securities Rulemaking Board Rule G-37 and shall follow the Investment Adviser Fiduciary Standard established by the U.S. Securities and Exchange Commission.

Internal Controls

The Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. Accordingly, the Treasurer shall establish and maintain internal controls that shall address the following points:

a. **Control of Collusion:** Collusion is a situation where two or more employees are working in conjunction to defraud their employer. To achieve a segregation of duties, individuals who authorize investment transactions shall not also record or reconcile said transactions.

b. **Clear Delegation of Authority to Subordinate Staff Members:** Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.

c. **Delivery-Versus-Payment (DVP):** All investment transactions shall be conducted on a delivery-versus-payment basis.

d. **Safekeeping and Custody:** Securities purchased from any bank or dealer, including appropriate collateral (as defined by California Government Code), that are not insured by the FDIC, shall be placed with an independent third party for custodial safekeeping. To protect against potential losses due to failure of individual securities dealers, and to enhance access to securities, interest payments and maturity proceeds, all cash and securities in Community Power's portfolio shall be held in safekeeping in Community Power's name by a third-party custodian, acting as agent for Community Power under the terms of a custody agreement executed by the bank and Community Power. All investment transactions will require a safekeeping receipt or acknowledgment generated from the trade. A monthly report will be received by Community Power from the custodian listing all securities held in safekeeping with current market data and other information. The only exceptions to the foregoing shall be depository accounts and securities purchases made with: (1) local government investment pools; (2) time certificates of deposit, (3) Local Agency Investment Fund, and (4) mutual funds and money market mutual funds, since these securities are not deliverable.

e. **Avoidance of Physical Delivered Bearer Securities:** Book entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Bearer securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with such securities.

f. **Written Confirmation of Telephone Wire Transfers:** Due to the potential for error and improprieties arising from telephone transactions, all telephone transactions should be supported by written or electronic communications and approved by the appropriate person. Community Power will consider entering into a Wire Transfer Agreement with the Lead Bank or Third-Party.

g. **Audits:** Community Power's Funds shall be subject to a process of independent review by its external auditors. Community Power's external auditors shall review the investment portfolio in connection with Community Power's annual audit for compliance with the Policy pursuant to Section 27134. The results of the audit shall be reported to the Treasurer.

Reports

a. **Monthly:** The Treasurer will perform a monthly review of the investment function. Following the commencement of investment transactions, the Treasurer shall submit a monthly report of all investment transactions to the Finance and Risk Management Committee. Investment transactions are defined as the purchase, sale or exchange of securities.

b. **Annually:** The Treasurer will submit an annual report to the Finance and Risk Management Committee within 60 days of the end of a fiscal year providing the following:

   - A list of individual securities by investment type, issuer, credit risk rating, CUSIP number, settlement date of purchase, date of maturity, par value and dollar amount invested on all securities, and the market value and source of the market value information;
   - A statement that the portfolio is in compliance with this Policy and in accordance with Section 53646 or the manner in which the portfolio is not in compliance; and
   - A statement of Community Power's ability to meet anticipated cash requirements for the upcoming 12 months.
   - The Treasurer shall monitor and evaluate the portfolio's performance relative to the chosen market benchmark(s), which will be included in the Treasurer's annual report. The Treasurer shall select an appropriate, readily available index to use as a market benchmark. Benchmarks may change over time based on changes in market conditions or cash flow requirements.

c. **Annual Review:** This Policy will be reviewed annually by the Treasurer. The Board is authorized to approve changes to this Policy following the review of proposed changes by the Finance Risk Management Committee.

Glossary of Investment Terms

ASSET BACKED SECURITIES. Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

BANKERS' ACCEPTANCES. A short-term, negotiable, unconditional, and time draft drawn on and accepted by a bank. It is typically used in trade to finance the purchase and sale of goods.

BENCHMARK. A comparison security or portfolio. A performance benchmark is a partial market index, which reflects the mix of securities allowed under a specific investment policy.

BROKER. A broker brings buyers and sellers together for a transaction for which the broker receives a commission. A broker does not sell securities from his own position.

CALLABLE. A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline, the issuer will likely call its current securities and reissue them at a lower rate of interest.

CERTIFICATE OF DEPOSIT (CD). A time deposit with a specific maturity evidenced by a certificate. Large denomination CDs may be marketable.

CERTIFICATE OF DEPOSIT ACCOUNT REGISTRY SYSTEM (CDARS). A private placement service that allows local agencies to purchase more than $250,000 in CDs from a single financial institution (must be a participating institution of CDARS) while still maintaining FDIC insurance coverage. CDARS is currently the only entity providing this service. CDARS facilitates the trading of deposits between the California institution and other participating institutions in amounts that are less than $250,000 each, so that FDIC coverage is maintained.

COLLATERAL. Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.

COLLATERALIZED MORTGAGE OBLIGATIONS (CMO). Classes of bonds that redistribute the cash flows of mortgage securities (and whole loans) to create securities that have different levels of prepayment risk, as compared to the underlying mortgage securities.

COMMERCIAL PAPER. The short-term unsecured debt of corporations. COUPON. The rate of return at which interest is paid on a bond.

COUPON. The rate of return at which interest is paid on a bond.

CREDIT RISK. The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.

CRYPTO ASSET. Digital assets that use public ledgers over the internet to prove ownership. They use cryptography, peer-to-peer networks and a distributed ledger technology (DLT) – such as blockchain – to create, verify and secure transactions.

CUSIP. Committee on Uniform Securities Identification Procedures. A CUSIP number identifies most financial instruments, including: stocks of all registered U.S. and Canadian companies, commercial paper, and U.S. government and municipal bonds.

DEALER. A dealer acts as a principal in security transactions, selling securities from and buying securities for his own position.

DELIVERY vs. PAYMENT (DVP). A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

DISCOUNT. The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as discount securities. They sell at a discount from par and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons, trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.

DIVERSIFICATION. Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.

DURATION. The weighted average time to maturity of a bond where the weights are the present values of the future cash flows. Duration measures the price sensitivity of a bond to changes in interest rates. (See modified duration).

FEDERAL FUNDS RATE. The rate of interest charged by banks for short-term loans to other banks. The Federal Reserve Bank through open-market operations establishes it.

ISSUER. The entity identified as the counterparty or obligator related to a security trade..

INVERSE FLOATER. A bond or other type of debt whose coupon rate has an inverse relationship to a benchmark rate.

INVESTMENT OFFICIALS. This includes any applicable Community Power staff participating in the investment process; Community Power Treasurer; Community Power Deputy Treasurer(s); and Community Power Board of Directors.

LEVERAGE. Borrowing funds in order to invest in securities that have the potential to pay earnings at a rate higher than the cost of borrowing.

LIQUID. Term for securities that can be converted to cash quickly.

LIQUIDITY. The speed and ease with which an asset can be converted to cash.

LOCAL AGENCY INVESTMENT FUND (LAIF). A voluntary investment fund open to government entities and certain non-profit organizations in California that is managed by the State Treasurer's Office.

LOCAL GOVERNMENT INVESTMENT POOL. Investment pools that range from the State Treasurer's Office Local Agency Investment Fund (LAIF) to county pools, to Joint Powers Authorities (JPAs). These funds are not subject to the same SEC rules applicable to money market mutual funds.

MARGIN. The difference between the market value of a security and the loan a broker makes using that security as collateral.

MARKET RISK. The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.

MARKET VALUE. The price at which a security can be traded.

MATURITY. The final date upon which the principal of a security becomes due and payable.

MEDIUM TERM NOTES. Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts on either a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.

MODIFIED DURATION. The percent change in price for a 100 basis point change in yields. Modified duration is the best single measure of a portfolio's or security's exposure to market risk.

MONEY MARKET. The market in which short-term debt instruments (T-bills, discount notes, commercial paper, and banker's acceptances) are issued and traded.

MORTGAGE-BACKED SECURITY. Debt obligations that represent claims to the cash flows from pools of mortgage loans, most commonly on residential property.

MORTGAGE-DERIVED INTEREST-ONLY STRIPS. A financial product created by separating the interest and principal payments of a mortgage-backed security.

MORTGAGE PASS-THROUGH SECURITIES. A securitized participation in the interest and principal cash flows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

MUNICIPAL SECURITIES. Securities issued by state and local agencies to finance capital and operating expenses.

MUTUAL FUND. An entity which pools the funds of investors and invests those funds in a set of securities which is specifically defined in the fund's prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund's prospectus. For most large, institutional investors, the costs associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.

NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION (NRSRO). A credit rating agency that the Securities and Exchange Commission in the United States uses for regulatory purposes. Credit rating agencies provide assessments of an investment's risk. The issuers of investments, especially debt securities, pay credit rating agencies to provide them with ratings. The three most prominent NRSROs are Fitch, S&P, and Moody's.

NEGOTIABLE CD. A short-term debt instrument that pays interest and is issued by a bank, savings or federal association, state or federal credit union, or state-licensed branch of a foreign bank. Negotiable CDs are traded in a secondary market and are payable upon order to the bearer or initial depositor (investor).

PREMIUM. The difference between the par value of a bond and the cost of the bond, when the cost is above par.

RANGE NOTES. A structured investment where the coupon is linked to the performance of a reference index

REPURCHASE AGREEMENT. Short-term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller's point of view, the same transaction is a reverse repurchase agreement.

SAFEKEEPING. A service to bank customers whereby securities are held by the bank in the customer's name.

SUPRANATIONAL. A Supranational is a multi-national organization whereby member states transcend national boundaries or interests to share in the decision making to promote economic development in the member countries.

TOTAL RATE OF RETURN. A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

U.S. TREASURY OBLIGATIONS. Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk and are the benchmark for interest rates on all other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

TREASURY BILLS. All securities issued with initial maturities of one year or less are issued as discounted instruments and are called Treasury bills. The Treasury currently issues three- and six-month T-bills at regular weekly auctions. It also issues "cash management" bills as needed to smooth out cash flows.

TREASURY NOTES. All securities issued with initial maturities of two to ten years are called Treasury notes and pay interest semi-annually.

TREASURY BONDS. All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

VOLATILITY. The rate at which security prices change with changes in general economic conditions or the general level of interest rates.

YIELD TO MATURITY. The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.

Rate Development Policy

Background

San Diego Community Power (SDCP) advocates for ratepayers by providing a choice of electricity providers and shifting control of local energy decisions from profit-driven, incumbent utility into the hands of residents and businesses located in our service jurisdiction. This creates competition in rates that benefits customers, increased transparency and ensures a better overall customer experience.

Purpose

This policy provides the framework for SDCP's Board of Directors and staff to ensure SDCP's rate design, development and implementation process remains transparent, fiscally responsible and centered on the customer.

As a not-for-profit public agency, SDCP must, at a minimum, set rates to recover costs associated with debt service and the purchase of power and operational costs. It is in the best interest of SDCP and its customers to design and implement rates that meet revenue requirements as well as targeted reserves, while maintaining rate competitiveness, stability and long-term financial viability.

General Criteria

SDCP has established various objectives and priorities that shall be considered as part of SDCP's rate design process. SDCP's rate setting objectives are as follows:

1. **Cost Recovery:** rates must be sufficient to recover all expenses, debt service and other expenditure requirements.
2. **Reserves:** rates must be sufficient to build prudent reserves in line with SDCP's Reserve Policy, which will provide funds to cover unanticipated expenditures, secure favorable terms with vendors, secure a standalone investment-grade credit rating and meet strategic objectives.
3. **Rate Competitiveness and Customer Value:** rates must allow SDCP to successfully compete to retain and attract customers while offering superior electricity service offerings with higher renewable content compared to the incumbent investor-owned utility.
4. **Rate Stability:** rate changes should be minimized to reduce customer bill impacts with a preference for annual rate adjustments. Additionally, a Rate Stabilization Fund may be established and over time sufficiently funded to help mitigate significant swings in rates.
5. **Equity among customers:** rate difference among customers should be justified by differences in usage characteristics and/or cost of service. Additionally, to the extent possible, rates shall be equalized from a value proposition perspective among customers enrolled during different Power Charge Adjustment Indifference (PCIA) Vintage Years.
6. **Rate Structures:** as new rates are developed, emphasis shall be put on rate-design simplicity and comparability as well as overall customer experience. SDCP reserves the right to design pilot rates as reviewed and approved by the Board.
7. **Transparency:** SDCP's Board will review and approve rates at an open and public meeting held in accordance with the Ralph M. Brown Act. SDCP shall post a copy of the adopted rates in both English and Spanish on its website within 14 calendar days of approval or by the rates' effective date, whichever is sooner. SDCP shall also make any rate design documents promptly available upon request under the California Public Records Act.
8. **Cost Shifting:** SDCP shall avoid, to the best of its ability, cost shifting between customer classes.
9. **Cost of Service:** SDCP may explore a cost-of-service model for rate design. Cost-of-service studies are used to determine the total costs incurred by a utility in providing service to its customers and the allocation of those costs through rates back to customer classes. Revenue collected from each customer class then may be compared with that class's cost responsibility to determine the extent to which each class is reimbursing the utility for the costs it incurred in providing service.

SDCP's Rate Setting Timeline

SDG&E's Energy Resource Recovery Account (ERRA) application is usually approved by the CPUC in December, which provides the trajectory of bundled service commodity rates including the above market costs and other fees[1] that will be passed on from SDG&E to all customers. Once the ERRA is approved, SDCP staff shall present proposed rates for the year to the Board in January of each year for review, deliberation and approval to be effective no later than February 15. With ever-changing market developments and regulatory climate, there may be instances where SDCP staff also proposes intra-year changes to rates.

To the greatest extent possible, SDCP's rates will be competitive with SDG&E's rates. With each SDG&E and SDCP rate change, both entities are required to work collaboratively to co-publish and post a Joint Rate Comparison on their respective websites to allow customers to easily see how rates compare.

Implementation of SDCP's Rates

SDCP's rate setting process is and will always be open and transparent to the public. SDCP's Board of Directors, which is composed of a representative from each of its member agencies, will set rates according to agreed-upon strategic goals of SDCP and the cost of service.

Prior to the implementation of new rates, the Board will review and deliberate the proposed rates in a public setting and take comments from the public. Once the Board approves proposed rates, the rates will be published on SDCP's website in advance of their effective date, giving customers time to compare, budget and better understand what to expect on their bills going forward. For more information on SDCP's rates, visit **SDCommunityPower.org/billing-rates/residential-rates** for residential rates or **SDCommunityPower.org/billing-rates/commercial-rates** for commercial rates.

[1] Fees passed on by SDG&E to "departing load" customers such as SDCP include the Power Charge Indifference Adjustment (PCIA) and Franchise Fees. The PCIA is a charge to ensure that both SDG&E customers and those who have left SDG&E service to purchase electricity from other providers pay for the above market costs for electric generation resources that were procured by SDG&E on their behalf. "Above market" refers to expenditures for generation resources that cannot be fully recovered through sales of these resources at current market prices.
The Franchise Fee is a surcharge applied to electricity transported over SDG&E systems that are constructed in public streets and highways. SDG&E collects the surcharge from customers and remits them to the appropriate municipality. The surcharge is charged equally to customers regardless of who provides their electric generation.
The PCIA and the SDG&E commodity portion of the Franchise Fee are included within the generation rate of SDG&E's standard bundled service. In other words, they are paid by all customers, regardless of who provides their electricity generation.

RESOLUTION NO. 2026-10 EXHIBIT B



SAN DIEGO COMMUNITY POWER

Fiscal Year 2027–2031

SAN DIEGO COMMUNITY POWER

Capital Investment Plan (CIP)

Resolution 2026-XX

Proposed June 2026

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How to Use This Book

The San Diego Community Power (Community Power) Fiscal Years (FY) 2027–2031 Capital Investment Plan (CIP) contains agency budgetary and fiscal policy information as well as detailed agency capital investment plans. The adopted Capital Investment Plan is organized into the following sections.

Executive Summary

Includes the Chief Executive Officer's Letter for the CIP and provides a high-level overview of the agency's capital budget and other high-level details on specific projects and their benefits to the community.

Capital Investment Plan Overview

Describes the CIP in brief, including summary tables that reflect the operating transfer into the CIP as well as the list of projects planned for the next five years.

Overview

Provides a high-level overview of Community Power's governance, structure and agency values and priorities.

Strategic Plan

Describes Community Power's strategic planning process and board-adopted strategic goals that provide the foundation for the creation of the CIP.

Community Engagement

Outlines the outreach process to the community that provided feedback and significant input into project and program design.

Investment Types

Includes the 10 investment types, projects and funding segments that will be delivered within the CIP.

Funding Guide

Explains sources that fund the CIP as well as considerations for future potential funding sources that Community Power can leverage to bolster CIP funding amounts.





A Letter from the Chief Executive Officer

San Diego Community Power continues to invest in near-term affordability so we can deliver long-term value for our customers. We are advancing programs, infrastructure and tools that will expand access to clean energy this year and beyond.

Our approach is disciplined to ensure stability and flexible to ensure we remain competitive in an evolving and volatile energy market. We are intentional in how we allocate resources so we can equitably advance toward 100% renewable energy by 2035 through careful planning, testing and scaling investments over time. This phased and data-driven approach allows us to build a portfolio that strengthens reliability and delivers value to the communities we serve.

At the same time, we are building the financial strength necessary to sustain growth. Maintaining strong reserves, managing risk and leveraging innovation are core to our strategy. By combining internal resources with external funding opportunities, we are able to expand the reach and impact of our programs and maximize their benefits.

Many of the investments are intentionally structured to allow Community Power time to evaluate their performance and refine its approach to achieve success. This includes investments in customer pilot programs that encourage adoption among residential and commercial customers. It also includes the implementation of a Distributed Energy Resource Management System (DERMS), which integrates data from customer usage, market conditions and weather patterns to optimize resources and reduce costs.

We continue to grow Solar Battery Savings, our most successful program to date, by funding upfront and ongoing performance incentives for new battery energy storage systems. This supports grid reliability during peak demand and reduces long-term cost pressures while also strengthening the local workforce.

Community Power is also expanding our impact through the San Diego Regional Energy Network (SDREN) and its comprehensive portfolio of 10 new energy efficiency programs that will all be available for enrollment by the end of 2026. In partnership with San Diego County, SDREN provides hands-on assistance, technical support and low- to no-cost installations that help customers reduce their energy use and bills.

As Community Power's impact grows, so will our reach. Community Power is currently the second-largest Community Choice Aggregator in the nation, serving nearly 1 million municipal, business and residential power customers in the cities of San Diego, Chula Vista, Encinitas, Imperial Beach, La Mesa and National City as well as the unincorporated communities in San Diego County. This year, the Coronado City Council voted unanimously to join Community Power. Coronado residents and businesses could begin receiving service as soon as 2028. This growth reflects the trust that local communities place in us to deliver reliable, affordable service.



Looking ahead, our mission is clearly focused on affordability, fiscal resilience and advancing clean energy for all communities. Our strategic investments and careful planning help build a sustainable, adaptable and reliable future that is built to last.

With continued leadership from our Board of Directors, Community Advisory Committee and dedicated staff, Community Power is proud to deliver more affordable energy, strengthen our communities and build a cleaner, more resilient future for the San Diego region.

We thank our community for its continued trust and partnership.



Karin Burns

Chief Executive Officer
San Diego Community Power



01 Capital Investment Plan Overview

Capital Investment Plan Overview

San Diego Community Power developed its first Capital Investment Plan (CIP) for FY 2024–2028 and continues to grow it with the FY 2027–2031 CIP, which contains all the individual capital projects, major equipment purchases and major programs for the agency that are intended to span multiple years. The FY 2026–2027 budget proposes a one-time portion of net operating revenues be transferred to the CIP as a continuing fund in which any unspent funds are kept within that fund and carried forward to the subsequent fiscal year. The figure below also outlines planned expenditures of funds that the Board previously approved, accepted and appropriated.

The CIP includes funding for local development feasibility studies, customer program pilot projects, community grants, a customer education platform and other areas as outlined in the short- and medium-term program areas. Given the number of planning and pilot projects, the Community Power CIP is largely funded by internal funding that allows maximum flexibility in the planning phase with designing programs and projects. This allows the agency to focus on designing based on community and agency needs rather than based on the requirements requested by a funding agency. The planning phase of a program or project also requires less funding when compared with implementation or design and construction. As Community Power builds reserve funds and endeavors to maximize impact, Community Power will leverage the CIP to aggressively pursue external funding from sources such as state and federal agencies.

FIGURE 1. FY 2026–2027 CAPITAL BUDGET*

	Carryforward[1]	FY27 Authorized Budget	FY27 Proposed Appropriation
Operating Transfer In	18.4	-	8.0
Regional Energy Network[2]	-	63.1	-
DAC-GT	0.3	0.3	-
Equitable Building Decarbonization	1.4	-	-
Planning and Studies	0.7	-	-
CIP Revenue	**20.8**	**63.4**	**8.0**

**Amounts displayed in millions of dollars*

[1] The Carryforward amount represents actual financial data through February 28, 2026. Carryforward amounts will be reconciled until the close of fiscal year 2025–2026.

[2] The Regional Energy Network was fully appropriated for $124 million in January 2025 for Calendar Years 2024–2027 and funded programs will be available across SDG&E service territory.

The first year of the CIP is appropriated as part of Community Power's annual budget process and becomes the adopted capital budget for the fiscal year. The subsequent years of the CIP are planned expenses that are subject to Board approval during the annual budget process and are subject to change.

FIGURE 2. FY 2027–2031 CIP PROGRAMS AND PROJECTS*

	Beginning Balance	Expenses	Carryforward[1]	5-Year Budget					
	FY26	FY26	FY26	FY27	FY28	FY29	FY30	FY31	Total
External Funding									
Regional Energy Network	15.9	15.9	-	63.1	51.4	42.0	43.7	45.5	245.7
DAC-GT	0.5	0.2	0.3	0.3	-	-	-	-	0.6
Equitable Building Decarbonization	1.4	-	1.4	-	-	-	-	-	1.4
Planning and Studies	0.7	-	0.7	-	-	-	-	-	0.7
Subtotal	**18.5**	**16.1**	**2.4**	**63.4**	**51.4**	**42.0**	**43.7**	**45.5**	**248.4**
Internal Funding									
Solar Battery Savings	21.9	11.1	10.8	3.5	10.4	8.3	8.5	7.6	49.1
Pilot Programs	2.3	0.5	2.0	2.5	-	-	-	-	4.5
Grants	1.5	0.2	1.3	-	-	-	-	-	1.3
Flexible Load	0.6	0.1	0.5	1.5	-	-	-	-	2.0
IT Projects	3.7	0.5	3.2	0.2	-	-	-	-	3.4
Planning and Studies	0.3	-	0.3	0.3	-	-	-	-	0.6
Application Assistance	0.3	-	0.3	-	0.3	-	-	0.3	0.9
Subtotal	**30.6**	**12.4**	**18.4**	**8.0**	**10.7**	**8.3**	**8.5**	**7.9**	**61.8**
CIP Expense Total	**49.1**	**28.5**	**20.8**	**71.4**	**62.1**	**50.3**	**52.2**	**53.4**	**310.2**

**Amounts displayed in millions of dollars*

[1] The Carryforward amount reviews actual financial data through February 28, 2026 updated April 30. Carryforward amounts will be reconciled at the close of FY 2025–2026.

[2] The Regional Energy Network was fully appropriated for $124M in January 2025 for Calendar Years 2024–2027. It is reflected in this table as anticipated spending by fiscal year.



02 Overview of San Diego Community Power

Overview of San Diego Community Power

Who We Are

San Diego Community Power is a Community Choice Aggregator (CCA) that gives customers an option to power their homes and businesses with significantly higher levels of renewable power at competitive rates. Since 2021, Community Power has grown to serve nearly 1 million residential, business and municipal power customers in the cities of San Diego, Chula Vista, Encinitas, Imperial Beach, La Mesa and National City as well as the unincorporated communities of San Diego County.

Community Power is a not-for-profit public agency that provides affordable clean energy and invests in its local communities to create an equitable and sustainable future for the San Diego region.

Learn more at SDCommunityPower.org.

Our Story

1

FORMATION

With support from local communities, Community Power was established as a Joint Powers Authority by five cities in the San Diego region. Community Power submitted an implementation plan to the California Public Utilities Commission, outlining the intended organizational structure, operations and funding. Once approved, our Board of Directors began meeting regularly, and implementation activities began. In 2020, a sixth municipality, National City, and the County of San Diego elected to join Community Power.

2

ENROLLMENT 2021–2023

Through phased enrollment from 2021 through 2023, Community Power gradually became the official clean energy provider for our member agencies. Customers were automatically enrolled in our service and received two notices before and two notices after enrollment.

3

TODAY

Community Power is now the second-largest CCA in the nation, serving nearly 1 million customers with competitively priced clean energy; we are beginning to offer customer programs and rebates as well as continuing to support San Diego County's energy efficiency goals through the San Diego Regional Energy Network (SDREN).



About Community Choice

San Diego Community Power is one of 25 Community Choice Aggregators (CCAs) that serve a total of more than 15 million customers in California. The first CCA began service in 2010, and 25 CCAs are operating today.

Communities that participate in a CCA work together to purchase clean energy and create local clean energy projects and programs for residents and businesses by pooling, or aggregating, their electricity loads. CCAs work with the investor-owned utility that serves the community to deliver power and maintain the grid. For Community Power, this means partnering with SDG&E.

How It Works



FIGURE 3. CCAS IN CALIFORNIA



CCAs are making good on their commitments to invest in new renewable energy facilities throughout California.

To date, CCAs have contracted for more than 21,000 megawatts (MW) of new clean generation capacity through long-term power purchase agreements (PPAs) with terms of 10 years or more. CCA PPAs equate to:

- More than 21 gigawatts (GW) of new solar, wind, energy storage, geothermal and demand response resources
- Projects totaling more than 9,700 MW that are already operational and serving CCA customers
- Over $48.4 billion committed by CCAs to build and operate clean energy resources
- Support for more than 48,000 construction jobs

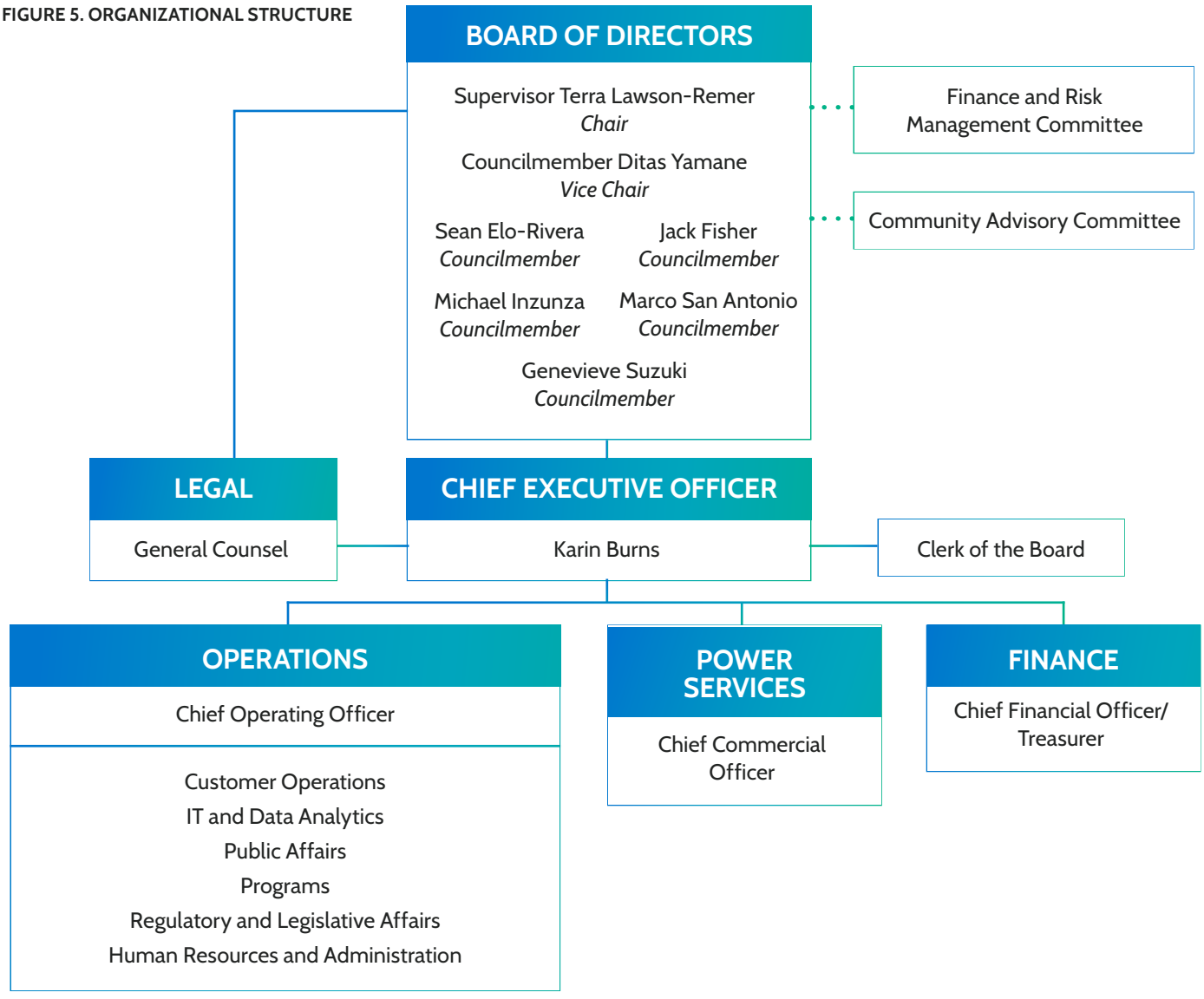
Governance and Structure

In September 2019, the cities of San Diego, Chula Vista, Encinitas, Imperial Beach and La Mesa adopted an ordinance and resolution to form San Diego Community Power, a California Joint Powers Authority (JPA). National City and the County of San Diego voted to join Community Power in 2020. Community Power's Board of Directors is composed of an elected representative from each member jurisdiction, with each member selecting an alternate from the agency they represent. The Board is publicly accountable to Community Power ratepayers and hosts monthly Board meetings, where it establishes policy, sets rates, determines power purchase options and maintains fiscal oversight. As a public agency, Community Power is designed to be fully transparent with all official meetings and information open or available to the public.

FIGURE 4. MEMBER AGENCIES

Organizational Structure

FIGURE 5. ORGANIZATIONAL STRUCTURE





03 Capital Investment Plan

About the CIP

The Community Power Fiscal Year 2027–2031 Capital Investment Plan (CIP) includes 10 investment categories that will receive funding during the five-year period, totaling $310.8 million in investments across San Diego County.

The Proposed FY 2026–2027 operating budget proposes an $8.0 million transfer from operations into the CIP. This transfer is funded by a combination of net operating revenue and non-operating investment income, based on the nature of the project or program being funded. The proposed operating contribution supports the following investments:



$3.5 million, Solar Battery Savings — Community Power's residential Solar Battery Savings Program is designed to help single-family homeowners in Community Power's service territory invest in clean energy and support the grid by installing solar and battery storage in their homes or complement an existing solar system with a new battery system. The program provides two financial incentives for participating customers: an upfront incentive to minimize the initial cost of the battery system and a performance incentive for participating in battery discharges during on-peak dispatch windows to maximize benefits for the customer and the grid.



$2.5 million, Customer Pilot Programs — Pilot programs are small-scale, short-duration projects (6–18 months) that can provide Community Power and stakeholders data on program design, technology acceptance and other information helpful for broader program delivery. Pilot programs support Community Power staff's ability to design and implement programs properly and efficiently. Additionally, pilot programs can cover all customer segments and a variety of technologies or activities, including managed charging for electric vehicles and energy efficiency.



$1.5 million, Distributed Energy Resources Management Systems Software Platform — Central to Community Power's Flexible Load Strategy is the selection and implementation of a Distributed Energy Resource Management System (DERMS). A DERMS is a software platform that incorporates various data points, such as weather, market/price data and customer preferences, to optimize the operation of distributed energy resources (DERs) in support of various grid services. Once operational, this system will allow Community Power to help customers reduce usage during high-cost on-peak periods, while managing portfolio-wide power procurement and resource adequacy costs and risk.



$0.3 million, EV Load Growth Study — The Regional EV Load Analysis will forecast how growing EV adoption can impact electricity demand across Community Power's service territory, including hourly load profiles, adoption scenarios and geographic variation. It will evaluate how different charging behaviors — especially unmanaged vs. managed charging — affect load shape, peak demand and system risks, with a focus on strategies (for example, time-of-use rates or managed charging) that can shift or mitigate EV-related peaks. Overall, the study aims to provide insights that support long-term planning, helping Community Power understand both the risks and opportunities of transportation electrification for load forecasting, Resource Adequacy and program design.

$0.2 million, IT Projects — Focused on Community Power's commitment to fiscal stewardship and operational scaling, this project funds the optimization and expanded rollout of the agency's central Enterprise Resource Planning (ERP) platform. While Phase 1 successfully established core budgeting functionalities, Phase 2 is being considered for strategic rescoping to prioritize immediate agency-wide operational controls and financial efficiencies. Once deployed, this phase will streamline cross-departmental workflows, enhance internal financial controls and automate routine processes. This targeted optimization ensures the finance, non-energy procurement team and broader agency possess the scalable infrastructure required to support expanding community programs and minimize administrative overhead.

This CIP continues Community Power's commitment to plan and finance programs and projects that align with community and organizational priorities. The programs and projects compose a list that gives Community Power the confidence to target a core set of investment types that focus on community needs. It also provides Community Power the flexibility to co-design programs with community partners and to be responsive to external funding opportunities as they emerge.

This plan is not a final or absolute list of funded projects, and projects may not have funding identified. Each funded and partially funded project identifies a potential source of funding, but this does not necessarily indicate that the project has been funded. As design requirements, budgets and priorities change, the planned projects may also move within the plan or drop out entirely.

Likewise, this list is not all-inclusive. Unexpected requirements often require adjustments in the design and execution process. Projects, programs and funding are also subject to Board approval, consistent with the JPA and the agency's internal policies and programs.

CIP Development Process

Community Power will update the CIP annually during its budget development process. Programs and projects are included in the CIP based on community engagement and alignment with Community Power's strategic goals.

The capital budget and the CIP undergo a public outreach process comprising a wide range of stakeholder groups. Additionally, the CIP is a dynamic document intended to be updated regularly as needs shift or fund availability changes. All subsequent updates to the CIP will be brought to the Community Power Board for approval.

FIGURE 6. CIP DEVELOPMENT PROCESS





04 Strategic Planning

San Diego Community Power's budgeting process, including its CIP, is directly informed by its strategic plan — a document co-created by the Board, Community Advisory Committee, executive leadership and staff — that translates community priorities into actionable goals. The Strategic Plan serves as a critical management tool, aligning resources, guiding operational decisions and driving long-term organizational focus across all departments and initiatives.

Community Power is sharpening its focus on delivering long-term value to the communities it serves through affordability, transparency and disciplined growth. The next chapter of the agency's work will be defined by measurable outcomes, including maintaining competitive rates, strengthening financial resilience and advancing a cleaner, more renewable energy portfolio.

Central to this approach is a commitment to aligning fiscal decisions with community priorities. This budget reflects customer expectations, including rate stability, incentives that support grid reliability and continued progress toward sustainable, locally beneficial energy procurement. This is achieved by prioritizing the following items.



Affordability

All decisions are evaluated with a focus on customer impact. Community Power prioritizes competitive rates, minimizes volatility and expands programs that help households and businesses manage energy costs.



Financial Strength and Stability

Maintaining strong reserves, actively managing risk and implementing innovative financial strategies position the agency to navigate market uncertainty while safeguarding long-term affordability and organizational resilience.



Advancement to 100% Renewable Energy

Community Power expands access to clean, renewable energy through a balanced approach that prioritizes reliability and cost stability, supports local project development and ensures the benefits are broadly shared across the communities it serves.



Strategic Infrastructure

As a public agency, Community Power operates with transparency and is guided by public input, ensuring accountability to ratepayers and consistent delivery on commitments.



Local Impact

By reinvesting locally, Community Power strengthens regional economies, supports workforce development and expands access to programs, with a focus on benefiting historically underserved communities.

Core Strategic Goals

1. Fiscal Sustainability

- Maintain fiscal strategies to promote long-term organizational sustainability.
- Execute at least six clean prepayment transactions over the next three years to generate $30 million in annual power cost savings.
- Obtain a public investment-grade credit rating by November 2027.
- Grow reserves by $150 million to maintain 180 days cash on hand by December 2027.
- Build a $70 million Rate Stabilization Reserve to mitigate cost volatility.
- Strengthen financial controls across contracting, risk management and procurement.

2. Energy Portfolio Development

- Provide sufficient, affordable and clean electricity to our customers.
- Achieve 100% renewable energy by 2035 with interim targets of 75% by 2027 and 85% by 2030.
- Support development of 1 gigawatt of new local clean energy capacity by 2035, including 300 MW of infill and distributed energy resources (DERs).
- Ensure reliable and cost-effective compliance with all regulatory requirements.
- Create good-paying local jobs in clean energy sectors.

3. Community Program Delivery

- Implement programs that reduce greenhouse gas emissions, align energy supply and demand, and benefit our diverse communities.
- Deliver 150 MW of local DER capacity (of the 300 MW total goal) by 2035 through programs like Solar Battery Savings.
- Launch all San Diego Regional Energy Network (SDREN) programs in 2026.
- Implement a robust program evaluation framework in 2026.
- Expand external funding for clean energy programs.

4. Legislative and Regulatory Advocacy

- Advance policies that support Community Power's mission and customer goals.
- Educate policymakers and regulators to influence outcomes consistent with our policy platform.
- Support and sponsor legislation aligned with our values and needs.
- Remain an active participant in coalitions such as CalCCA to amplify our voice.
- Strategically pursue public funding aligned with agency goals.

5. Trusted Brand Building

- Build a trusted brand that supports engagement, participation and program success.
- Position Community Power as a collaborative public agency rooted in transparency.
- Grow the Power Network of nonprofit and community-based partners to expand community reach.
- Elevate brand awareness through education and outreach.
- Empower customers to take advantage of savings and services through awareness, education and ongoing communication programs.

6. Customer Care

- Ensure high customer satisfaction and retention.
- Refine rate structures to balance affordability, clean energy and fiscal prudence.
- Resolve SDG&E billing issues and improve customer experience.
- Explore options for a best-in-class customer service model.
- Address arrearages and connect customers to available resources.

7. Organizational Excellence

- Foster an innovative, inclusive and resilient workplace.
- Transition into a learning organization by late 2026 with robust staff development.
- Maintain a high level of employee satisfaction through engagement and continuous feedback.
- Launch a new internship program for local college students by FY 2027.



05 Community Engagement

Community Engagement

Community Engagement Process

San Diego Community Power is a not-for-profit public agency that integrates community engagement directly into its decision-making and views outreach as a core function of governance. Through ongoing dialogue with customers, local leaders and regional partners, the agency ensures its budgeting reflects real-world priorities and evolving community needs. This approach reinforces our commitment to affordability while maintaining strong accountability for how public funds are managed. By grounding financial planning, including the development of the Capital Investment Plan (CIP), in community input, Community Power strengthens organizational stability, supports local economic opportunities and accelerates the transition to cleaner energy while delivering benefits to the communities it serves.

Community Power Plan (CPP)

A key milestone shaping Community Power's customer engagement and investment strategies is the Community Power Plan (CPP), adopted by the Board of Directors on May 25, 2023. The CPP provides strategic direction for customer energy program development over a five-year time frame and is instrumental in guiding CIP investments.

Community Power is committed to designing programs that are community driven, with a particular focus on uplifting Communities of Concern. The CPP was built through extensive outreach and partnership building, helping Community Power strengthen ongoing relationships with residents, community-based organizations and stakeholders across the region. Between May and November 2022, Community Power engaged more than 3,450 community members through listening sessions, workshops, pop-up events and a customer-wide survey — prioritizing equity and reaching harder-to-engage populations. The CPP's foundational community needs assessment shaped both short-term priorities and a longer-term framework for program evaluation and design.

Rather than treating outreach and partnership building as a one-time effort, the CPP established a foundation for ongoing dialogue and partnership between the agency and the communities it serves — a commitment that continues through the CIP, program design and investments. This community-centered approach informs all areas of work, including public meetings, partnerships with local organizations and targeted outreach efforts to ensure clean energy opportunities are accessible, equitable and responsive to community needs.

FIGURE 7. COMMUNITY POWER PLAN COMMUNITY NEEDS ASSESSMENT

ENGAGEMENT METHOD	Estimated Number Engaged
Community-Based Organization Co-hosted Listening Sessions (two rounds)	325
Business, Key Stakeholders and Public Listening Workshops	325
Unincorporated San Diego County Pop-up Events	100
Community Needs Survey	2,980
Total	3,450

Public Meetings and Oversight

Transparency and public oversight are built into Community Power's operations. Consistent with its Rate Development Policy, rate setting occurs in an open, deliberative process led by staff and approved by the Board of Directors at publicly noticed meetings. This ensures the public has direct visibility into and input on decisions that shape costs, programs and long-term strategy.

Board decisions are informed and shaped by a subset of members on the Finance and Risk Management Committee (FRMC). The Community Advisory Committee (CAC) also advises the Board and provides a venue for ongoing citizen support and engagement in Community Power. These regular meetings offer meaningful opportunities for community input on agency decisions.

Customer Information and Transparency

Clear, accessible information is essential in building trust with customers and supporting informed decision-making about service options. Community Power publishes an annual Joint Rate Comparison in coordination with SDG&E that allows customers to easily evaluate pricing. The Power Content Label further reinforces transparency by providing a detailed look at the sources used for each service plan. In addition, Community Power's website serves as a central resource for information, rebates, incentives and self-service tools.

Community Engagement

Staff regularly provide updates to member agencies and their elected bodies on Community Power's performance, priorities and initiatives. Community Power also continues to expand its presence through events, partnerships and targeted outreach to reach a broad and diverse audience.

183 community events

16,000 unique interactions

650,000 impressions

In FY 2025–2026, Community Power participated in 183 community events, resulting in 16,000 unique interactions and nearly 650,000 impressions. These in-person efforts are enhanced by strategic partnerships, sponsorships and targeted media outreach, including an ongoing partnership with CBS 8's "Working for Our Communities" campaign, which highlights available services and opportunities for customers to save money. Regular newsletters also provide subscribers with updates on new initiatives and energy-saving tips.

These efforts create a strong, continuous feedback loop between the agency and the public, strengthening transparency, informing budget decisions and ensuring Community Power remains responsive, accountable and focused on delivering affordable, reliable and increasingly renewable energy solutions.





06 Capital Investment Areas

Capital Investment Areas

Investment Type Overview

Community Power's investment types are designed to deliver measurable value to customers by improving affordability, enhancing reliability and expanding access to clean energy solutions. Each investment reflects the agency's commitment to reinvesting public funds in ways that reduce costs over time, support rate stability and provide direct benefits to the communities it serves.

Guided by the Community Power Plan (CPP) and informed by ongoing community engagement, these investment types represent a coordinated portfolio of customer programs, infrastructure investments, pilot initiatives, planning efforts and enabling technologies. Together, they support near-term customer benefits while advancing long-term system reliability, cost control and sustainability.

Community Power prioritizes disciplined, data-driven investments that can be refined, scaled and aligned with available funding over time. This flexible approach enables the agency to respond to changing market conditions, leverage external funding and incorporate emerging technologies while minimizing financial risk. By focusing on a defined set of high-impact investment types, Community Power ensures resources are used effectively to support long-term financial strength and deliver reliable, affordable and community-driven energy solutions.

Investment Type 1. Application Assistance

FIGURE 8. APPLICATION ASSISTANCE PROJECTS

Project	Scope of Work	Carryforward	FY27
Commercial Application Assistance Program	This initiative aims to support small and large commercial and industrial customers in identifying energy saving solutions and publicly available funding programs that can help meet their needs and goals. The program also provides project management and grant support, if needed.	$250,000	-
Total		**$250,000**	-

Description

Nonresidential Community Power customers may be eligible for energy savings opportunities through existing utility, state and federal funding programs. This program provides key customers in the commercial, industrial, agricultural and public sectors with a no-cost assessment of their business energy needs and identifies available funding opportunities that can support these needs.

Benefits

Simplifying access to third-party energy savings programs reduces administrative burdens for nonresidential customers and streamlines the customer application process. By improving participation in existing programs, this initiative positions Community Power as a strategic partner to our key and priority nonresidential customers. The program brings additional energy resources and investments into the region, which helps retain customers in our service while lowering their utility bills.

Investment Type 2. Disadvantaged Communities Green Tariff

FIGURE 9. DISADVANTAGED COMMUNITIES GREEN TARIFF PROJECTS

Project	Scope of Work	Carryforward	FY27
Disadvantaged Communities Green Tariff (DAC-GT)	Bring the benefits from local solar projects to those who may not be able to install solar on their roofs and offer a 20% bill discount to eligible residential customers in state-defined disadvantaged communities	$299,175	$300,000
Total		**$299,175**	**$300,000**

Description

The California Public Utilities Commission (CPUC) Disadvantaged Communities Green Tariff (DAC-GT) program provides a 20% bill discount to income-qualified residential customers in underresourced communities who may be unable to install solar on their roof. Community Power brands DAC-GT as Solar Advantage in public-facing materials. This investment supports outreach and enrollment through trusted local partners, helping build awareness of Solar Advantage and trust in Community Power among eligible customers in disadvantaged communities. Eligibility is determined by the CPUC, using the "CalEnviroScreen" tool to identify communities that are disproportionately burdened by or vulnerable to multiple sources of pollution.

Benefits

DAC-GT provides equitable bill relief to low-income residents by overcoming ownership, structural, financial and linguistic barriers to clean energy access. The program is externally funded through CPUC-administered sources, allowing Community Power to deliver savings and solar benefits without relying on internal funding.

Investment Type 3. Pilot Programs

FIGURE 10. PILOT PROGRAMS PROJECTS

Project	Scope of Work	Carryforward	FY27
Customer Pilot Programs	Test program concepts and support the implementation of high-impact projects that Community Power may be able to scale with more funding.	$1,772,839	$2,500,000
Clean Energy Asset Feasibility Study	This solar and storage feasibility study will assess the technical, economic and environmental viability of integrating solar generation and/or energy storage into Community Power's service territory. The project involves data collection and review, technical analysis of potential solar locations and grid interconnection, economic modeling to assess costs and savings, environmental impact assessment and development of a preliminary implementation plan with project size, timeline and cost estimates. The final deliverables will include reports on technical feasibility, economic analysis, environmental impact and a preliminary implementation plan.	$225,088	-
Total		**$1,997,927**	**$2,500,000**

Description

Pilot Programs allow Community Power to test targeted energy solutions in real-world conditions before broader deployment. These efforts focus on customer-facing programs and emerging technologies, generating data on participation, performance and cost-effectiveness to inform near-term program expansion.

This investment also supports project-level feasibility work, such as the Clean Energy Asset Feasibility Study, which evaluates the viability of specific local clean energy resources, including solar and energy storage. Unlike broader planning and studies, these analyses are directly tied to potential near-term projects and implementation pathways.

Together, these pilots and feasibility assessments enable Community Power to validate program design and advance investment-ready opportunities that align with community needs and operational priorities.

Benefits

Pilots and feasibility assessments help Community Power advance cost-effective solutions while reducing financial risk. Testing programs at a smaller scale allows the agency to refine design, address participation barriers and confirm performance before expanding investments.

Project-specific feasibility studies complement this work by identifying viable clean energy opportunities and clarifying costs, benefits and implementation considerations. This ensures potential investments are well understood and positioned for efficient execution.

These efforts support more informed decision-making, helping Community Power manage procurement and resource adequacy costs, improve reliability and deliver programs that are both effective and scalable. By validating solutions before broader deployment, this investment type helps protect ratepayer funds while advancing reliable, affordable and community-driven energy solutions.

Investment Type 4. Grant Programs

FIGURE 11. GRANT PROGRAMS PROJECTS

Project	Scope of Work	Carryforward	FY27
Community Clean Energy Grants	Designed to support both community organizations and other tax-exempt organizations in Community Power's service territory to fund clean energy initiatives and support regional climate goals	$1,256,980	-
Total		**$1,256,980**	-

Description

Community Power provides competitive grants to local nonprofits and other tax-exempt organizations to deploy community-scale clean energy infrastructure and energy initiatives that deliver long-term public benefits.

Beginning in the 2026 grant cycle, the program prioritizes projects that install distributed energy resources — such as solar and battery storage — at community-serving facilities, including resilience hubs and critical service locations. These investments reduce facility energy costs, strengthen local energy resilience and expand access to clean energy in Communities of Concern. The program continues to support clean energy programming that increases energy literacy, builds local capacity and expands participation in clean energy programs and workforce pathways.

In addition to Community Power funding, these grants are supplemented by Calpine Community Energy, which provides back-office support to Community Power, and the San Diego Foundation, the grants' administrator.

Benefits

Community Power's grant program delivers both direct community benefits and system-wide value for ratepayers by pairing locally deployed infrastructure with long-term operational and grid benefits. Grant-funded projects reduce energy costs for community-serving facilities, allowing savings to be reinvested over time into local programs and services.

Grant-funded infrastructure also strengthens grid reliability by deploying distributed energy resources that can provide backup power and support critical facilities. When integrated through Distributed Energy Resource Management System (DERMS) and a Virtual Power Plant, these assets help manage peak demand, reduce Resource Adequacy costs and lower system-wide costs for ratepayers.

By pairing local investment with grid services, the program extends the value of each dollar while supporting long-term affordability, reliability and community impact.

Investment Type 5. Building Electrification

FIGURE 12. BUILDING ELECTRIFICATION PROJECTS

Project	Scope of Work	Carryforward	FY27
Equitable Building Decarbonization	This statewide initiative offers no-cost installation of electric appliances, energy efficiency measures, basic health and safety improvements and electrical panel upgrades.	$1,400,000	-
Total		**$1,400,000**	**$40,000**

Description

Building electrification programs promote the installation of electric appliances, such as electric heat pumps for space heating and cooling or for water heating in buildings. The Equitable Building Decarbonization Program is income-restricted, which ensures equitable access to clean electric technologies for customers facing financial and infrastructure barriers, such as upfront costs and electrical panel constraints.

Benefits

Equitable Building Decarbonization uses state funding provided through the California Energy Commission (CEC) to deliver practical value to eligible customers by making their homes more energy efficient, healthier and more comfortable. Upgrading fossil-fueled home appliances to electric home appliances can improve indoor air quality. By removing participation barriers, complementary upgrades through the Equitable Building Decarbonization Program ensure more communities can access these benefits. Reducing overall energy demand supports long-term affordability and clean energy goals, lowering upfront costs and making cleaner energy more accessible.

Investment Type 6. Planning and Studies

FIGURE 13. PLANNING & STUDIES PROJECTS

Project	Scope of Work	Carryforward	FY27
EV Load Growth Study	The Regional EV Load Analysis will forecast how growing EV adoption can impact electricity demand across Community Power's service territory, including hourly load profiles, adoption scenarios and geographic variation. It will evaluate how different charging behaviors — especially unmanaged vs. managed charging — affect load shape, peak demand and system risks, with a focus on strategies (for example, time-of-use rates or managed charging) that can shift or mitigate EV-related peaks. Overall, the study aims to provide insights that support long-term planning, helping Community Power understand both the risks and opportunities of transportation electrification for load forecasting, Resource Adequacy and program design.	-	$250,000
Program Evaluation	Fund a variety of third-party program evaluation efforts. Near-term projects include an evaluation of potential load shift from the Smart Home Flex pilot project and a bill impact analysis of Solar Battery Savings program participants.	$250,000	-
California Energy Commission (CEC) Grant	Fund a variety of third-party program evaluation efforts. Near-term projects include an evaluation of potential load shift from the Smart Home Flex pilot project and a bill impact analysis of Solar Battery Savings program participants. Funding from the CEC Grant Agreement EPC-25-015 supports the Charging Harmonization and Analysis for Resilient, Grid-Efficient Utilization and Planning (CHARGE UP) project. The CHARGE UP project will analyze and quantify the value of advanced managed charging/V1G strategies in balancing bulk system and distribution operational needs.	$693,611	-
Total		**$43,611**	**$250,000**

Description

Planning and Studies provide the analytical foundation for Community Power's programs and investments. These efforts include data collection, technical analysis and stakeholder engagement to assess energy use, forecast demand and evaluate potential program and infrastructure opportunities. Unlike pilot programs, which test specific solutions for near-term implementation, Planning and Studies focuses on broader analysis and long-term strategy development to guide future investments.

Key activities include evaluating building and housing characteristics, assessing local development feasibility, analyzing regional electric vehicle load growth and conducting program evaluations.

This work ensures Community Power designs programs and investments that are data-driven, aligned with community needs and positioned to maximize impact before committing significant funding.

Benefits

Planning and Studies help Community Power make informed, cost-effective decisions that directly benefit ratepayers. By identifying the most effective strategies before implementation, these investments reduce financial risk and ensure limited public funds are directed to programs with the greatest potential impact.

Improved forecasting and analysis support more efficient resource planning, helping manage peak demand and avoid unnecessary costs that can be passed on to customers. Evaluating building stock, transportation trends and program performance also enables Community Power to design targeted solutions that improve participation, expand access and better serve diverse communities.

Collectively, this work strengthens long-term affordability, enhances program effectiveness and ensures Community Power delivers measurable value to customers through strategic, accountable investments.

Investment Type 7. Battery Energy Storage Systems

FIGURE 14. BATTERY ENERGY STORAGE SYSTEMS PROJECTS

Project	Scope of Work	Carryforward	FY27
Residential Solar Battery Savings Program	Designed to help single-family homeowners in Community Power's service territory invest in clean energy and support the grid by installing solar and battery storage in their homes or complementing an existing solar system with a new battery system. The program provides two financial incentives for participating customers: an upfront incentive to minimize the initial cost of the battery system and a performance incentive for discharging the battery during a specified on-peak window to maximize benefits for the customer, the grid and all ratepayers.	$10,810,899	$3,532,500
Total		**$10,810,899**	**$3,532,500**

Description

The amount of solar-generated electricity has steadily increased in California, and production often exceeds demand at midday. Community Power's residential Solar Battery Savings program supports the installation of on-site energy storage systems to capture excess solar electricity for use when traditional renewable energy resources are unavailable. The investment covers an upfront rebate that is given to customers when they install an eligible battery, as well as ongoing performance incentives for allowing Community Power to discharge the customer's battery to their home and the grid during specified windows.

Benefits

Solar Battery Savings increases access to energy storage for Community Power customers by lowering the customer's upfront investment. Energy storage systems also increase local grid reliability and have the added benefit of providing customers with backup power during an outage or emergency. By using enrolled customers' batteries, Community Power staff can reduce peak load consumption, benefiting all ratepayers by reducing demand when energy costs are highest and reducing agency Resource Adequacy obligations and associated costs.

Investment Type 8. Demand Response

FIGURE 15: DEMAND RESPONSE PROJECTS

Project	Scope of Work	Carryforward	FY27
Distributed Energy Resources Management Systems (DERMS) Software Platform	The implementation of a DERMS is central to Community Power's Flexible Load Strategy. A DERMS software platform incorporates various data points, such as weather, market/price data and customer preferences, to optimize the operation of distributed energy resources (DERs) in support of various grid services. The Community Power DERMS platform allows Community Power to help customers reduce usage during high-cost on-peak periods, while managing portfolio-wide power procurement and resource adequacy costs and risk.	$535,622	$1,500,000
Total		**$535,622**	**$1,500,000**

Description

Demand Response programs incentivize customers to use less electricity when energy costs are higher by combining simple behavioral changes with automated smart technologies. Demand Response investments are centered on the implementation of Community Power's DERMS, a software platform that enables coordinated control of DERs such as batteries, electric vehicles and flexible loads.

DERMS serves as a foundational platform for multiple Community Power CIP investment types, including Solar Battery Savings, pilot programs and grant-funded infrastructure. By integrating these distributed assets into a single system, DERMS enables Community Power to aggregate, monitor and optimize customer-sited resources in response to real-time grid conditions.

This investment supports the continued buildout of DERMS capabilities to expand participation, improve system integration and enable these resources to function collectively as a Virtual Power Plant, supporting grid reliability and peak demand management.

Benefits

DERMS enables Community Power to maximize the value of distributed energy investments by coordinating assets deployed through Solar Battery Savings, pilot programs and applicable grant-funded projects into a single, flexible system.

By aggregating these resources and deploying them during high-cost periods, DERMS helps reduce peak demand, lower Resource Adequacy obligations and avoid system costs that would otherwise be passed on to ratepayers.

This approach strengthens grid reliability while converting individual program investments into ongoing grid services, ensuring ratepayer dollars deliver sustained operational value rather than one-time benefits.

Investment Type 9. Energy Efficiency

FIGURE 16. ENERGY EFFICIENCY PROJECTS

Project	Scope of Work	Carryforward	FY27
Regional Energy Network	The San Diego Regional Energy Network (SDREN) is an initiative of Community Power, in partnership with the County of San Diego, that offers a portfolio of energy-efficiency programs to residents, businesses and public agencies throughout San Diego County. The 10 SDREN programs are managed by Community Power staff, and all activities are cost-recoverable through California Public Utilities Commission (CPUC) funds.	-	$63,117,654
Total		-	**$63,117,654**

Description

Led by San Diego Community Power and the County of San Diego, SDREN is shaped by a regional Advisory Council of community members, municipal representatives and sector partners. The 10 SDREN programs make clean energy upgrades easier, more accessible and more impactful for every community in San Diego County. Collectively, SDREN provides hands-on assistance and low- to no-cost installations, strengthens the local clean energy industry and addresses specialized needs to ensure no community is left behind.

Benefits

Funded by California utility ratepayers, under the authority of the CPUC, SDREN helps communities across San Diego County save energy, especially those that need energy efficiency most. Reducing overall energy demand supports long-term affordability and clean energy goals, lowering upfront costs and making cleaner energy more accessible.

By prioritizing underserved communities and addressing barriers in underserved communities, energy efficiency programs can expand equitable access to clean energy solutions and their benefits.

Investment Type 10. Information Technology

FIGURE 17. INFORMATION TECHNOLOGY PROJECTS

Project	Scope of Work	Carryforward	FY27
Customer Relationship Management Setup	Establish a centralized system to enhance service delivery and community engagement, with a focus on energy management and customer support. This initiative, excluding confidential security work, will streamline operations across Community Power's service area and reduce long-term costs.	$750,000	-
Contact Center Enhancements	Explore initiatives that enhance customer service operations to improve service responsiveness and increase customer satisfaction.	$200,000	-
Enterprise Data Platform	Establish a centralized data infrastructure to improve data access and analytics for staff, aiming to enhance control and reduce costs. The project encompasses capital investment, staff training, data migration and cybersecurity enhancements. Deliverables include a functional data platform, trained personnel and detailed progress reports. The initiative will proceed through planning and implementation phases, excluding confidential security-sensitive details.	$796,460	-
Amazon Web Services Infrastructure and Security Layer	Develop an Amazon Web Services Infrastructure and Security Layer to ensure robust, scalable cloud services with enhanced security for customer data. This project will provide a reliable and secure foundation for all Community Power digital services, improving customer trust and service efficiency.	$250,000	-
Energy Trading Risk Management and Portfolio Analytics Implementation	Community Power has licensed and will be deploying an Energy Trading Risk Management (ETRM) system to help manage its power portfolio and financial and budget processes. This system will support various activities such as recording trades, monitoring positions, assessing value, generating reports, managing risks, processing settlements and integrating with the budget. The system is designed to manage diverse power agreements and contracts, ensuring comprehensive coverage of Community Power's energy dealings.	$446,467	-
Enterprise Resource Planning (ERP)	Implement an ERP system for Community Power to streamline budgeting, enhance reporting, manage procurement and contracts and improve overall operational efficiency. The ERP project's major deliverables include a fully implemented and functional ERP system; system documentation including configuration details, user manuals and training materials; trained staff capable of effectively using the ERP system; and a post-implementation review report.	$750,000	$217,500
Total		**$3,192,927**	**$217,500**

Description

Information Technology upgrades are designed to modernize and integrate the agency's digital, data and customer service infrastructure to better support its mission of delivering cleaner affordable energy. These investments establish a secure, scalable and interoperable technology system, including those that help manage customer relationships, contact center enhancements, enterprise data platforms, cloud infrastructure and core business systems. Building a resilient and future-ready technology foundation ensures Community Power's ability to adapt to market and regulatory changes and deliver high-quality, transparent and community-focused services.

Benefits

These upgrades strengthen operational efficiency, cybersecurity and system reliability while enabling more responsive and customer-focused services. Improving data access, automation and platform integration helps reduce costs over time, supports fiscal responsibility and enhances transparency and accountability.



07 Funding Guide

Funding Guide

San Diego Community Power funds programs in two primary ways: through internal funding or by securing external funding. When available, internal funding provides Community Power the greatest flexibility to design programs that respond directly to community needs. As a newer organization, however, Community Power must also balance program investments with building a strong financial foundation, meeting reserve targets, maintaining customer affordability and advancing other organizational priorities. In the near term, the amount of revenue available for programs will be limited, but it is expected to grow over time.

Internal funding also offers greater flexibility during the planning phase, allowing Community Power to design programs based on community and agency priorities rather than external funding requirements. Planning activities typically require less funding than implementation or capital-intensive phases, such as design and construction.

To maximize impact while continuing to build reserves, Community Power will also pursue external funding from state, federal and other sources. External funding can provide larger investment opportunities but requires additional effort to secure and administer and may include constraints that limit program flexibility. Key sources include the California Public Utilities Commission, the California Energy Commission and other state and federal agencies.

Internal vs. External Funding

When determining how to fund programs, Community Power must evaluate the trade-offs between using internal revenues and pursuing external funding. Investing internal revenues in programs may limit resources available for other organizational priorities. However, reinvesting revenues into programs provides a highly equitable way to return value to customers and offers the greatest certainty and flexibility in program design and administration.

Internal funding is generated from net operating revenues and nonoperating investment earnings. Programs that provide broad benefits to customers may be funded through net operating revenues. Programs with more targeted eligibility or benefits, such as those serving Communities of Concern, may be supported through nonoperating investment earnings.

External funding typically involves competitive application processes, requiring additional resources for grant writing, administration and reporting. It can introduce uncertainty for long-term program planning due to the variability of grant awards.

In contrast, administering programs with internal funding can reduce many of the administrative requirements associated with external funding, such as complex reporting and rigid program design criteria. This flexibility is particularly important for advancing Community Power's equity commitments, as some external funding requirements may limit the ability to effectively deliver programs to Communities of Concern.

Across the community choice aggregation (CCA) landscape, approaches to program funding vary. Some CCAs prioritize internal spending, minimizing reliance on external funding due to administrative complexity. Others rely more heavily on external sources and limit internal program investment. As a newer organization, Community Power is positioned to pursue a balanced approach, adjusting its strategy over time.

In the near term, Community Power is focused on building financial reserves in alignment with its Financial Reserves Policy, which establishes a target of at least 180 days of cash on hand to support a key organizational goal of achieving and maintaining an investment-grade credit rating. The agency also maintains designated reserves, including a Rate Stabilization Reserve Policy, to help mitigate the impacts of market volatility and support stable, predictable rates over time for customers.

Maintaining a strong financial position is critical to managing financial risk, meeting long-term community needs and ensuring organizational stability. As reserve targets are achieved and sustained, Community Power's ability to reinvest revenues into customer programs and strategic initiatives will continue to expand while supporting rate stability and affordability for all customers.

External Sources

Community Power can pursue funding from a range of external sources to supplement its program investments. These sources vary in the size of available funds, application complexity and flexibility in how funds can be used.

Additional funding opportunities will continue to emerge through state and federal legislation. Community Power will monitor and pursue opportunities that align with community and organizational priorities, recognizing that funding availability and timelines may vary. When appropriate, the agency may partner with regional organizations to share administrative responsibilities and increase competitiveness for funding.



08 Budget Resolution

Budget Resolution

RESOLUTION NO. 2025-06

A RESOLUTION OF THE BOARD OF DIRECTORS OF SAN DIEGO COMMUNITY POWER ADOPTING THE FISCAL YEAR 2025-2026 OPERATING BUDGET, THE FISCAL YEAR 2025-2026 CAPITAL BUDGET, AND THE FISCAL YEAR 2026-2030 CAPITAL INVESTMENT PLAN.

A. San Diego Community Power ("Community Power") is a joint powers authority formed pursuant to the Joint Exercise of Powers Act, Cal. Gov. Code § 6500 *et seq.*, California Public Utilities Code § 366.2, and a Joint Powers Agreement effective on October 1, 2019, and amended on December 16, 2021, ("JPA Agreement").

B. The JPA Agreement provides that Community Power's fiscal year ("FY") shall be 12 months commencing each year on July 1 and ending on June 30 the following year.

C. The JPA Agreement further provides that all expenditures shall be made in accordance with the approved budget and upon the approval of any officer so authorized by the Board in accordance with its policies and procedures.

D. The Community Power Board proposes to adopt the FY 2025-2026 Operating Budget and the FY 2025-2026 Capital Budget, attached hereto as Exhibit A.

E. The SDCP Board further proposes to adopt the FY 2026-2030 Capital Investment Plan that provides comprehensive five-year plan for Community Power's capital investment expenditures, attached hereto as Exhibit B.

F. The FY 2025-2026 Operating Budget, FY 2025-2026 Capital Budget, and the FY 2026-2030 Capital Investment Plan, are based on the reasonable and necessary costs incurred by Community Power to operate and provide electric services, programs, and other offerings to Community Power customers; that the services, programs, and other offerings are reasonable and necessary; and that the costs have a fair and reasonable relationship to the benefit, privilege, service or product provided to the customer.

FPO

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of San Diego Community Power as follows:

Section 1. The Board of Directors hereby adopts the FY 2025-2026 Operating Budget.

Section 2. The Board of Directors hereby adopts the FY 2025-2026 Capital Budget.

Section 3. The Board of Directors hereby adopts the FY 2026-2030 Capital Investment Plan.

Section 4. The Board of Directors finds that the FY 2025-2026 Operating Budget, FY 2025-2026 Capital Budget, and the FY 2026-2030 Capital Investment Plan, are based on the reasonable and necessary costs incurred by Community Power to operate and provide electric services, programs, and other offerings to Community Power customers; that the services, programs, and other offerings are reasonable and necessary; and that the costs have a fair and reasonable relationship to the benefit, privilege, service or product provided to the customer.

Section 5. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED at a meeting of the Board of Directors of San Diego Community Power held on June 26, 2025.

AYES:	Chair Aguirre, Vice Chair Lawson-Remer, Alternate Director Cazares, Directors Elo-Rivera, Inzunza, San Antonio and Yamane
NOES:	None
ABSTAINED:	None
ABSENT:	None

Paloma Aguirre

Paloma Aguirre, Chair
Board of Directors
San Diego Community Power

ATTEST:

Maricela Hernandez

Maricela Hernandez, MMC, CPMC
Secretary, Board of Directors
San Diego Community Power

APPROVED AS TO FORM:

Veera Tyagi

Veera Tyagi, General Counsel
San Diego Community Power



09 Acknowledgments

Acknowledgments

Finance Department

San Diego Community Power's Finance Department works to maintain a fiscally responsible budget in accordance with Community Power's Budget Policy. The department ensures sufficient funding to meet procurement needs, sustain operational needs and support sustained growth while delivering clean energy to the communities we serve. In addition, the team actively works to build Community Power's reserves and develop policies that consider future economic conditions, provides an understandable and transparent operating budget for internal and external users, strives to keep the Community Power Board, committees and staff informed of Community Power's fiscal condition and develops a budget that will ultimately prioritize people, transparency and our communities.

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Councilmember Ditas Yamane, Vice Chair
Councilmember Sean Elo-Rivera, Director
Councilmember Jack Fisher, Director
Councilmember Michael Inzunza, Director
Councilmember Marco San Antonio, Director
Councilmember Genevieve Suzuki, Director

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- Matthew Vasilakis

Community Power Executive Team

Karin Burns, Chief Executive Officer
Veera Tyagi, General Counsel
Jack Clark, Chief Operating Officer
Gordon Samuel, Chief Commercial Officer
Jannies Burlingame, Chief Financial Officer and Treasurer

Finance Department

Jannies Burlingame, Chief Financial Officer and Treasurer
Tim Manglicmot, Senior Director of Finance and Risk
Jeb Spengler, Associate Director of Finance and Procurement
William Weisman, Associate Director of Finance
Christopher Stephens, Procurement Manager
Krystal Carranza, Procurement Manager
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Kevin Bateman, Financial Analyst
Paige Spounias-Flynn, Procurement Analyst
Angad Kapoor, Procurement Analyst

SAN DIEGO COMMUNITY POWER
Staff Report – Item 14

To:	Board of Directors
From:	Gordon Samuel, Chief Commercial Officer Andrea Torres, Director of Origination
Via:	Jack Clark, Acting Chief Executive Officer
Subject:	Approve 15-Year Renewable Power Purchase Agreements with SunZia Wind North LLC and SunZia Wind South LLC for 25 MW of wind products in substantially final form and authorize the Acting Chief Executive Officer to execute the agreement
Date:	June 25, 2026

Recommendation

Approve 15-Year Renewable Power Purchase Agreements with SunZia Wind North LLC and SunZia Wind South LLC in substantially final form and authorize the Acting Chief Executive Officer to execute the agreement.

Background

As San Diego Community Power (Community Power) strives to meet its environmental, financial, and regulatory compliance goals and requirements, long-term power purchase agreements (PPAs) are integral components of its energy supply portfolio. Long-term PPAs provide renewable generation facility developers with a certain revenue stream against which they can finance up-front capital requirements, so each long-term PPA that Community Power signs with a developing facility will underpin a new, incremental renewable energy project, while locking in renewable energy supply and capacity for Community Power's portfolio.

Community Power is currently contracted for 150 MW of renewable energy benefits from the larger approximately 3,500 MW SunZia Wind facility (referred to as "SunZia" or "Project"). Subsequently, the PPAs were bifurcated between two portions of SunZia: SunZia Wind North LLC ("SunZia North") and SunZia Wind South LLC ('SunZia South"). Staff propose two PPAs

for an additional 25 MW of renewable energy capacity, similarly bifurcated between SunZia North and SunZia South. SunZia Wind North LLC and SunZia Wind South LLC are subsidiaries of Pattern Energy Group LP ("Pattern"). The PPAs originated from an auction Pattern issued to sell energy and renewable energy credits ("RECs") from SunZia. Community Power submitted bids conditioned on review by the Energy Contract Working Group and Board approval and has reached PPA terms mutually agreeable to both parties.

Analysis and Discussion

In recent months, staff have received several offers on a bilateral basis for products from operational wind projects that are seeking additional long-term contracts after existing PPAs expire, including notice of Pattern's SunZia auction to sell additional renewable energy to existing offtakers like Community Power, as well as from the broader market. Staff believe this is due to a particularly constrained market for 24/7 renewable resources for the foreseeable future. The vast majority of active projects in the CAISO queue are solar and/or battery storage. Given the termination of tax credits available to wind and solar projects, as well as permitting headwinds for new-build wind resources both within California and out of state, a number of wind developers have chosen to pause their pipeline of new wind development. Further, while geothermal development retains the opportunity to capture tax credits beyond 2035, transmission and permitting constraints as well as high capital expenditure requirements constrain development.

Resources that can provide renewable energy in the evening and overnight are particularly valuable to diversify a portfolio like Community Power's that is dominated by solar photovoltaic and 4-hr battery energy storage resources. In addition to delivering power during evening ramp periods, starting in 2028, load serving entities like Community Power will have to begin reporting on the hourly green-house gas emissions ("GHG") from generation serving Community Power's load in its Power Source Disclosure report. Further, the CPUC and California's Air Resources Board have adopted an aggressive 8 million metric ton ("MMT") target for the electricity sector by 2045. Resources like wind provide renewable power during those overnight hours that would otherwise be provided by system power.

Pattern offered up to 150 MW of energy and RECs, releasing 25 MW over six auctions. Notably, resource adequacy ("RA") was excluded from the products offered. This is due to the highly constrained ability for offtakers to secure long-term CAISO import rights, which is a requirement for RA. Staff assessed the value of incremental volume from SunZia against several other wind proposals and determined that an additional long-term contract from SunZia is a good fit for Community Power's portfolio. Community Power secured one winning bid for 25 MW in this highly competitive market.

Staff negotiated the attached redacted PPAs for the purchase of renewable energy from SunZia, which is a recently operational wind project in New Mexico for which roughly one dozen long-term offtakers rely upon.

Below is additional information regarding Leeward Renewable Energy, the project and the PPAs.

Background on Pattern:

- Pattern has 17 years of experience in renewable energy development.
- Pattern operates 367 MW in wind generation projects in California.
- Pattern has placed approximately 12,000 MW of wind and solar projects into service across 46 facilities.
- Pattern has over 1,100 miles of transmission in operation and in development.

Project Overview:

- Project: 25 MW (from the larger 3,500 MW) operational wind
- Project location: Lincoln, Torrance and San Miguel Counties, New Mexico
- Delivery Point: Palo Verde
- Contract term: 15 years, commencing on 1/1/2027
- Expected annual energy production: 55,928 MWh from 17.54 MW of SunZia North and 23,287 MWh from 7.46 MW of SunZia South.
- Operational project with no development risk
- Guaranteed energy production: 75% of projected annual deliveries
- Community Power would receive financial compensation in the event of seller's failure to meet the guaranteed energy production
- Community Power is not exposed to any tax credit losses via price adjustments due to the fact that it is an operational resource for which prior tax credits have already been monetized

Workforce development:

- No construction jobs are associated with the PPAs. SunZia was built with union labor and as presented at the time of Board approval of Community Power's initial 150 MW PPA, received letters of support from IBEW International President, Kenneth Cooper and from the New Mexico Building Construction & Trades Council.

Fiscal Impact

The competitive energy and capacity pricing of the PPAs are confidential, but the long-term purchase of renewable energy will provide Community Power with significant value and cost certainty over the term of these PPAs.

Committee Review

Key terms of the PPAs were reviewed with the Energy Contract Working Group (ECWG) on June 8, 2026, and the ECWG approved staff's recommendation to move forward on the recommendation for Board approval.

Strategic Plan

This project ties to two of the strategic plan goals for the Power Services team:

1. Develop a clean energy portfolio with renewable content of 100% no later than 2035, with interim targets of 75% by 2027 and 85% by 2030; and

2. Ensure cost-effective compliance with RA and RPS requirements and all other regulatory obligations.

Attachments

A. Renewable Power Purchase Agreement with SunZia Wind North LLC (redacted version for commercially sensitive information)

B. Renewable Power Purchase Agreement with SunZia Wind South LLC (redacted version for commercially sensitive information)

ITEM 14
ATTACHMENT A

RENEWABLE POWER PURCHASE AND SALE AGREEMENT (SUNZIA NORTH)

COVER SHEET

Seller: SunZia Wind North LLC

Buyer: San Diego Community Power, a California Joint Powers Authority

Description of Facility: A wind-powered electricity generating facility known as SunZia Wind North, with a nameplate capacity of up to 1,089 MW, as described in Exhibit A, as such facility may be modified under the terms of this Agreement.

Milestones:

Milestone	Date for Completion
Execute Interconnection Agreement	Complete
Evidence of Site Control	Complete
Financial Close	Complete
Procurement of Major Equipment	Complete
Construction Start Date	Complete
CEC Pre-Certification	Complete
[redacted]	[redacted]
[redacted]	[redacted]

Delivery Term: Fifteen (15) Contract Years.

Guaranteed Capacity: 7.46 MW.

Expected Energy: [redacted] per Contract Year, as such amount may be adjusted by Seller in accordance with the definition of "Expected Energy" below.

Product:

☒ Delivered Energy
☒ Green Attributes/Renewable Energy Credits (Portfolio Content Category 1) attributable to the Delivered Energy

Scheduling Coordinator: Seller/Seller Third Party.

Development Security & Performance Security

Development Security: [redacted]

Performance Security: [redacted]

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Exhibit L	Operating Restrictions
Exhibit M	Form of Limited Assignment Agreement

RENEWABLE POWER PURCHASE AND SALE AGREEMENT (SUNZIA NORTH)

This Renewable Power Purchase and Sale Agreement (SunZia North) ("**Agreement**") is entered into as of _____, 2026 (the "**Effective Date**"), between Buyer and Seller. Buyer and Seller are sometimes referred to herein individually as a "**Party**" and jointly as the "**Parties**."

RECITALS

WHEREAS, Seller owns and operates the Facility; and;

WHEREAS, Seller desires to sell, and Buyer desires to purchase, on the terms and conditions set forth in this Agreement, the Product;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the sufficiency and adequacy of which are hereby acknowledged, the Parties agree to the following:

ARTICLE 1
DEFINITIONS

1.1 **Contract Definitions**. The following terms, when used herein with initial capitalization, shall have the meanings set forth below:

"**Accepted Compliance Costs**" has the meaning set forth in Section 3.12.

"**Affiliate**" means, with respect to any Person, each Person that directly or indirectly controls, is controlled by, or is under common control with such designated Person. For purposes of this definition and the definition of "Permitted Transferee", "control" (including, with correlative meanings, the terms "controlled by" and "under common control with"), as used with respect to any Person, shall mean (a) the direct or indirect right to cast at least fifty percent (50%) of the votes exercisable at an annual general meeting (or its equivalent) of such Person or, if there are no such rights, ownership of at least fifty percent (50%) of the equity or other ownership interest in such Person, or (b) the right to direct the policies or operations of such Person.

"**Agreement**" has the meaning set forth in the Preamble and includes any Exhibits, schedules and any written supplements hereto, the Cover Sheet, and any designated collateral, credit support or similar arrangement between the Parties.

"**Alternative Delivery Point**" means a Scheduling Point other than the Delivery Point, that is agreed upon by Buyer and Seller.

"**Approved Meter**" means a CAISO-approved revenue quality meter or meters, together with a CAISO-approved data processing gateway or remote intelligence gateway, telemetering equipment and data acquisition services sufficient for monitoring, recording and reporting, in real time, all Energy produced by the Facility net of Electrical Losses and Station Use.

"**Available Capacity**" means the capacity from Buyer's Share of the Facility, expressed in whole MW, that is available to generate Energy.

"**Balancing Authority**" has the meaning set forth in the CAISO Tariff.

"**Bankrupt**" means with respect to any entity, such entity that (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, (b) has any such petition filed or commenced against it which remains unstayed or undismissed for a period of thirty (30) days (provided that such thirty (30) day period shall be extended to sixty (60) days if Seller is actively contesting the petition), (c) makes an assignment or any general arrangement for the benefit of creditors, (d) otherwise becomes bankrupt or insolvent (however evidenced), (e) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (f) is generally unable to pay its debts as they fall due.

"**Business Day**" means any day except a Saturday, Sunday, the Friday after the U.S. Thanksgiving holiday, or a Federal Reserve Bank holiday in California. A Business Day begins at 8:00 a.m. and ends at 5:00 p.m. local time for the Party sending a Notice, or payment, or performing a specified action.

"**Buyer**" has the meaning set forth on the Cover Sheet.

"**Buyer Performance Security**" means cash or Letter of Credit in the amount equal to the Seller Performance Security.

"**Buyer Lockbox Arrangement**" has the meaning set forth in Section 8.12.

"**Buyer's Share**" means the percentage that is equal to the quotient of the Guaranteed Capacity *divided* by the Installed Capacity (or, prior to the Commercial Operation Date, the total nameplate capacity of the Facility in operation at the time), not to exceed one hundred percent (100%), as such percentage may change from time to time with changes to the Installed Capacity in accordance with this Agreement, if applicable.

"**Buyer's WREGIS Account**" has the meaning set forth in Section 4.8(a).

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

"**CAISO Grid**" has the same meaning as "CAISO Controlled Grid" as defined in the CAISO Tariff.

"**CAISO Operating Instruction**" has the same meaning as "Operating Instruction" as defined in the CAISO Tariff.

"**CAISO Tariff**" means the California Independent System Operator Corporation Agreement and Tariff, Business Practice Manuals (BPMs), and Operating Procedures, including the rules, protocols, procedures and standards attached thereto, as the same may be amended or modified from time-to-time and, to the extent subject to approval by FERC, as approved by FERC.

"**California Renewables Portfolio Standard**" or "**RPS**" means the renewable energy program and policies established by California State Senate Bills 1038 (2002), 1078 (2002), 107 (2008), X-1 2 (2011), 350 (2015), and 100 (2018) as codified in, *inter alia*, California Public Utilities Code Sections 399.11 through 399.31 and California Public Resources Code Sections 25740 through 25751, as such provisions are amended or supplemented from time to time.

[redacted]

"**CEC**" means the California Energy Commission, or its successor agency.

"**CEC Certification and Verification**" means that the CEC has certified (or, with respect to periods before the date that is one hundred eighty (180) days following the Commercial Operation Date, that the CEC has pre-certified) that the Facility is an Eligible Renewable Energy Resource for purposes of the California Renewables Portfolio Standard and that all Energy generated by the Facility qualifies as generation from an Eligible Renewable Energy Resource.

"**Change of Control**" means any circumstance in which (a) in respect of Buyer, the Person that has ultimate control over Buyer ceases to have such ultimate control, and (b) in the case of Seller, the Ultimate Parent ceases to have control over Seller; *provided* that, for the avoidance of doubt, it shall not be a Change of Control of Seller if the Ultimate Parent retains either (i) the direct or indirect right to cast at least fifty percent (50%) of the votes exercisable at an annual general meeting (or its equivalent) of Seller or, if there are no such rights, ownership of at least fifty percent (50%) of the equity or other ownership interest in Seller, or (ii) the right to direct the policies or operations of Seller.

"**COD Delay Damages Payment**" has the meaning set forth in Exhibit B.

"**Collateral Agent**" has the meaning set forth in the Security Agreement.

"**Commercial Operation**" has the meaning set forth in Exhibit B.

"**Commercial Operation Date**" has the meaning set forth in Exhibit B.

"**Compliance Actions**" has the meaning set forth in Section 3.12.

"**Compliance Expenditure Cap**" has the meaning set forth in Section 3.12.

"**Confidential Information**" has the meaning set forth in Section 18.1.

"**Construction Start**" has the meaning set forth in Exhibit B.

[redacted]

"**Contract Revenues**" has the meaning set forth in Section 4.5(b).

"**Contract Term**" has the meaning set forth in Section 2.1.

"**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, with respect to the Non-Defaulting Party, brokerage fees, commissions and other similar third-party transaction costs and expenses reasonably incurred by such Party either in terminating any arrangement pursuant to which it has hedged its obligations or entering into new arrangements which replace the Agreement; and all reasonable expenses, including reasonable attorneys' fees incurred by the Non-Defaulting Party in connection with terminating the Agreement.

"**Cover Sheet**" means the cover sheet to this Agreement.

"**COVID-19**" means the pandemic disease designated COVID-19 and the related virus designated SARS-CoV-2 and any mutations thereof, or the efforts of a Governmental Authority to combat or mitigate such disease.

"**CPUC**" means the California Public Utilities Commission, or successor entity.

"**Credit Rating**" means, with respect to any entity, the publicly available or (subject to the express condition that the Party seeking to use private rating reports has provided to the other Party true and correct copies of the private rating reports of such subject entity) private rating then assigned to such entity's unsecured, senior long-term debt obligations (not supported by third party credit enhancements) or if such entity does not have a rating for its senior unsecured long-term debt, then the publicly available or (subject to the above parenthetical) private rating then assigned to such entity as an issuer rating by S&P, Fitch, or Moody's. If ratings by Fitch, S&P and Moody's are not equivalent, the lower rating shall apply.

"**Curtailment Order**" means any of the following:

(a) the CAISO orders, directs, alerts, or provides notice to a Party, including a CAISO Operating Instruction, to curtail deliveries of Energy from the Facility for the following reasons: (i) any System Emergency, or (ii) any warning of an anticipated System Emergency, or warning of an imminent condition or situation, which jeopardizes CAISO's electric system integrity or the integrity of other systems to which CAISO is connected;

(b) a curtailment ordered by a Transmission Provider for reasons including, but not limited to, (i) any situation that affects normal function of the electric system including, but not limited to, any abnormal condition that requires action to prevent circumstances such as equipment damage, loss of load, or abnormal voltage conditions, or (ii) any warning, forecast or anticipation of conditions or situations that jeopardize the Transmission Provider's electric system integrity or the integrity of other systems to which the Transmission Provider is connected;

(c) a curtailment ordered by CAISO or a Transmission Provider due to scheduled or unscheduled maintenance on the Transmission Provider's transmission facilities that prevents (i) Buyer from receiving or (ii) Seller from delivering Energy at the Delivery Point; or

(d) a curtailment in accordance with Seller's obligations under its Interconnection Agreement with the Participating Transmission Owner.

"**Curtailment Period**" means the period of time, as measured using current Settlement Intervals, during which Seller reduces generation or deliveries of Delivered Energy from the Facility pursuant to a Curtailment Order. Curtailment Period shall not include periods during which Seller reduces generation as a result of a Market Curtailment Period.

"**Damage Payment**" means the amount to be paid by the Defaulting Party to the Non-Defaulting Party after a Terminated Transaction occurring prior to the Commercial Operation Date, in a dollar amount as set forth in Section 11.3(a).

"**Day-Ahead Forecast**" means the amount of expected Delivered Energy, as determined in accordance with the Third-Party Vendor Forecast, for each hour of the immediately succeeding day, based on a commercially reasonable forecasting methodology to determine the potential generation of the Facility as a function of Available Capacity, wind speed and direction, wind turbine power curves and other pertinent data (including data related to Curtailment Orders) for the period of time, consistent with Prudent Operating Practice; *provided* that a Day-Ahead Forecast provided in a day prior to any non-Business Day(s) shall include non-binding forecasts for the immediately succeeding day, each succeeding non-Business Day and the next Business Day.

"**Day-Ahead Market**" has the meaning set forth in the CAISO Tariff.

"**Day-Ahead Schedule**" has the meaning set forth in the CAISO Tariff.

"**Deemed Delivered Energy**" means the amount of Energy, expressed in MWh, from the Facility that would have been sold and delivered to Buyer at the Delivery Point, but that is not sold and delivered to Buyer at the Delivery Point during a Market Curtailment Period, which amount shall be determined by Seller in a commercially reasonable manner using an industry-standard methodology that utilizes Available Capacity, wind speed and direction, wind turbine power curves and other pertinent data for the period of time, consistent with Prudent Operating Practice and actual meteorological conditions on Site as input for the period of time during such Market Curtailment Period. The amount of Deemed Delivered Energy during any Market Curtailment Period shall be calculated without regard to any simultaneous POI Curtailment.

"**Defaulting Party**" has the meaning set forth in Section 11.1(a).

"**Deficient Month**" has the meaning set forth in Section 4.8(e).

"**Delay Damages**" means an amount equal to [redacted]

"**Delivered Energy**" means, in any Settlement Period or Settlement Interval, as applicable, the amount of Energy generated by the Facility and delivered to Buyer at the Delivery Point in accordance with Seller's obligations under this Agreement, which such amount shall equal the sum of:9

(1) Subject to the Hourly Delivery Cap, (i) (a) Buyer's Share of the Energy produced by the Facility and delivered to the Point of Interconnection, as measured in MWh by the Approved Meter, as such amount may be reduced as a result of a Curtailment Order, net of all Electrical Losses (other than Electrical Losses that are reflected in the meter readings) and Station Use; or (b) if a portion of the Facility output is curtailed at Seller's election, in any Settlement Period or Settlement Interval that is not during a Curtailment Period or Market Curtailment Period and Buyer's Share is not curtailed, then Delivered Energy for such Settlement Period or Settlement Interval will instead be equal to Buyer's Share of the Energy that the Facility would have been able to produce and deliver to the Point of Interconnection if the Facility was not so curtailed, estimated in a manner consistent with the description set forth in clause (a) above; or (c) if the Facility output is reduced, at Seller's direction in any Settlement Interval or Settlement Period, as applicable, during a Market Curtailment Period, then Delivered Energy for such Settlement Interval or Settlement Period will be instead equal to the amount of Energy delivered to Buyer at the Delivery Point during such Market Curtailment Period; *provided*, however, that neither (a), (b) nor (c) above shall exceed the quantity of E-Tags demonstrating delivery of such Energy to the Delivery Point, if such E-Tags are required by the CAISO Tariff or other applicable Law; *plus*

(2) all Replacement Energy delivered as part of prospectively delivered Replacement Product pursuant to Section 4.7(b)(i).

"**Delivery Point**" has the meaning set forth in Exhibit A.

"**Delivery Term**" shall mean the period of Contract Years set forth on the Cover Sheet beginning on the Commercial Operation Date, unless terminated earlier in accordance with the terms and conditions of this Agreement.

"**Development Cure Period**" has the meaning set forth in Exhibit B.

"**Development Security**" means, at Seller's option, (a) cash or (b) a Letter of Credit, in the amount set forth on the Cover Sheet.

"**Disclosing Party**" has the meaning set forth in Section 18.2.

"**Early Termination Date**" has the meaning set forth in Section 11.2(a).

"**Effective Date**" has the meaning set forth in the Preamble hereto.

"**Electrical Losses**" means all transmission or transformation losses between the Facility and the Delivery Point, other than losses that are financially settled by Seller.

"**EIRP**" means "Eligible Intermittent Resource Protocol" as described in Appendix Q of the CAISO Tariff or a successor CAISO program for intermittent resources.

"**Eligible Renewable Energy Resource**" has the meaning set forth in California Public Utilities Code Section 399.12(e) and California Public Resources Code Section 25741(a), as either code provision is amended or supplemented from time to time.

"**Energy**" means electrical energy, measured in MWh.

"**Energy Replacement Damages**" has the meaning set forth in Exhibit E.

"**EPC Contract**" means Seller's engineering, procurement and construction contract for the Facility.

"**E-Tag**" has the meaning set forth in the CAISO Tariff.

"**Event of Default**" has the meaning set forth in Section 11.1.

"**Excess MWh**" has the meaning set forth in Section 3.3(d).

"**Expected Energy**" means the quantity of Energy (with associated Green Attributes) that Seller expects to be able to deliver to Buyer at the Delivery Point during each Contract Year in the quantity specified on the Cover Sheet, as such amount may be increased or decreased by Seller, by an amount of no more than five percent (5%) of the annual Expected Energy amount as set forth on the Cover Sheet as of the Effective Date, in a Notice to Buyer indicating the final amount (reasonably supported by a wind resource assessment from a Licensed Professional Engineer) within sixty (60) days following Seller's delivery to Buyer of the final Installed Capacity Certificate (Exhibit G); *provided further*, Seller shall use commercially reasonable efforts to notify Buyer of any change in the anticipated Expected Energy from the quantity specified on the Cover Sheet prior to the Commercial Operation Date.

"**Facility**" means the energy generating facility described on the Cover Sheet and in Exhibit A.

"**FERC**" means the Federal Energy Regulatory Commission or any successor government agency.

"**Fitch**" means Fitch Ratings Ltd., or its successor.

"**Floor Price**" means [redacted]

"**Force Majeure Event**" has the meaning set forth in Section 10.1.

"**Forced Facility Outage**" means an unexpected failure of one or more components of the Facility or any outage on the Transmission System that prevents Seller from making power available at the Delivery Point and that is not the result of a Force Majeure Event.

"**Future Environmental Attributes**" means Buyer's Share of any and all generation attributes (other than Green Attributes or Renewable Energy Incentives) under the RPS regulations and/or under any and all other international, federal, regional, state or other Law, rule, regulation, bylaw, treaty or other intergovernmental compact, decision, administrative decision, program (including any voluntary compliance or membership program), competitive market or business method (including all credits, certificates, benefits, and emission measurements, reductions, offsets and allowances related thereto) that are attributable, as of the Effective Date, or in the future, to the generation of electrical energy by a wind generation facility as opposed to from a conventional generation resource.

"**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 this Agreement for the remaining Contract Term, determined in a commercially reasonable manner. Factors used in determining the economic benefit to a Party may include, without limitation, reference to information supplied by one or more third parties, which shall exclude Affiliates of the Non-Defaulting Party, 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, comparable transactions, forward price curves based on economic analysis of the relevant markets, settlement prices for comparable transactions at liquid trading hubs (e.g., SP-15), all of which should be calculated for the remaining Contract Term, and includes the value of Green Attributes.

"**Governmental Authority**" means any federal, state, provincial, local or municipal government, any political subdivision thereof or any other governmental, congressional or parliamentary, regulatory, or judicial instrumentality, authority, body, agency, department, bureau, or entity with authority to bind a Party at law, including CAISO and WREGIS.

"**Green Attributes**" means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the Delivered Energy. Green Attributes include but are not limited to Renewable Energy Credits, as well as: (1) any avoided emissions of pollutants to the air, soil or water such as sulfur oxides (SOx), nitrogen oxides (NOx), 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 atmosphere; (3) the reporting rights to these avoided emissions, such as Green Tag Reporting Rights. Green Attributes do not include (i) any energy, capacity, reliability or other power attributes from the Facility, (ii) investment or production tax credits associated with the construction or operation of the Facility and other financial incentives associated therewith, (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 Facility for compliance with local, state, or

federal operating and/or air quality permits. If the Facility is a biomass or landfill gas 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 Facility.

"**Green Tag**" means a certificate or other instrument recognized by a Governmental Authority, with one Green Tag representing the Green Attributes associated with one (1) MWh of Energy generated by the Facility.

"**Green Tag Reporting Rights**" means the right of a purchaser of renewable energy to report ownership of accumulated Green Tags in compliance with and to the extent permitted by applicable Law and include, without limitation, rights under Section 1605(b) of the Energy Policy Act of 1992, and any present or future federal, state or local certification program or emissions trading program, including pursuant to the WREGIS Operating Rules.

"**Guaranteed Capacity**" has the meaning set forth on the Cover Sheet.

"**Guaranteed Commercial Operation Date**" has the meaning set forth on the Cover Sheet.

"**Guaranteed Energy Production**" has the meaning set forth in Section 4.7.

"**Guarantor**" means (A) (i) Pattern Energy Group LP or (ii) any Person that (a) does not already have any material credit exposure to Buyer under any other agreements, guarantees, or other arrangements at the time its Guaranty is issued, (b) is an Affiliate of Seller, or other third party reasonably acceptable to Buyer, (c) has [redacted] (d) is incorporated or organized in a jurisdiction of the United States and is in good standing in such jurisdiction, and (B) in either the case of (i) or (ii), that executes and delivers a Guaranty for the benefit of Buyer.

"**Guaranty**" means a guaranty from a Guarantor provided for the benefit of Buyer substantially in the form attached as Exhibit J, or as reasonably acceptable to Buyer.

"**Hourly Delivery Cap**" means the maximum amount of Energy and associated Renewable Energy Credits and Green Tags delivered to the Delivery Point and sold to Buyer in any given hour under this Agreement, which amount shall be equal to Buyer's Share *multiplied* by 636 MW.

"**Imbalance Energy**" means the amount of Energy, in any given Settlement Period or Settlement Interval, by which the amount of Delivered Energy deviates from the amount of Scheduled Energy.

"**Indemnified Party**" has the meaning set forth in Section 16.1(a).

"**Indemnifying Party**" has the meaning set forth in Section 16.1(a).

"**Installed Capacity**" means the nameplate capacity of the Facility at the point of interconnection (which point of interconnection is specified in the Interconnection Agreement), as evidenced by a certificate from a Licensed Professional Engineer substantially in the form attached as Exhibit G hereto, as it may be updated as set forth in Exhibit B by delivery of a subsequent certificate from a Licensed Professional Engineer substantially in the form attached as Exhibit G hereto.

"**Interconnection Capacity Limit**" means the maximum instantaneous amount of Energy that is permitted to be delivered by the Facility to the Point of Interconnection, which amount shall be not less than nine hundred (900) MW.

"**Intercreditor and Collateral Agency Agreement**" means that certain Intercreditor and Collateral Agency Agreement, dated as of March 1, 2021, by and among (i) River City Bank, (ii) each of the creditors from time to time signatory thereunder, and (iii) Buyer.

"**Inter-SC Trade**" has the meaning set forth in the CAISO Tariff.

"**Interconnection Agreement**" means the interconnection agreement entered into by Seller pursuant to which the Facility will be interconnected with the PTO's Transmission System, and pursuant to which any Interconnection Facilities will be constructed, operated and maintained during the Contract Term.

"**Interconnection Facilities**" means the interconnection facilities, control and protective devices and metering facilities required to connect the Facility with the PTO's Transmission System in order to meet the terms and conditions of this Agreement.

"**Interest Rate**" has the meaning set forth in Section 8.2.

"**Intertie**" has the meaning set forth in the CAISO Tariff.

"**Investment Grade Credit Rating**" means, in respect of a Person, a Credit Rating of [redacted]; provided that if there is a Credit Rating for the Person by more than one of S&P, Fitch, or Moody's, then each such Credit Rating shall be at or higher than [redacted] as applicable.

"**Joinder**" has the meaning set forth in the Intercreditor and Collateral Agency Agreement.

"**Law**" means any applicable law, statute, rule, regulation, decision, writ, order, decree or judgment, permit or any interpretation thereof, promulgated or issued by a Governmental Authority.

"**Lender**" means, collectively, any Person (i) providing senior or subordinated construction, interim, back leverage or long-term debt, equity or tax equity financing or refinancing for or in connection with the development, construction, purchase, installation or operation of the Facility, whether that financing or refinancing takes the form of private debt, equity, public debt or any other form (including financing or refinancing provided to a member or other direct or indirect owner of Seller), including any equity or tax equity investor directly or indirectly providing financing or refinancing for the Facility or purchasing equity ownership

interests of Seller and/or its Affiliates, and any trustee or agent acting on their behalf, (ii) providing Interest Rate protection under an agreement hedging or otherwise mitigating the cost of any of the foregoing obligations, and/or (iii) participating in a lease financing (including a sale leaseback or leveraged leasing structure) with respect to the Facility.

"**Letter(s) of Credit**" means one or more irrevocable, standby letters of credit (a) issued by a U.S. commercial bank or a foreign bank with a U.S. branch with such bank having a Credit Rating of at least [redacted], and (b) in a form substantially similar to the letter of credit set forth in Exhibit I or as otherwise reasonably acceptable to the Party that is the beneficiary of the Letter of Credit.

"**Licensed Professional Engineer**" means either (i) DNV Energy USA Inc., (ii) UL Services Group LLC, (iii) the independent engineer retained by the Lenders, or on their behalf under customary terms and conditions, in connection with a financing of the Facility, which engineer, or employee or principal thereof (a) is licensed to practice engineering in New Mexico, (b) has training and experience in the power industry specific to the technology of the Facility, (c) is not a representative of a consultant, engineer, contractor, designer or other individual involved in the development of the Facility or of a manufacturer or supplier of any equipment installed at the Facility other than as the independent engineer for the Lenders, and (d) is licensed in an appropriate engineering discipline for the required certification being made, or (iv) a person acceptable to Buyer in its reasonable judgment.

"**Limited Assignee**" has the meaning set forth in Section 14.4.

"**Limited Assignment Agreement**" has the meaning set forth in Section 14.4.

"**LMP**" means "Locational Marginal Price," which has the meaning set forth in CAISO Tariff.

"**Lockbox Account**" has the meaning set forth in the Security Agreement.

"**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 termination of this Agreement for the remaining Contract Term, determined in a commercially reasonable manner. Factors used in determining economic loss to a Party may include, without limitation, reference to information supplied by one or more third parties, which shall exclude Affiliates of the Non-Defaulting Party, 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, comparable transactions, forward price curves based on economic analysis of the relevant markets, settlement prices for comparable transactions at liquid trading hubs (e.g., SP-15), all of which should be calculated for the remaining Contract Term and must include the value of Green Attributes and Renewable Energy Incentives.

"**Lost Output**" has the meaning set forth in Exhibit E.

[redacted]

[redacted]

"**Market Curtailment Period**" means the period of time, as measured using current Settlement Intervals, during a Settlement Period or Settlement Interval [redacted] *provided,* if applicable, that the Market Curtailment Period shall also include the time required for the Facility to ramp down to implement such curtailment (if any) and ramp up following such curtailment (if any) in accordance with the Operating Restrictions.

"**Milestones**" means the development activities and dates associated therewith set forth on the Cover Sheet.

"**Moody's**" means Moody's Investors Service, Inc., or its successor.

"**MW**" means megawatts measured in alternating current.

"**MWh**" means megawatt-hour measured in alternating current.

"**Non-Defaulting Party**" has the meaning set forth in Section 11.2.

"**Notice**" shall, unless otherwise specified in the Agreement, mean written communications by a Party to be delivered by hand delivery, United States mail, overnight courier service or electronic communication (including email or other electronic means).

"**Operating Restrictions**" means the operational characteristics of the Facility set forth in Exhibit L.

"**Outage Schedule**" has the meaning set forth in Section 6.1.

[redacted]

"**Participating Transmission Owner**" or "**PTO**" means an entity that owns, operates and maintains the Transmission System or distribution lines and associated facilities and/or has entitlements to use certain transmission or distribution lines and associated facilities where the Facility is interconnected. For purposes of this Agreement, the Participating Transmission Owner is set forth in Exhibit A.

"**Party**" has the meaning set forth in the Preamble.

"**Parties**" has the meaning set forth in the Preamble.

"**Performance Measurement Period**" has the meaning set forth in Section 4.7.

"**Performance Security**" means, at Seller's option (i) cash (ii) a Letter of Credit, and/or (iii) a Guaranty, in the amount set forth on the Cover Sheet.

"**Permitted Transferee**" means an entity that satisfies, or is controlled by another Person that satisfies, the following requirements:

(a) [redacted] and

(b) At least three (3) years of experience in the ownership and operations of utility-scale wind-powered electricity generation facilities, or has retained a third-party with such experience to operate the Facility.

"**Person**" means any individual, sole proprietorship, corporation, limited liability company, limited or general partnership, joint venture, association, joint-stock company, trust, incorporated organization, institution, public benefit corporation, unincorporated organization, government entity or other entity.

"**Planned Outage**" means a period during which the Facility is either in whole or in part not capable of providing service due to planned maintenance which has been scheduled in advance, in accordance with Section 6.1.

"**POI Curtailment**" means the curtailment of the Facility's generation due to the failure of Seller's Economic Bid (as defined in the CAISO Tariff), which will be at or below the Floor Price, or Self-Schedule to clear in the Day-Ahead Market (if applicable) and the Real-Time Market in any Settlement Period or Settlement Interval at the Point of Interconnection. For the avoidance of doubt, (i) no Facility generation curtailed solely due to a POI Curtailment shall constitute Deemed Delivered Energy, and (ii) Buyer shall not be liable for any payment to Seller in connection with Facility generation curtailed solely due to a POI Curtailment.

"**Point of Interconnection**" has the meaning set forth in the Interconnection Agreement.

"**Portfolio Content Category 1**" means the Renewable Energy Credit classification associated with the generation of electricity from an Eligible Renewable Energy Resource consisting of the portfolio content set forth in California Public Utilities Code Section 399.16(b)(1), as may be amended from time to time or as further defined or supplemented by Law.

"**PPA Provider**" has the meaning set forth in the Security Agreement.

"**Product**" has the meaning set forth on the Cover Sheet.

"**Production Tax Credits**" or "**PTCs**" means production tax credit under Section 45 of the Internal Revenue Code as in effect from time-to-time throughout the Delivery Term or any successor or other provision providing for a federal tax credit determined by reference to renewable electric energy produced from wind or other renewable energy resources for which Seller, as the owner of the Facility, is eligible.

"**Progress Report**" means a progress report including the items set forth in Exhibit C.

"**Project**" has the same meaning as "Facility".

"**Prudent Operating Practice**" means the practices, methods and standards of professional care, skill and diligence engaged in or approved by a significant portion of the utility-scale wind energy industry for facilities of similar size, type and design, that, in the exercise of reasonable judgment, in light of the facts known at the time, would have been expected to accomplish results consistent with Law, reliability, safety, environmental protection, applicable codes, and standards of economy and expedition. Prudent Operating Practice is not necessarily defined as the optimal standard practice method or act to the exclusion of others, but rather refer to a range of actions reasonable under the circumstances.

"**PTC Amount**" means the amount, on a dollar per MWh basis, equal to the Production Tax Credits that Seller would have earned in respect of energy produced by the Facility at the time, grossed up on an after tax basis at the then-highest marginal combined federal and state corporate tax rate, but failed to earn as a result of a Market Curtailment Period, which amount will be calculated by reference to the amount of Deemed Delivered Energy and prorated for the number of the Facility's wind turbines that are eligible to receive Production Tax Credits at the time of determination.

"**QRE**" has the meaning set forth for "Qualified Reporting Entity" in the WREGIS Operating Rules.

"**Real-Time Forecast**" means Seller's final forecast of the amount of expected Delivered Energy, net of all Electrical Losses, for each hour of a given day, based on a commercially reasonable forecasting methodology to determine the potential generation of the Facility as a function of Available Capacity, wind speed and direction, wind turbine power curves and other pertinent data for the period of time, consistent with Prudent Operating Practice; *provided* that, for the avoidance of doubt, market conditions and pricing shall not be factored into such determination of the potential generation of the Facility.

"**Real-Time Market**" has the meaning set forth in the CAISO Tariff.

"**REC Price**" means the prevailing market price (expressed in $/MWh) for RECs meeting the RPS requirements for Portfolio Content Category 1, determined by averaging quotes provided by Buyer from three (3) unaffiliated brokers.

"**Receiving Party**" has the meaning set forth in Section 18.2.

"**Recurring Certificate Transfers**" has the meaning set forth in the WREGIS Operating Rules.

"**Remedial Action Plan**" has the meaning in Section 2.5(a).

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

"**Renewable Energy Incentives**" means: (a) all federal, state, or local Tax credits or other Tax benefits associated with the construction, ownership, or production of electricity from the Facility (including credits under Sections 38, 45, 46 and 48 of the Internal Revenue Code of 1986, as amended); (b) any federal, state, or local grants, subsidies or other like benefits relating in any way to the Facility, including a cash grant available under Section 1603 of Division B of the American Recovery and Reinvestment Act of 2009, in lieu of federal Tax credits or any similar or substitute payment available under subsequently enacted federal legislation; and (c) any other form of incentive relating in any way to the Facility that are not a Green Attribute or a Future Environmental Attribute.

"**Replacement Energy**" means [redacted]

"**Replacement Green Attributes**" means Renewable Energy Credits meeting the RPS requirements for Portfolio Content Category 1.

"**Replacement Product**" means (a) Replacement Energy and (b) Replacement Green Attributes provided pursuant to Section 4.7, in an amount not to exceed ten percent (10%) of the Expected Energy for the Contract Year during which such Replacement Product is delivered to Buyer.

"**Resource Data Template**" has the meaning set forth in the CAISO Tariff.

"**S&P**" means the Standard & Poor's Financial Services, LLC (a subsidiary of The McGraw-Hill Companies, Inc.) or its successor.

"**Schedule**" has the meaning set forth in the CAISO Tariff.

"**Scheduled Energy**" means the Energy from Buyer's Share of the Facility that clears under the applicable CAISO market based on the final Schedule developed in accordance with this Agreement, the operating procedures developed by the Parties pursuant to this Agreement, and the applicable CAISO Tariff, protocols and Scheduling practices.

"**Scheduling Coordinator**" or "**SC**" means an entity certified by the CAISO as qualifying as a Scheduling Coordinator pursuant to the CAISO Tariff for the purposes of undertaking the functions specified in "Responsibilities of a Scheduling Coordinator," of the CAISO Tariff, as amended from time to time.

"**Scheduling Point**" has the meaning set forth in the CAISO Tariff.

"**Secured Creditor**" means each PPA Provider or other party that is a Secured Creditor under the Intercreditor and Collateral Agency Agreement and its respective successors and assigns.

"**Security Agreement**" means the Security Agreement, dated as of March 1, 2021, between Buyer and Collateral Agent, as collateral agent for the benefit of the Secured Creditors, or any successor agreement generally available to Buyer's creditors.

"**Self-Schedule**" has the meaning set forth in the CAISO Tariff.

"**Seller**" has the meaning set forth on the Cover Sheet.

"**Seller's WREGIS Account**" has the meaning set forth in Section 4.8(a).

"**Settlement Amount**" means the Non-Defaulting Party's Costs and Losses, on the one hand, netted against its Gains, on the other. If the Non-Defaulting Party's Costs and Losses exceed its Gains, then the Settlement Amount shall be an amount owing to the Non-Defaulting Party. If the Non-Defaulting Party's Gains exceed its Costs and Losses, then the Settlement Amount shall be zero dollars ($0). The Settlement Amount does not include consequential, incidental, punitive, exemplary or indirect or business interruption damages.

"**Settlement Interval**" has the meaning set forth in the CAISO Tariff.

"**Settlement Period**" has the meaning set forth in the CAISO Tariff, which as of the Effective Date is the period beginning at the start of the hour and ending at the end of the hour.

"**Shared Facilities**" has the meaning set forth in Section 6.3.

"**Shared Facilities Agreement**" has the meaning set forth in Section 6.3.

"**Site**" means the real property on which the Facility is or will be located, as further described in Exhibit A.

"**SPTO PPA**" has the meaning set forth in the Recitals hereto.

"**Station Use**" means:

(a) The Energy produced by the Facility that is used within the Facility to power the lights, motors, control systems and other electrical loads that are necessary for operation of the Facility; and

(b) The Energy produced by the Facility that is consumed within the Facility's electric energy distribution system as losses.

"**SunZia PowerCo**" has the meaning set forth in the Recitals hereto.

"SunZia Transmission Line" means that certain 3,000-MW high-voltage (+/-525-kV) transmission line originating at the Point of Interconnection (as defined in the Interconnection Agreement) in New Mexico and terminating near Phoenix, Arizona. The western terminus of the line will connect to the 500-kV Pinal Central Substation.

"**System Emergency**" means any condition that: (a) requires, as determined and declared by CAISO, the PTO or a Transmission Provider, automatic or immediate action to (i) prevent or limit harm to or loss of life or property, (ii) prevent loss of transmission facilities or generation supply in the immediate vicinity of the Facility, or (iii) to preserve Transmission System reliability,

and (b) directly affects the ability of any Party to perform under any term or condition in this Agreement, in whole or in part.

"**Tax**" or "**Taxes**" means all U.S. federal, state and local and any foreign taxes, levies, assessments, surcharges, duties and other fees and charges of any nature imposed by a Governmental Authority, whether currently in effect or adopted during the Contract Term, including ad valorem, excise, franchise, gross receipts, import/export, license, property, sales and use, stamp, transfer, payroll, unemployment, income, and any and all items of withholding, deficiency, penalty, additions, interest or assessment related thereto.

"**Tax Credits**" means the Production Tax Credit and any other state, local or federal production tax credit, depreciation benefit, tax deduction or investment tax credit specific to the production of renewable energy or investments in renewable energy facilities.

"**Terminated Transaction**" has the meaning set forth in Section 11.2(a).

"**Termination Payment**" has the meaning set forth in Section 11.3(b).

"**Third-Party Vendor Forecast**" means the forecast of the hourly Energy expected to be produced by the Facility and delivered to the Delivery Point, net of all Electrical Losses, provided by either (a) ENFOR A/S or (b) any other reputable third-party vendor that is registered to do business in California, experienced in providing and verifying wind energy generation forecasts, and not an Affiliate of Seller.

"**Transmission Provider**" means any entity or entities transmitting or transporting the Product on behalf of Seller or Buyer to or from the Delivery Point, including the Participating Transmission Owner.

"**Transmission System**" means the transmission facilities operated by the Transmission Provider(s), now or hereafter in existence, which provide energy transmission service upstream to or downstream from the Delivery Point.

[redacted]

"**WREGIS**" means the Western Renewable Energy Generation Information System or any successor renewable energy tracking program.

"**WREGIS Certificate Deficit**" has the meaning set forth in Section 4.8(e).

"**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.

"**WREGIS Operating Rules**" means those operating rules and requirements adopted by WREGIS as of October 2022, as subsequently amended, supplemented or replaced (in whole or in part) from time to time.

1.2 **Rules of Interpretation**.

In this Agreement, except as expressly stated otherwise or unless the context otherwise requires:

(a) headings and the rendering of text in bold and italics are for convenience and reference purposes only and do not affect the meaning or interpretation of this Agreement;

(b) words importing the singular include the plural and vice versa and the masculine, feminine and neuter genders include all genders;

(c) the words "hereof", "herein", and "hereunder" and words of similar import shall refer to this Agreement as a whole and not to any particular provision of this Agreement;

(d) a reference to an Article, Section, paragraph, clause, Party, or Exhibit is a reference to that Section, paragraph, clause of, or that Party or Exhibit to, this Agreement unless otherwise specified;

(e) a reference to a document or agreement, including this Agreement shall mean such document, agreement or this Agreement including any amendment or supplement to, or replacement, novation or modification of this Agreement, but disregarding any amendment, supplement, replacement, novation or modification made in breach of such document, agreement or this Agreement;

(f) a reference to a Person includes that Person's successors and permitted assigns;

(g) the term "including" means "including without limitation" and any list of examples following such term shall in no way restrict or limit the generality of the word or provision in respect of which such examples are provided;

(h) references to any statute, code or statutory provision are to be construed as a reference to the same as it may have been, or may from time to time be, amended, modified or reenacted, and include references to all bylaws, instruments, orders and regulations for the time being made thereunder or deriving validity therefrom unless the context otherwise requires;

(i) in the event of a conflict, a mathematical formula or other precise description of a concept or a term shall prevail over words providing a more general description of a concept or a term;

(j) references to any amount of money shall mean a reference to the amount in United States Dollars;

(k) the expression "and/or" when used as a conjunction shall connote "any or all of";

(l) words, phrases or expressions not otherwise defined herein that (i) have a generally accepted meaning in Prudent Operating Practice shall have such meaning in this Agreement or (ii) do not have well known and generally accepted meaning in Prudent Operating Practice but that have well known and generally accepted technical or trade meanings, shall have such recognized meanings;

(m) references to "reasonably acceptable" shall require that the Party with discretion shall not unreasonably withhold, delay or condition its approval;

(n) each Party acknowledges that it was represented by counsel in connection with this Agreement and that it or its counsel reviewed this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

ARTICLE 2
TERM; CONDITIONS PRECEDENT

2.1 **Contract Term**.

(a) Effective Date. This Agreement shall become effective on the Effective Date, and shall remain in full force and effect until the conclusion of the Delivery Term, subject to any early termination provisions and any contract term extension provisions set forth herein (the "**Contract Term**").

(b) Continuing Provisions. Applicable provisions of this Agreement shall continue in effect after termination, including early termination, to the extent necessary to enforce or complete the duties, obligations or responsibilities of the Parties arising prior to termination. In addition, the confidentiality obligations of the Parties under Article 18 shall remain in full force and effect for [redacted] following the termination of this Agreement, all indemnity obligations shall remain in full force and effect for [redacted] following termination of this Agreement, all audit rights shall remain in full force and effect for [redacted] following the termination of this Agreement, and Buyer's obligation to return to Seller the Development Security and/or Performance Security less any amounts drawn in accordance with this Agreement shall remain in full force and effect following the termination of this Agreement.

2.2 **[Reserved.]**.

2.3 **Obligations Prior to Delivery Term**. The Delivery Term shall not commence until Seller completes each of the following conditions. Upon receipt of Notice from Seller of the completion of each condition, Buyer shall, if it disputes the completion of the condition provide Notice to Seller stating Buyer's grounds for dispute within five (5) Business Days of receipt of

Seller's Notice. In the event that Buyer fails to provide such Notice of dispute within such five (5) Business Days, Buyer shall be deemed to have accepted that the condition has been completed.

(a) Seller shall have delivered to Buyer certificates from a Licensed Professional Engineer substantially in the form of Exhibit F and Exhibit G;

(b) A Participating Generator Agreement (as defined in the CAISO Tariff) between Seller and CAISO, and a Meter Service Agreement for CAISO Metered Entities (as defined in the CAISO Tariff) between CAISO and Seller, if, with respect to each such agreement, it is required under the CAISO Tariff or for Seller to meet its obligations under this Agreement, shall have been executed and delivered and be in full force and effect, and a copy of each such agreement delivered to Buyer;

(c) All applicable regulatory authorizations, approvals and permits for the operation of the Facility have been obtained (or if not obtained, applied for and reasonably expected to be received within ninety (90) days) and all conditions thereof have been satisfied and shall be in full force and effect;

(d) Seller has received the requisite pre-certification of the CEC Certification and Verification (and reasonably expects to receive final CEC Certification and Verification for the Facility in no more than one hundred eighty (180) days from the Commercial Operation Date);

(e) Installed Capacity equal to at least [redacted] of the Guaranteed Capacity has been completed and is ready to produce and deliver Product to Buyer, as stated in the certificate in the form of Exhibit F delivered pursuant to clause (a) of this Section 2.3;

(f) Seller (with the reasonable participation of Buyer) shall have completed all applicable WREGIS registration requirements pursuant to the WREGIS Operating Rules that are reasonably capable of being completed prior to the Commercial Operation Date under the WREGIS Operating Rules, including, if applicable, the completion and submittal of all applicable registration forms and supporting documentation, which may include applicable interconnection agreements, informational surveys related to the Facility, QRE service agreements, and other appropriate documentation required to effect Facility registration with WREGIS and to enable Renewable Energy Credit transfers related to the Facility within the WREGIS system;

(g) Seller has obtained insurance meeting the requirements of Article 17; *provided*, *however*, that Seller may deliver copies of certificates of such insurance to Buyer within ten (10) Business Days after the Commercial Operation Date;

(h) Seller has delivered the Performance Security to Buyer in accordance with Section 8.8; and

(i) Seller has paid Buyer for all Delay Damages due and owing under this Agreement, if any.

Upon request from Seller from time to time, Buyer shall confirm in writing the completion of those of the foregoing conditions that have been completed by Seller as of such request.

2.4 **Progress Reports**. The Parties agree time is of the essence in regard to the Agreement. Within fifteen (15) Business Days after the close of each calendar month following the Effective Date until the Commercial Operation Date, Seller shall provide to Buyer a Progress Report and have regular meetings between representatives of Buyer and Seller to review such monthly reports and discuss the Facility's development and construction progress. The content of the Progress Report is set forth in Exhibit C. Seller shall also provide Buyer with any reasonably requested documentation (subject to availability and confidentiality restrictions) directly related to the achievement of Milestones within ten (10) Business Days of receipt of such request. Buyer shall be entitled to provide such Progress Reports to any purchaser to whom Buyer resells the Product (or parts thereof); *provided* such purchaser shall have first executed a commercially reasonable non-disclosure agreement with Seller containing terms consistent with those in Article 18.

2.5 **Remedial Action Plan**.

(a) If Seller misses any [redacted] except as the result of a Force Majeure Event or Buyer default, Seller shall submit to Buyer, [redacted] a remedial action plan ("**Remedial Action Plan**"), which will describe in detail any delays (actual or anticipated) beyond the scheduled Milestone dates, including the cause of the delay (e.g., governmental approvals, financing, property acquisition, design activities, equipment procurement, project construction, interconnection, or any other factor), Seller's detailed description of its proposed course of action to achieve the missed Milestones and all subsequent Milestones by the Guaranteed Commercial Operation Date (as it may be extended pursuant to this Agreement); *provided*, that delivery of any Remedial Action Plan shall not relieve Seller of its obligation to provide Remedial Action Plans with respect to any subsequent Milestones and to achieve the Guaranteed Commercial Operation Date in accordance with the terms of this Agreement.

(b) Delivery of any Remedial Action Plan shall not relieve Seller of its obligation to provide Remedial Action Plans, as applicable, with respect to any subsequent Milestones and to achieve the Guaranteed Commercial Operation Date in accordance with the terms of this Agreement.

(c) Except as set forth in Section 2.6, so long as Seller is in compliance with its obligations under this Section 2.5, its failure to meet any Milestone shall not be a default under this Agreement.

2.6 **Outside Commercial Operation Date**.

(a) Reserved.

(b) If Commercial Operation is not achieved by the Outside Commercial Operation Date, Buyer may declare an Event of Default in accordance with the terms of Section 11.1(b)(iv); *provided*, if Buyer has not declared an Event of Default and terminated this Agreement pursuant to Sections 11.1(b)(iv) and 11.2 [redacted], Seller may terminate this Agreement upon Notice to Buyer, it shall not be an Event of Default by either Party, and neither Party shall have any liability to the other Party, except

for the payment by Seller, as liquidated damages, of the Damage Payment; *provided further*, that the time period for which Seller is subject to the right of first refusal pursuant to Section 11.8 shall be shortened on a day-for-day basis for each day following the Outside Commercial Operation Date for which Buyer does not exercise its in termination right in accordance with Section 11.1(b)(iv) and 11.2.

ARTICLE 3
PURCHASE AND SALE

3.1 **Sale of Product**. Subject to the terms and conditions of this Agreement, during the Delivery Term, Seller shall sell and deliver to Buyer, and Buyer shall purchase from Seller, all the Product produced by or associated with the Facility, subject to the Hourly Delivery Cap. The sale by Seller and purchase by Buyer of Delivered Energy hereunder shall be for resale. During the Delivery Term, Buyer will have exclusive rights to offer, bid, or otherwise submit the Product, or any component thereof, from the Facility after the Delivery Point for resale into the market or to any third party, and retain and receive any and all related revenues. Subject to Buyer's obligations to pay for Deemed Delivered Energy, Buyer has no obligation to purchase from Seller any Product that is not or cannot be delivered to the Delivery Point or Alternative Delivery Point as a result of any circumstance, including, an outage of the Facility, a Force Majeure Event, or a Curtailment Order. The Parties acknowledge and agree that (i) the Product is limited to Delivered Energy and associated Green Attributes; (ii) Buyer has no right under this Agreement to purchase or receive capacity attributes, resource adequacy benefits, ancillary services, or tax or other financial benefit associated with the Facility, or any product, attribute or benefit that is similar to or derivative of such products, attributes or benefits; and (iii) Seller shall bear all costs and receive all revenues associated with such excluded products, attributes or benefits under this Agreement.

3.2 **Sale of Green Attributes**. During the Delivery Term, Seller shall sell and deliver to Buyer, and Buyer shall purchase from Seller, all of the Green Attributes attributable to the Delivered Energy.

3.3 **Compensation.**

[redacted]



(d) Excess Settlement Interval Deliveries. If, during any Settlement Interval, Seller delivers Product amounts to Buyer, as measured by the amount of Delivered Energy, in excess of the product of the Guaranteed Capacity and the duration of the Settlement Interval, expressed in hours ("**Excess MWh**"), then Buyer shall not be obligated to pay for all such Excess MWh.

3.4 **Imbalance Energy**. Other than during a Market Curtailment Period, Seller shall use commercially reasonable efforts to deliver Energy in accordance with the Scheduled Energy but shall not be required to curtail the Delivered Energy other than pursuant to a Curtailment Order. Buyer and Seller recognize that from time to time the amount of Delivered Energy will deviate from the amount of Scheduled Energy. Seller shall be responsible for all CAISO costs, and shall be entitled to all CAISO revenues, associated with Imbalance Energy.

3.5 **Ownership of Renewable Energy Incentives**. Seller shall have all right, title and interest in and to all Renewable Energy Incentives. Buyer acknowledges that any Renewable Energy Incentives belong to Seller. If any Renewable Energy Incentives, or values representing the same, are initially credited or paid to Buyer, Buyer shall cause such Renewable Energy Incentives or values relating to same to be assigned or transferred to Seller without delay. Buyer shall reasonably cooperate with Seller, at Seller's sole expense, in Seller's efforts to meet the requirements for any certification, registration, or reporting program relating to Renewable Energy Incentives.

3.6 **Future Environmental Attributes.**

(a) The Parties acknowledge and agree that as of the Effective Date, environmental attributes anticipated to be sold under this Agreement are restricted to Green Attributes; however, Future Environmental Attributes may be created by a Governmental Authority through Laws enacted after the Effective Date. The Parties shall promptly notify each other upon becoming aware of the existence of Future Environmental Attributes and, subject to the final sentence of this Section 3.6(a), in such event, Buyer shall have the exclusive right to claim such Future Environmental Attributes by providing Notice to Seller. If Buyer provides such Notice, Buyer shall bear all costs associated with the transfer, qualification, verification, registration and ongoing compliance for such Future Environmental Attributes, but there shall be no increase in the Contract Price. Upon Seller's receipt of Notice from Buyer of Buyer's intent to claim such Future Environmental Attributes, the Parties shall determine the necessary actions and additional costs associated with such Future Environmental Attributes. Seller shall have no obligation to alter the Facility or its operations unless the Parties have agreed on all necessary terms and conditions relating to such alteration and Buyer has agreed to reimburse Seller for all costs associated with such alteration.

(b) If Buyer elects to receive Future Environmental Attributes pursuant to Section 3.6(a), the Parties agree to negotiate in good faith with respect to the development of further agreements and documentation necessary to effectuate the transfer of such Future Environmental Attributes, including agreement with respect to (i) appropriate transfer, delivery and risk of loss mechanisms, and (ii) the determination of any additional costs to be borne by Buyer, as set forth above; *provided*, that the Parties acknowledge and agree that such terms are not intended to alter the other material terms of this Agreement.

3.7 **Pre-COD Product**. Seller shall have no obligation to sell or deliver to Buyer, and Buyer shall have no obligation to buy or receive from Seller, any Product prior to the commencement of the Delivery Term. Prior to the Delivery Term, Seller may sell all energy and associated Green Attributes from the Facility to any third party, and all revenues and costs associated with such sales shall be for Seller's account.

3.8 **Reserved.**

3.9 **CEC Certification and Verification**. Seller shall take all necessary steps including, but not limited to, making or supporting timely filings with the CEC to obtain and maintain CEC Certification and Verification for the Facility throughout the Delivery Term, including compliance with all applicable requirements for certified facilities set forth in the current version of the *RPS Eligibility Guidebook* (or its successor). Seller must promptly notify Buyer and the CEC of any changes to the information included in Seller's application for CEC Certification and Verification for the Facility.

3.10 **Non-Modifiable Terms.**

(a) Eligibility. 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. **[STC 6]**

(b) Applicable 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. **[STC 17].**

(c) Transfer of Renewable Energy Credits. 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 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. **[STC REC-1]**

(d) Tracking of RECs in WREGIS. Seller warrants that all necessary steps to allow the Renewable Energy Credits transferred to Buyer to be tracked in the Western Renewable Energy Generation Information System will be taken prior to the first delivery under the contract. **[STC REC-2]**

3.11 **California Renewables Portfolio Standard**. Upon request of Buyer, Seller shall provide records or other information reasonably required to demonstrate that the Product has been conveyed and delivered in accordance with the terms and conditions of this Agreement, including, subject to Section 3.12, scheduling or delivery information necessary to meet the requirements of the California Renewables Portfolio Standard for the Product. Subject to Section 3.12, Seller represents and warrants the Product meets the requirements set forth in PUC Code 399.16(b)(1) and the RPS compliance requirements for Portfolio Content Category 1 as set forth in CPUC Decision 11-12-052.

3.12 **Compliance Expenditure Cap**. Notwithstanding anything herein to the contrary, if Seller establishes to Buyer's reasonable satisfaction that a change in Law occurring after the Effective Date has increased Seller's out-of-pocket costs above the costs that could reasonably have been contemplated as of the Effective Date to take all actions to comply with Seller's obligations under the Agreement with respect to obtaining, maintaining, conveying or effectuating Buyer's use of (as applicable), the items listed below, then the Parties agree that the maximum amount of out-of-pocket costs and expenses Seller shall be required to bear during any Contract Year shall be capped at [redacted] and in the aggregate during the Delivery Term shall be capped at [redacted] ("**Compliance Expenditure Cap**"):

(a) CEC Certification and Verification;

(b) Green Attributes; and

(c) WREGIS.

Any actions required for Seller to comply with its obligations set forth in the first paragraph above, the cost of which will be included in the Compliance Expenditure Cap, shall be referred to collectively as the "**Compliance Actions**."

If Seller reasonably anticipates the need to incur out-of-pocket expenses in excess of the Compliance Expenditure Cap in order to take any Compliance Action, Seller shall provide Notice to Buyer reasonably demonstrating such anticipated out-of-pocket expenses.

Buyer will have sixty (60) days to evaluate such Notice (during which time period Seller is not obligated to take any Compliance Actions described in the Notice) and shall, within such time, either (1) agree to reimburse Seller for all or some portion of the reasonably incurred costs that exceed the Compliance Expenditure Cap specified in such Notice (such Buyer-agreed upon costs, the "**Accepted Compliance Costs**"), or (2) waive Seller's obligation to take such Compliance Actions, or any part thereof for which Buyer has not agreed to reimburse Seller; *provided*, if in any Contract Year, Seller's costs to take Compliance Actions exceed the annual Compliance Expenditure Cap: (i) Buyer may pay to Seller any reasonably demonstrated amounts that Seller expends in connection with Compliance Actions that are over the annual Compliance Expenditure Cap; (ii) in the following Contract Year, Seller shall reimburse Buyer for all such amounts paid by Buyer [redacted], and provided that all such reimbursed amounts in combination with all other Seller costs and expenses associated with Compliance Actions shall not exceed [redacted] in the aggregate over the Contract Term; and (iii) such reimbursed amounts shall be considered costs and expenses associated with Compliance Actions and shall count towards the current annual and aggregate Compliance Expenditure Cap; for the avoidance of doubt, in no case shall Seller be required to bear any costs in connection with Compliance Actions (including those associated with a reimbursement by Seller of Buyer payments hereunder) in any Contract Year or in the aggregate in excess of the respective Compliance Expenditure Cap. If Buyer does not respond to a Notice given by Seller under this Section 3.12 within sixty (60) days after Buyer's receipt of same, Buyer shall be deemed to have waived its rights to require Seller to take the Compliance Actions that are the subject of the Notice, and Seller shall have no further obligations to take, and no liability for a failure to take, such Compliance Actions for the remainder of the Term.

If Buyer agrees to reimburse Seller for the Accepted Compliance Costs, then Seller shall take such Compliance Actions covered by the Accepted Compliance Costs as agreed upon by Buyer and Buyer shall reimburse Seller for Seller's actual costs to effect the Compliance Actions, not to exceed the Accepted Compliance Costs, within sixty (60) days from the time that Buyer receives an invoice and documentation of such costs from Seller. If Buyer agrees to reimburse Seller for the Accepted Compliance Costs for less than all of the costs that exceed the Compliance Expenditure Cap, Seller shall only be obligated to take the Compliance Actions covered by the Accepted Compliance Costs.

The term "commercially reasonable efforts" as used in Section 3.10 means efforts consistent with and subject to this Section 3.12.

ARTICLE 4
OBLIGATIONS AND DELIVERIES

4.1 **Delivery**.

(a) Energy. Subject to the terms and conditions of this Agreement, Seller shall make available and Buyer shall accept all Delivered Energy on an as-generated, instantaneous basis. Seller shall effectuate the delivery of Delivered Energy, and shall be responsible for securing such arrangements with CAISO, the PTO and any other Transmission Provider as are necessary in connection therewith.

(b) Green Attributes. Seller hereby provides and conveys all Green Attributes associated with the Delivered Energy as part of the Product being delivered. Seller represents and warrants that Seller holds the rights to all Green Attributes from the Facility, and Seller agrees to convey and hereby conveys all such Green Attributes to Buyer as included in the delivery of the Product from the Facility.

(c) Interconnection Capacity and Transmission Rights. Seller shall maintain (i) contractual rights to interconnection capacity that is no less than the Interconnection Capacity Limit, and (ii) firm transmission rights sufficient to deliver 636 MW_{AC} to the Delivery Point, in each case throughout the Delivery Term; *provided*, that, subject to Section 6.3 below, (i) Seller may share its firm transmission rights with one or more of Seller's Affiliates or with third parties, solely if and to the extent that, and solely for the period of time that, the amount of Energy that the Facility is capable of generating is less than 636 MW_{AC}, and (ii) Seller may share the interconnection capacity to which it is entitled under Seller's Interconnection Agreement with one or more of Seller's Affiliates or with third parties, solely if and to the extent that, and solely for the period of time that, the amount of Energy that the Facility is capable of generating is less than 900 MW_{AC}.

4.2 **Title and Risk of Loss**.

(a) Energy. Title to and risk of loss related to the Delivered Energy shall pass and transfer from Seller to Buyer at the Delivery Point. Subject to Section 5.1, Seller shall be responsible for paying or satisfying when due any costs or charges imposed in connection with the delivery of Energy from the Facility to the Delivery Point and Buyer shall be responsible for paying or satisfying when due any costs or charges imposed in connection with the delivery of Energy at and after the Delivery Point.

(b) Green Attributes. Title to and risk of loss related to the Green Attributes shall pass and transfer from Seller to Buyer upon the transfer of such Green Attributes in accordance with WREGIS.

4.3 **Scheduling Coordinator Responsibilities**.

(a) Seller as Scheduling Coordinator for the Facility. Seller shall be the Scheduling Coordinator or designate a qualified third party to provide Scheduling Coordinator services with the CAISO for the Facility for the delivery of the Product at the Delivery Point. [redacted] Seller shall perform or cause to be performed all scheduling and settlement activities in compliance with (i) the CAISO Tariff and (ii) Prudent Operating Practice. The Parties agree to communicate and cooperate as reasonably necessary in order to address any scheduling or settlement issues as they may arise, and to work together in good faith to resolve them in a manner consistent with the terms of this Agreement. To the extent required under the CAISO Tariff, Seller (as the Facility's Scheduling Coordinator) shall ensure that all Delivered Energy and Replacement Energy is electronically tagged (E-tagged) in accordance with Prudent Operating Practice. Seller shall comply with any requirements of the CPUC, CEC, WREGIS and CARB, as applicable, with respect to documenting and reporting E-tags, including, as applicable, requirements to match E-tags to WREGIS Certificate creation. Seller shall use commercially reasonable efforts to provide additional information as reasonably requested by Buyer on E-tags for the Delivered Energy.

[redacted]

(c) CAISO Costs and Revenues. Seller shall be responsible for all CAISO costs (including penalties, Imbalance Energy charges, and other charges) and shall be entitled to all

CAISO revenues (including credits, Imbalance Energy payments, and other payments), including costs and revenues associated with CAISO dispatches, bid cost recovery, Inter-SC Trade credits, or other credits in respect of the Product scheduled or delivered from the Facility. In addition, if during the Delivery Term, the CAISO implements or has implemented any sanction or penalty related to scheduling, outage reporting, or generator operation, the cost of such sanctions or penalties arising from the scheduling, outage reporting, or generator operation of the Facility shall be the Seller's responsibility except to the extent such costs are incurred due to the fault or negligence of Buyer.

(d) Master File and Resource Data Template. Seller shall provide the data to the CAISO (and to Buyer) that is required for the CAISO's Master File and Resource Data Template (or successor data systems) for this Facility consistent with this Agreement. Neither Party shall change such data without the other Party's prior written consent. At least once per Contract Year, Seller shall review and confirm that the data provided for the CAISO's Master Data File and Resource Data Template (or successor data systems) for this Facility remains consistent with the actual operating characteristics of the Facility and update such data as appropriate.

4.4 **Forecasting**. Seller shall provide the forecasts described below at its sole expense and in a format reasonably acceptable to Buyer (or Buyer's designee). Seller shall use reasonable efforts to provide forecasts that are consistent with the information actually known by Seller at the time the forecasts are submitted and, to the extent not inconsistent with the requirements of this Agreement, shall prepare such forecasts, or cause such forecasts to be prepared, in accordance with Prudent Operating Practice.

(a) Annual Forecast of Available Capacity. No less than forty-five (45) days before (i) the first day of the first Contract Year of the Delivery Term and (ii) the first day of every subsequent Contract Year during the Delivery Term, Seller shall provide to Buyer a non-binding forecast of each month's Available Capacity, by hour, and Seller's projection of scheduled maintenance for the following calendar year in a form reasonably requested by Buyer.

(b) Annual Forecast of Energy. No less than forty-five (45) days before (i) the first day of the first Contract Year of the Delivery Term and (ii) the first day of every subsequent Contract Year during the Delivery Term, Seller shall provide to Buyer a non-binding forecast of each month's average-day expected Delivered Energy, by hour, for the following calendar year in a form substantially similar to the table found in Exhibit D, or as reasonably requested by Buyer.

(c) Monthly Forecast of Energy and Available Capacity. No less than thirty (30) days before the beginning of Commercial Operation, and thereafter no less than ten (10) Business Days before the beginning of each calendar month during the Delivery Term, Seller shall provide to Buyer a non-binding forecast of the hourly expected Delivered Energy and Available Capacity for each day of the following month in a form reasonably requested by Buyer.

(d) Daily Forecast of Available Capacity. By 5:30 AM Pacific Prevailing Time on the Business Day immediately preceding the date of delivery, Seller shall provide Buyer with (i) a non-binding forecast of its best estimate of Available Capacity and (ii) the Day-Ahead Forecast, in each case, for each hour of the immediately succeeding day.

(e) Real-Time Forecasts. During the Delivery Term, Seller shall notify Buyer of any changes to the Day-Ahead Forecast resulting from changes of fifteen (15) MW or more in the availability of the Installed Capacity or changes of fifteen (15) MWh or more in the hourly expected Delivered Energy, net of all Electrical Losses, as applicable, relative to the amounts that the Day-Ahead Forecast was based on, in each case, due to Forced Facility Outage or Force Majeure Event, as soon as reasonably possible, but no later than sixty (60) minutes prior to the deadline for submitting Schedules to the CAISO in accordance with the rules for participation in the Real-Time Market. If the availability of the Installed Capacity or the hourly expected Delivered Energy, net of all Electrical Losses, changes by at least fifteen (15) MW or fifteen (15 MWh), as applicable, due to Forced Facility Outage or Force Majeure Event as of a time that is less than one (1) hour prior to the Real-Time Market deadline, but before such deadline, then Seller must notify Buyer as soon as reasonably possible. Such Real-Time Forecasts shall contain information regarding the beginning date and time of the event resulting in the change in Installed Capacity or hourly expected Delivered Energy, net of all Electrical Losses, as applicable, the expected end date and time of such event, and any other information required by the CAISO or reasonably requested by Buyer. With respect to any Forced Facility Outage, Seller shall use reasonable efforts to notify Buyer of such outage within ten (10) minutes of becoming aware of the Forced Facility Outage. Seller shall inform Buyer as soon as reasonably practicable of any developments that will affect either the duration of such outage or the availability of the Facility during or after the end of such outage. These Real-Time Forecasts shall be communicated by email to Buyer unless Buyer requests an alternative method of communications reasonably acceptable to Seller.

4.5 **Dispatch Down/Curtailment**.

(a) General. Subject to Section 4.5(b), Seller agrees to reduce deliveries of the Energy produced by the Facility by the amount and for the period set forth in any Curtailment Order; *provided* that Seller is not required to reduce such amount to the extent it is inconsistent with the limitations of the Facility set out in the Operating Restrictions.

(b) Alternative Delivery Point/Third-Party Sales. In the event that, and for so long as, Seller is unable to deliver all or a portion of the Product to Buyer at the Delivery Point, but is able to deliver Product to Buyer at one or more Alternative Delivery Points, such Alternative Delivery Points shall be considered the Delivery Point under this Agreement. If Buyer and Seller fail to agree upon an Alternative Delivery Point, (i) Seller may, in its sole discretion, sell and deliver some or all of the Product during any Curtailment Period to one or more third party buyers to the extent that Seller may do so in compliance with Law and Prudent Operating Practice, and (ii) Seller shall use commercially reasonable efforts to sell and deliver some or all of the Product during Market Curtailment Periods at a positive price to the extent that Seller may do so in compliance with Law and Prudent Operating Practice. [redacted]

4.6 **Reduction in Delivery Obligation**. For the avoidance of doubt, and in no way limiting Section 3.1 or Exhibit E:

(a) Facility Maintenance. Seller shall be permitted to reduce deliveries of Product during any Planned Outage.

(b) Forced Facility Outage. Seller shall be permitted to reduce deliveries of Product during any Forced Facility Outage. As soon as practicable after the Forced Facility Outage has occurred, Seller shall provide Buyer with Notice by e-mail including the expected duration (if known) of any Forced Facility Outage and Seller shall keep Buyer informed of any developments that will affect either the duration of the outage or the availability of the Facility during or after the end of such outage. Upon Buyer's reasonable request, Seller shall promptly prepare and provide to Buyer all reports of Forced Facility Outages or Planned Outages that Buyer may reasonably require for the purpose of enabling Buyer to comply with CAISO requirements or any applicable Laws, provided that Seller may redact such reports as necessary with respect to any Confidential Information except to the extent such Confidential Information is required to be provided to CAISO by Buyer.

(c) System Emergencies and other Events. Seller shall be permitted to reduce deliveries of Product (i) during any period of System Emergency, (ii) pursuant to a Curtailment Order, (iii) during a Market Curtailment Period, (iv) during any Force Majeure Event, (v) as required by Prudent Operating Practice, (vi) due to a POI Curtailment, or (vii) otherwise pursuant to the terms of this Agreement, the Interconnection Agreement or applicable tariff or as may be required under a Shared Facilities Agreement. Notwithstanding anything in this Agreement to the contrary, Seller may, in its sole discretion, sell and deliver some or all of the Product during any Curtailment Period or Market Curtailment Period to one or more third-party buyers to the extent that Seller may do so in compliance with Law and Prudent Operating Practice.

(d) Health and Safety. Seller shall be permitted to reduce deliveries of Product as necessary to maintain health and safety pursuant to Section 6.2.

(e) Real-Time Curtailment. Seller shall be permitted to reduce Facility generation during a period in which the LMP at the Delivery Point in the Real-Time Market is below the Floor Price. During such periods, (i) when the Real-Time Forecast exceeds the portion of the Day-Ahead Forecast that has a Day-Ahead Schedule, Seller shall be permitted to reduce deliveries of Product to Buyer to equal no less than the portion of the Day-Ahead Forecast that has a Day-Ahead Schedule, and (ii) when the Real-Time Forecast is equal to or less than the portion of the Day-Ahead Forecast that has a Day-Ahead Schedule, Buyer shall receive Product based on Buyer's Share of the generation that the Facility would have been able to produce and deliver to the Delivery Point (taking into account Seller's rights to reduce deliveries in Section 4.6(c)) but did not produce and deliver, due to the LMP at the Delivery Point in the Real-Time Market being below the Floor Price, and such amount shall be considered "Delivered Energy" for payment and invoicing purposes.

4.7 **Guaranteed Energy Production**.

(a) After the first Contract Year, Seller shall be required to deliver to Buyer no less than the Guaranteed Energy Production (as defined below) in each period of [redacted] ("**Performance Measurement Period**"). "**Guaranteed Energy Production**" means an amount of Product for each Performance Measurement Period, as measured in MWh, [redacted] of the average annual Expected Energy for the [redacted] in the applicable Performance Measurement Period. The calculation will be performed once each Contract Year, beginning with the third anniversary of the Commercial Operation Date. Seller shall be excused from achieving the Guaranteed Energy Production during any Performance Measurement Period only to the extent of any Force Majeure Events, System Emergencies, Buyer's failure to perform, Curtailment Periods and Market Curtailment Periods. For purposes of determining whether Seller has achieved the Guaranteed Energy Production, Seller shall be deemed to have delivered to Buyer the Product in the amount it could reasonably have delivered to Buyer but was prevented from delivering to Buyer by reason of Force Majeure Events, System Emergencies, Buyer's failure to perform, Curtailment Periods, POI Curtailments, or Market Curtailment Periods. If Seller fails to achieve the Guaranteed Energy Production amount in any Performance Measurement Period, Seller shall, at its discretion (i) provide Replacement Product retroactively pursuant to Section 4.7(b)(ii), or (ii) pay Buyer Energy Replacement Damages calculated in accordance with Exhibit E.

(b) Seller shall be permitted to deliver Replacement Product (i) prospectively during any Performance Measurement Period if Seller reasonably anticipates that delivery of such Replacement Product is necessary to achieve the Guaranteed Energy Production for such Performance Measurement Period, or (ii) retroactively during the Contract Year immediately following any Performance Measurement Period in accordance with Section 4.7(a) above; *provided,* Seller's right to deliver Replacement Product shall be subject to mutual agreement of the Parties (in the reasonable discretion of each) upon a delivery schedule for such Replacement Product; [redacted]. Seller shall provide Notice to Buyer of any proposed delivery of Replacement Product, including a proposed schedule of such deliveries, no later than thirty (30) days prior to the proposed delivery of such Replacement Product, and no later than thirty (30) days after the conclusion of any Performance Measurement Period with respect to which Seller proposes to deliver retroactive Replacement Product. If the Parties cannot reach agreement on a schedule of deliveries within thirty (30) days of such Notice, Seller shall have no right to deliver the proposed Replacement Product.

4.8 **WREGIS**. Seller shall, at its sole expense, take all actions and execute all documents or instruments necessary to ensure that all WREGIS Certificates associated with all Renewable Energy Credits corresponding to all Delivered Energy are issued and tracked for purposes of satisfying the requirements of the California Renewables Portfolio Standard and transferred in a timely manner to Buyer for Buyer's sole benefit. Seller shall transfer the Renewable Energy Credits to Buyer. Seller shall comply with all Laws, including the WREGIS Operating Rules, regarding the certification and transfer of such WREGIS Certificates to Buyer

and Buyer shall be given sole title to all such WREGIS Certificates. Seller shall satisfy its obligations pursuant to Section 3.10(d) and Section 4.2(b) by fulfilling its obligations under Sections 4.8(a) through (f) below.

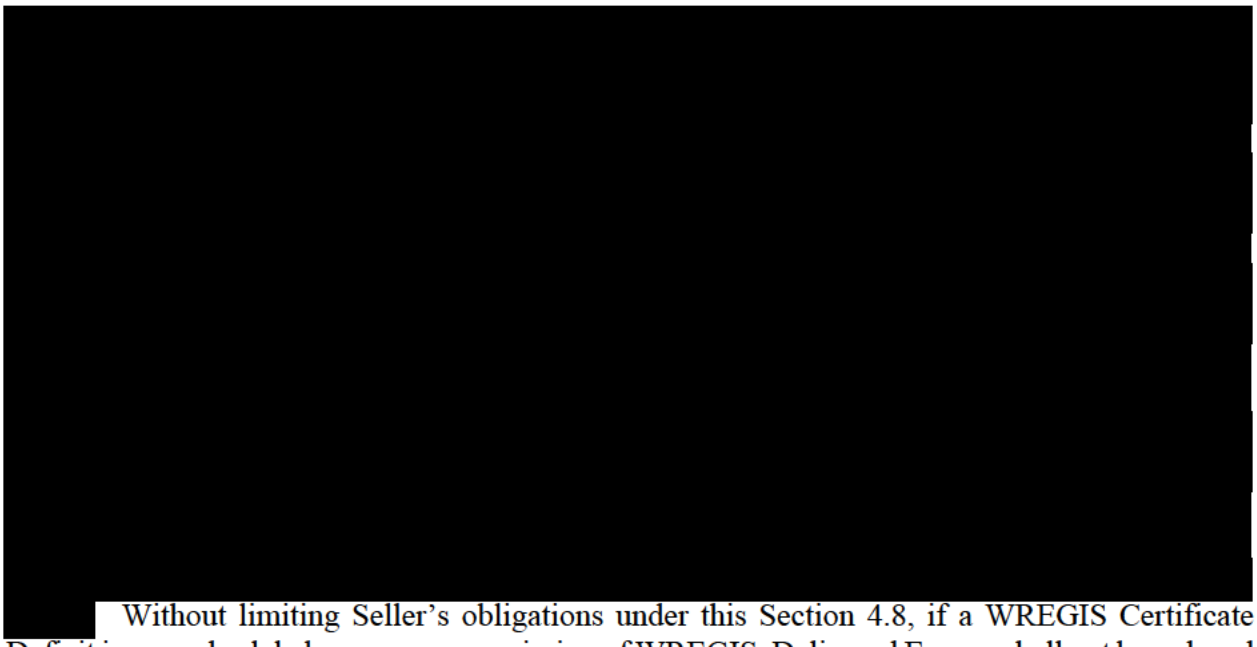
(a) Prior to the Commercial Operation Date, if practicable, and as soon as reasonably possible thereafter if not practicable, Seller shall register the Facility with WREGIS and establish an account with WREGIS ("**Seller's WREGIS Account**"), which Seller shall maintain until the end of the Delivery Term. Seller shall transfer the WREGIS Certificates using Recurring Certificate Transfers from Seller's WREGIS Account to the WREGIS account(s) of Buyer or the account(s) of a designee that Buyer identifies by Notice to Seller ("**Buyer's WREGIS Account**"). Seller shall be responsible for all expenses associated with registering the Facility with WREGIS, establishing and maintaining Seller's WREGIS Account, paying WREGIS Certificate issuance and transfer fees, and transferring WREGIS Certificates from Seller's WREGIS Account to Buyer's WREGIS Account.

(b) Seller shall cause Recurring Certificate Transfers to occur on a monthly basis in accordance with the certification procedure established by the WREGIS Operating Rules. Since WREGIS Certificates will only be created for whole MWh amounts of Energy generated, any fractional MWh amounts (i.e., kWh) will be carried forward until sufficient generation is accumulated for the creation of a WREGIS Certificate. If Seller is required to generate E-Tags associated with Delivered Energy pursuant to the CAISO Tariff, and if required by WREGIS, the CPUC, the CEC, or other applicable Law, WREGIS Certificates must be matched with E-Tags associated with the Delivered Energy and WREGIS Certificates without matching E-Tags associated with Delivered Energy will be rejected.

(c) Seller shall, at its sole expense, ensure that the WREGIS Certificates for a given calendar month correspond with the Delivered Energy for such calendar month. If Seller is required to generate E-Tags associated with Delivered Energy pursuant to the CAISO Tariff, and if matching E-Tags to Delivered Energy is required by WREGIS, the CPUC, the CEC, or other applicable Law, this shall be evidenced by the amounts corresponding to the Facility's metered data that match E-Tags associated with the Delivered Energy. Subject to delivery of Replacement Product, Seller shall ensure that no WREGIS Certificates are transferred to Buyer's WREGIS Account unless they are the result of Delivered Energy reflected in the Facility's metered data and, if Seller is required to generate E-Tags associated with Delivered Energy pursuant to the CAISO Tariff, and if matching E-Tags to Delivered Energy is required by WREGIS, the CPUC, the CEC, or other applicable Law, matched with E-Tags associated with the Delivered Energy.

(d) Due to the approximately ninety (90) day delay in the creation of WREGIS Certificates relative to the timing of invoice payment under Section 8.2, Buyer shall make an invoice payment for a given month in accordance with Section 8.2 before the WREGIS Certificates for such month are formally transferred to Buyer in accordance with the WREGIS Operating Rules and this Section 4.8. Notwithstanding this delay, Buyer shall have all right and title to all such WREGIS Certificates upon payment to Seller in accordance with Section 8.2.

(e) A "**WREGIS Certificate Deficit**" means any deficit or shortfall in WREGIS Certificates delivered to Buyer for a calendar month as compared to the Delivered Energy for the same calendar month ("**Deficient Month**"). [redacted]



Without limiting Seller's obligations under this Section 4.8, if a WREGIS Certificate Deficit is caused solely by an error or omission of WREGIS, Delivered Energy shall not be reduced pursuant to this Section 4.8(e) and the Parties shall cooperate in good faith to cause WREGIS to correct its error or omission.

(f) If WREGIS changes the WREGIS Operating Rules after the Effective Date or applies the WREGIS Operating Rules in a manner inconsistent with this Section 4.8 after the Effective Date, the Parties promptly shall modify this Section 4.8 as reasonably required to cause and enable Seller to transfer to Buyer's WREGIS Account a quantity of WREGIS Certificates for each given calendar month that corresponds to the Delivered Energy in the same calendar month.

ARTICLE 5
TAXES

5.1 **Allocation of Taxes and Charges**. Seller shall pay or cause to be paid all Taxes on or with respect to the Facility or on or with respect to the sale and delivery of Product to Buyer, that are imposed on Product prior to the Delivery Point. Buyer shall pay or cause to be paid all Taxes on or with respect to the delivery to and purchase by Buyer of the Product that are imposed on Product at and from the Delivery Point (other than withholding or other Taxes imposed on Seller's income, revenue, receipts or employees). If a Party is required to remit or pay Taxes that are the other Party's responsibility hereunder, such Party shall promptly pay the Taxes due and then seek and receive reimbursement from the other for such Taxes. In the event any sale of Product hereunder is exempt from or not subject to any particular Tax, the exempted Party shall have provided to the other Party all necessary documentation within thirty (30) days after the Effective Date evidencing such exemption or exclusion. If the exempted Party does not provide such documentation, then such Party shall indemnify, defend, and hold harmless the other Party from any liability with respect to Taxes from which the exempted Party claims it is exempt.

5.2 **Cooperation**. Each Party shall use reasonable efforts to implement the provisions of and administer this Agreement in accordance with the intent of the Parties to minimize all Taxes, so long as no Party is materially adversely affected by such efforts. The Parties shall cooperate to

minimize Tax exposure; *provided*, *however*, that neither Party shall be obligated to incur any financial or operational burden to reduce Taxes for which the other Party is responsible hereunder without receiving due compensation therefor from the other Party. All Energy delivered by Seller to Buyer hereunder shall be a sale made at wholesale, with Buyer reselling such Energy.

ARTICLE 6
MAINTENANCE OF THE FACILITY

6.1 **Maintenance of the Facility**. Seller shall comply with Law and Prudent Operating Practice relating to the operation and maintenance of the Facility and the generation and sale of Product. On or before October 1st each year, and at least sixty (60) days prior to the Commercial Operation Date, Seller shall submit to Buyer Seller's schedule of proposed Planned Outages for the next calendar year ("**Outage Schedule**"); [redacted] Seller shall provide Buyer Notice of any changes to the Outage Schedule as soon as practicable, but no later than five (5) Business Days of the date such change is made.

(a) Within twenty (20) Business Days after its receipt of an Outage Schedule, Buyer shall give Notice to Seller of any reasonable request for changes to the Outage Schedule, and Seller shall use commercially reasonable efforts to accommodate Buyer's requests regarding the timing of any Planned Outage, consistent with Prudent Operating Practices. Seller shall provide Notice to Buyer of any changes to the Outage Schedule after receiving Buyer's comments.

(b) To the extent commercially reasonable, Seller shall schedule maintenance outages within a single month, rather than across multiple months.

6.2 **Maintenance of Health and Safety**. Seller shall take reasonable safety precautions with respect to the operation, maintenance, repair and replacement of the Facility. If Seller becomes aware of any circumstances relating to the Facility that create an imminent risk of damage or injury to any Person or any Person's property, Seller shall take prompt, reasonable action to prevent such damage or injury and shall give Buyer's emergency contact identified on Exhibit K Notice of such condition. Such action may include disconnecting and removing all or a portion of the Facility, or suspending the supply of Energy to Buyer.

6.3 **Shared Facilities**. The Parties acknowledge and agree that certain of the Interconnection Facilities, Seller's rights and obligations under the Interconnection Agreement and Seller's rights and obligations under transmission service agreements with a Transmission Provider, may be subject to certain shared facilities and/or co-tenancy agreements ("**Shared Facilities Agreements**", and any such facilities, rights or obligations subject thereto, "**Shared**

Facilities") to be entered into among two or more of Seller, the Participating Transmission Owner, Seller's Affiliates, and/or third parties pursuant to which certain Interconnection Facilities, interconnection service and/or transmission service may be subject to joint ownership and/or shared maintenance and operation arrangements. Seller agrees that the Shared Facilities Agreements (i) shall not preclude Seller from performing or satisfying, and shall not purport to limit, Seller's obligations hereunder, (ii) shall provide for separate metering of the Installed Capacity, (iii) shall provide that any other generating or energy storage facilities not included in the Facility but using Shared Facilities shall not be included within the Facility's CAISO Resource IDs; and (iv) shall provide that any curtailment of the full capacity of Shared Facilities that is ordered by Transmission Provider that Seller and its Affiliates have discretion to allocate across generating or energy storage facilities using the Shared Facilities shall not be allocated to the Facility more than its pro rata portion of the total capacity of all generating or energy storage facilities using the Shared Facilities, except to the extent such curtailment is caused by the Facility or Seller's actions or inactions with respect to the Facility. Seller shall not, and shall not permit any Affiliate in respect of the Facility to, allocate to other parties a share of the total interconnection capacity under the Interconnection Agreement in excess of an amount equal to the total interconnection capacity under the Interconnection Agreement *minus* 636 MW; provided, Seller may share the interconnection capacity to which Seller is entitled under Seller's Interconnection Agreement with one or more of Seller's Affiliates or with third parties in excess of such amount, solely if and to the extent that, and solely for the period of time that, the amount of Energy that the Facility is capable of generating is less than 636 MW.

6.4 **CAISO Tariff Requirements**. Throughout the Delivery Term, Seller shall comply with all CAISO Tariff requirements applicable to the Facility throughout the Delivery Term.

ARTICLE 7
METERING

7.1 **Metering**. Seller shall measure the amount of Delivered Energy produced by the Facility using an Approved Meter. The Approved Meter shall be installed at the switching station adjacent to the SunZia East Converter Station and maintained at Seller's cost. If the Approved Meter is inaccurate, Seller will cause such meter to be promptly corrected in accordance with Prudent Operating Practice and CAISO requirements, as applicable. Seller will be responsible for any costs, fines or penalties, including imbalance charges as a result of the inaccurate meter. The meter shall be kept under seal, such seals to be broken only when the meters are to be tested, adjusted, modified or relocated. In the event Seller breaks a seal, Seller shall notify Buyer as soon as practicable. In addition, Seller hereby agrees to provide all Approved Meter data to Buyer in a form reasonably acceptable to Buyer, and consents to Buyer obtaining from CAISO the meter data directly relating to the Facility and all inspection, testing and calibration data and reports. Buyer and Seller, or Seller's Scheduling Coordinator, shall cooperate to allow both Parties to retrieve the meter reads from the CAISO Market Results Interface – Settlements (MRIS-S) (or its successor) or directly from the Approved Meter at the Facility.

7.2 **Meter Verification**. Annually, if Seller has reason to believe there may be a meter malfunction, or upon Buyer's reasonable request, Seller shall test the meter. The tests shall be conducted by independent third parties qualified to conduct such tests. Buyer shall be notified seven (7) days in advance of such tests and have a right to be present during such tests. If a meter

is inaccurate it shall be promptly repaired or replaced. If a meter is inaccurate by more than one percent (1%) and it is not known when the meter inaccuracy commenced (if such evidence exists such date will be used to adjust prior invoices), then the invoices covering the period of time since the last meter test shall be adjusted for the amount of the inaccuracy on the assumption that the inaccuracy persisted during the second half of such period.

ARTICLE 8
INVOICING AND PAYMENT; CREDIT

8.1 **Invoicing**. Seller shall make good faith efforts to deliver an invoice to Buyer no sooner than fifteen (15) days after the end of the prior monthly delivery period. Each invoice shall provide Buyer (a) records of metered data, including metering and CAISO transaction data sufficient to document and verify the amount of Delivered Energy for each Settlement Period during the preceding month, the applicable Contract Price, the LMP in the Day-Ahead Market at the Delivery Point for each Settlement Period; (b) information supporting the amount of Deemed Delivered Energy, and the amounts determined pursuant to Section 4.6(e), if applicable, and Adjusted Energy Production, (c) a reconciliation of hourly meter data, E-Tag data (to the extent required under the CAISO Tariff) and associated calculations, including the lesser of each by hour, plus any additional data as may be reasonably required by Buyer for compliance with CPUC reporting obligations, including pursuant to the CPUC's Energy Division Portfolio Content Category Classification Review Handbook (or successor publication); (d) a statement of the quantity of WREGIS Certificates transferred during the prior month that have been matched with E-Tags associated with the Delivered Energy (only if Seller is required to generate E-Tags associated with Delivered Energy pursuant to the CAISO Tariff, and if matching E-Tags to Delivered Energy is required by WREGIS, the CPUC, the CEC, or other applicable Law); (e) access to any records, including invoices or settlement data from the CAISO, necessary to verify the accuracy of any amount; (f) information as reasonably necessary to verify Contract Revenues from third-party sales pursuant to Section 4.5(b), if any; and (g) be in a reasonable format covering the services provided in the preceding month determined in accordance with the applicable provisions of this Agreement.

8.2 **Payment**. Buyer shall make payment to Seller by wire transfer or ACH payment to the bank account provided on each monthly invoice. Buyer shall pay undisputed invoice amounts within twenty five (25) days after the end of the prior monthly delivery period; *provided*, if Seller delivers an invoice to Seller after the fifteenth (15^{th}) day following the end of the prior monthly delivery period, Buyer shall pay undisputed invoice amounts no later than the tenth (10^{th}) day following delivery of such invoice. If such due date falls on a weekend or legal holiday, such due date shall be the next Business Day. Payments made after the due date will be considered late and will bear interest on the unpaid balance. If the amount due is not paid on or before the due date or if any other payment that is due and owing from one party to another is not paid on or before its applicable due date, a late payment charge shall be applied to the unpaid balance and shall be added to the next billing statement. Such late payment charge shall be calculated based on an annual Interest Rate equal to the prime rate published on the date of the invoice in The Wall Street Journal (or, if The Wall Street Journal is not published on that day, the next succeeding date of publication), [redacted] (the "**Interest Rate**"). If the due date occurs on a day that is not a Business Day, the late payment charge shall begin to accrue on the next succeeding Business Day.

8.3 **Books and Records**. To facilitate payment and verification, each Party shall maintain all books and records necessary for billing and payments, including copies of all invoices under this Agreement, for a period of at least two (2) years or as otherwise required by Law. Upon fifteen (15) days' prior Notice to the other Party, either Party shall be granted reasonable access to the accounting books and records within the possession or control of the other Party (subject to the two (2) year retention requirement of the preceding sentence) pertaining to all invoices generated pursuant to this Agreement, subject to redaction by Seller with respect to Confidential Information. Seller acknowledges that in accordance with California Government Code Section 8546.7, Seller may be subject to audit by the California State Auditor with regard to Seller's performance of this Agreement, for a period of three (3) years after final payment hereunder, because the compensation under this Agreement exceeds $10,000.

8.4 **Payment Adjustments; Billing Errors**. Payment adjustments shall be made if Buyer or Seller discovers there have been good faith inaccuracies in invoicing that are not otherwise disputed under Section 8.5, there is determined to have been a meter inaccuracy sufficient to require a payment adjustment, or if CAISO recalculates amounts due or owing in respect of prior periods. If the required adjustment is in favor of Buyer, Buyer's monthly payment shall be credited in an amount equal to the adjustment. If the required adjustment is in favor of Seller, Seller shall add the adjustment amount to Buyer's next monthly invoice. Adjustments in favor of either Buyer or Seller shall bear interest, until settled in full, in accordance with Section 8.2, accruing from the date on which the non-erring Party received Notice thereof.

8.5 **Billing Disputes**. A Party may, in good faith, dispute the correctness of any invoice or any adjustment to an invoice rendered under this Agreement or adjust any invoice for any arithmetic or computational error within twelve (12) months of the date the invoice, or adjustment to an invoice, was rendered. In the event an invoice or portion thereof, or any other claim or adjustment arising hereunder, is disputed, payment of the undisputed portion of the invoice shall be required to be made when due. Any invoice dispute or invoice adjustment shall be in writing and shall state the basis for the dispute or adjustment. Payment of the disputed amount shall not be required until the dispute is resolved. Upon resolution of the dispute, any required payment shall be made within ten (10) Business Days of such resolution along with interest accrued at the Interest Rate from and including the original due date to but excluding the date paid. Inadvertent overpayments shall be returned upon request or deducted by the Party receiving such overpayment from subsequent payments, with interest accrued at the Interest Rate from and including the date of such overpayment but excluding the date repaid or deducted by the Party receiving such overpayment. Any dispute with respect to an invoice is waived if the other Party is not notified in accordance with this Section 8.5 within twelve (12) months after the invoice is rendered or subsequently adjusted, except to the extent any misinformation was from a third party not affiliated with any Party and such third party corrects its information after the twelve-month period. If an invoice is not rendered within twelve (12) months after the close of the month during which performance occurred, the right to payment for such performance is waived.

8.6 **Netting of Payments**. The Parties hereby agree that they shall discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all undisputed amounts owed by each Party to the other Party for the purchase and sale of Product during the monthly billing period under this Agreement or otherwise arising out of this Agreement, including any related damages calculated pursuant to Exhibits B and E, interest, and

payments or credits, including pursuant to Section 4.3(c), shall be netted so that only the excess amount remaining due shall be paid by the Party who owes it.

8.7 **Seller's Development Security**. To secure its obligations under this Agreement, Seller shall deliver the Development Security to Buyer within thirty (30) days after the Effective Date. Seller shall maintain the Development Security in full force and effect. Upon the earlier of (A) Seller's delivery of the Performance Security, or (B) sixty (60) days after termination of this Agreement, Buyer shall return the Development Security to Seller, less the amounts drawn in accordance with this Agreement. If and to the extent that any portion of the Development Security is a Letter of Credit and the issuer of such Letter of Credit (i) fails to maintain a Credit Rating of at least "A-" by S&P or "A3" by Moody's, (ii) indicates its intent not to renew such Letter of Credit and such Letter of Credit expires prior to the Commercial Operation Date, (iii) fails to honor Buyer's properly documented request to draw on such Letter of Credit, or (iv) becomes Bankrupt, Seller shall have ten (10) Business Days to post substitute collateral that meets the requirements set forth in the definition of Development Security. If and to the extent that any portion of the Development Security is a Guaranty, Seller shall (i) provide prompt Notice to Buyer if Guarantor becomes Bankrupt or otherwise fails to meet the criteria for an acceptable Guarantor as set forth in clauses (c) and (d) of the definition of Guarantor, but not later than ten (10) Business Days after Seller becomes aware of such development and (ii) post substitute collateral that meets the requirements set forth in the definition of Development Security within ten (10) Business Days. Seller shall have no obligation to replenish the Development Security following any draws thereon by Buyer. Seller's maximum liability for an Event of Default or failure to perform its obligations hereunder prior to the Commercial Operation Date shall be capped at the amount of the Development Security, less any amounts collected by Buyer prior to such Event of Default or failure to perform.

8.8 **Seller's Performance Security**. To secure its obligations under this Agreement, Seller shall deliver Performance Security to Buyer on or before the Commercial Operation Date. Seller shall maintain the Performance Security in full force and effect until the following have occurred: (A) the Delivery Term has expired or terminated early; and (B) all payment obligations of the Seller arising under this Agreement, including compensation for penalties, Termination Payment, indemnification payments or other damages are paid in full (whether directly or indirectly such as through set-off or netting). Following the occurrence of both events, Buyer shall promptly return to Seller the unused portion of the Performance Security. Within ten (10) Business Days following any draw by Buyer on the Performance Security, Seller shall replenish the amount drawn such that Performance Security is restored to the amount on Cover Sheet. If and to the extent that any portion of the Performance Security is a Letter of Credit and the issuer of such Letter of Credit (i) fails to maintain a Credit Rating of at least "A-" by S&P or "A3" by Moody's, (ii) fails to honor Buyer's properly documented request to draw on such Letter of Credit, or (iii) becomes Bankrupt, Seller shall have ten (10) Business Days to post substitute collateral that meets the requirements set forth in the definition of Performance Security. If and to the extent that any portion of the Performance Security is a Guaranty, Seller shall (i) provide prompt Notice to Buyer if Guarantor becomes Bankrupt or otherwise fails to meet the criteria for an acceptable Guarantor as set forth in clauses (c) and (d) of the definition of Guarantor, but not later than ten (10) Business Days after Seller becomes aware of such development and (ii) post substitute collateral that meets the requirements set forth in the definition of Performance Security within ten (10) Business Days.

[redacted]

8.10 **Buyer's First Priority Security Interest in Cash or Cash Equivalent Collateral**. To secure its obligations under this Agreement, and until released as provided herein, Seller hereby grants to Buyer a present and continuing first-priority security interest in, and lien on (and right to net against), and assignment of the Development Security or Performance Security, any other cash collateral and cash equivalent collateral posted by Seller and any and all interest thereon or proceeds resulting therefrom or from the liquidation thereof, whether now or hereafter held by, on behalf of, or for the benefit of Buyer, and Seller agrees to take all action as Buyer reasonably requires in order to perfect Buyer's first-priority security interest in, and lien on (and right to net against), such collateral and any and all proceeds resulting therefrom or from the liquidation thereof.

Upon or any time after the occurrence of an Event of Default caused by Seller, an Early Termination Date resulting from an Event of Default caused by Seller, or an occasion provided for in this Agreement where Buyer is authorized to retain all or a portion of the Development Security or Performance Security, Buyer may do any one or more of the following (in each case subject to the final sentence of this Section 8.10, the final sentence of Section 11.2 and the provisions of Article 12):

(a) Exercise any of its rights and remedies with respect to the Development Security or Performance Security, as applicable, including any such rights and remedies under Law then in effect;

(b) Draw on any outstanding Letter of Credit issued for its benefit and retain any cash held by Buyer as Development Security or Performance Security, as applicable; and

(c) Liquidate all Development Security or Performance Security, as applicable then held by or for the benefit of Buyer free from any claim or right of any nature whatsoever of Seller, including any equity or right of purchase or redemption by Seller.

Buyer shall apply the proceeds of the collateral realized upon the exercise of any such rights or remedies to reduce Seller's obligations under this Agreement (Seller remains liable for any amounts owing to Buyer after such application), subject to Buyer's obligation to return any surplus proceeds remaining after these obligations are satisfied in full.

8.11 **Buyer Financial Statements**. Buyer shall provide to Seller, both upon request and as indicated below: (a) within ninety (90) days following the end of each fiscal quarter, an unaudited quarterly financial statement of Buyer (including a balance sheet and statements of income and cash flows) prepared in accordance with generally accepted accounting principles as promulgated by the Government Accounting Standards Board in the United States, consistently applied; (b) within one hundred and eighty (180) days following the end of each fiscal year, annual

financial statements of Buyer (including a balance sheet and statements of income and cash flows) prepared in accordance with the requirements of California law applicable to Joint Powers Authorities; (c) as available, Buyer's annual report; (d) reserve levels; (e) subscription and opt out rates; and (f) other financial and operational information as may be reasonably requested by the Seller's financing parties from time to time; *provided* that nothing in this Section 8.11 shall require Buyer to provide information that is not generally available to Buyer as part of its normal accounting and financing reporting processes. Notwithstanding anything to the contrary herein, the provisions of this Section 8.11 shall not apply so long as Buyer obtains and maintains a publicly available Investment Grade Credit Rating.

8.12 **Buyer Lockbox Arrangement**.

(a) To secure Buyer's obligations under this Agreement, Seller shall have the right to execute a Joinder, which shall allow Seller to become a PPA Provider and Secured Creditor under the Intercreditor and Collateral Agency Agreement for so long as Buyer is subject to the Security Agreement and Lockbox Account (or any successor arrangement generally available to Buyer's creditors) (the current arrangement and any successor arrangement generally available to Buyer's creditors is the "**Buyer Lockbox Arrangement**"); *provided*, *however*, that if Buyer (i) has an Investment Grade Credit Rating, or (ii) provides Buyer Performance Security, then so long as Buyer is not in default under this Agreement or the Buyer Lockbox Arrangement, Buyer may, at the direction of its Board, request the dissolution of the Buyer Lockbox Arrangement and Seller hereby agrees that (x) its security interest under the Buyer Lockbox Arrangement shall terminate, without further action, effective upon the termination of the security interests of all other PPA Providers under the Buyer Lockbox Arrangement and (y) if requested by Buyer, Seller would promptly execute a written termination statement confirming such termination in accordance with the Buyer Lockbox Arrangement. If the Buyer Lockbox Arrangement is dissolved as a result of Buyer obtaining a privately issued Investment Grade Credit Rating, Buyer shall provide to Seller, within ten (10) Business Days of its receipt or sending by Buyer from time to time, for so long as Buyer does not maintain a Buyer Lockbox Arrangement, all correspondence with the rating agency(ies) providing a Credit Rating to Buyer. If, subsequent to the dissolution and termination of the Buyer Lockbox Arrangement, Buyer has obtained a privately issued Investment Grade Credit Rating and Seller has reasonable grounds to believe that Buyer's Credit Rating is no longer an Investment Grade Credit Rating, Buyer will make commercially reasonable efforts, within thirty (30) days of Seller's request, to obtain an update of its Credit Rating. If, subsequent to the dissolution and termination of the Buyer Lockbox Arrangement, Buyer ceases to maintain the Investment Grade Credit Rating under clause (i) of this Section 8.12(a) or fails to maintain the Buyer Performance Security required under clause (ii) of this Section 8.12(a), then Buyer shall within five (5) Business Days either post replacement Buyer Performance Security or enter into a substantially similar successor Buyer Lockbox Arrangement under which Seller is allowed to become a PPA Provider and Secured Creditor.

(b) Under the Buyer Lockbox Arrangement:

(i) Buyer shall provide Notice to Seller of the termination of all security interests under the Security Agreement at least five (5) Business Days prior to such termination.

(ii) Buyer further agrees it will not create any additional security interests (i) under the Security Agreement on terms more favorable than those currently offered to Seller, or (ii) under any arrangement similar to the Security Agreement that is generally available to Buyer's creditors unless Seller is offered the right to participate in such arrangement on terms no less favorable than those offered to the other participants.

(iii) In addition, so long as Buyer is not in default under this Agreement, the Intercreditor and Collateral Agency Agreement and the Security Agreement, Buyer may request the dissolution of the current Buyer Lockbox Arrangement in order to enter into a substantially similar successor Buyer Lockbox Arrangement and, provided that Seller is allowed to become a PPA Provider and Secured Creditor under the successor Buyer Lockbox Arrangement, Seller hereby agrees that (x) its security interest under the Security Agreement shall terminate, without further action, effective upon the termination of the security interests of all other PPA Providers under the Security Agreement, and (y) if requested by Buyer, Seller would promptly execute a written termination statement confirming such termination in accordance with Section 7.12 of the Security Agreement.

ARTICLE 9
NOTICES

9.1 **Addresses for the Delivery of Notices**. Any Notice required, permitted, or contemplated hereunder shall be in writing, shall be addressed to the Party to be notified at the physical or electronic addresses set forth on Exhibit K or at such other address or addresses as a Party may designate for itself from time to time by Notice hereunder.

9.2 **Acceptable Means of Delivering Notice**. Each Notice required, permitted, or contemplated hereunder shall be deemed to have been validly served, given or delivered as follows: (a) if sent by United States mail with proper first class postage prepaid, three (3) Business Days following the date of the postmark on the envelope in which such Notice was deposited in the United States mail; (b) if sent by a regularly scheduled overnight delivery carrier with delivery fees either prepaid or an arrangement with such carrier made for the payment of such fees, the next Business Day after the same is delivered by the sending Party to such carrier; (c) if sent by electronic communication (including email or other electronic means), at the time indicated by the time stamp upon delivery; or (d) if delivered in person, upon receipt by the Receiving Party. Notwithstanding the foregoing, Notices of outages or other scheduling or dispatch information or requests may be sent by electronic communication and shall be considered delivered upon successful completion of such transmission. In addition, for any Notice sent pursuant to (a), (b) or (d) above, the Party sending such Notice shall send a courtesy copy by email to the email address provided in Exhibit K.

ARTICLE 10
FORCE MAJEURE

10.1 **Definition**.

(a) "**Force Majeure Event**" means any act or event that delays or prevents a Party from timely performing all or a portion of its obligations under this Agreement or from

complying with all or a portion of the conditions under this Agreement if such act or event, which event or circumstance was not anticipated as of the Effective Date and despite the exercise of reasonable efforts, cannot be avoided by and is beyond the reasonable control (whether direct or indirect) of and without the fault or negligence of the Party relying thereon as justification for such delay, nonperformance, or noncompliance.

(b) Without limiting the generality of the foregoing, so long as the following events, despite the exercise of reasonable efforts, cannot be avoided by, and are beyond the reasonable control (whether direct or indirect) of and without the fault or negligence of the Party relying thereon as justification for such delay, nonperformance or noncompliance, a Force Majeure Event may include an act of God or the elements, such as flooding, lightning, hurricanes, tornadoes, or ice storms; explosion; fire; volcanic eruption; flood; epidemic, or pandemic, including COVID-19 (but only to the extent that new governmental rules or mandates related to COVID-19 are implemented that were not in place as of the Effective Date); landslide; mudslide; sabotage; terrorism; earthquake; or other cataclysmic events; an act of public enemy; acts or failure to act by a Governmental Authority; war; blockade; civil insurrection; riot; civil disturbance; serial defect; or strikes or other labor difficulties caused or suffered by a Party or any third party except as set forth below.

(c) Notwithstanding the foregoing, the term "Force Majeure Event" does not include (i) economic conditions that render a Party's performance of this Agreement at the Contract Price unprofitable or otherwise uneconomic (including Buyer's ability to buy Energy at a lower price, or Seller's ability to sell Energy generated by the Facility at a higher price, than the Contract Price); (ii) Seller's inability to obtain permits or approvals of any type for the construction, operation, or maintenance of the Facility, except to the extent such inability is caused by a Force Majeure Event; (iii) the inability of a Party to make payments when due under this Agreement, unless the cause of such inability is a disruption of payment systems caused by a Force Majeure Event; (iv) a Curtailment Order, except to the extent that a Curtailment Order is caused by an event that otherwise qualifies as a Force Majeure Event; (v) Seller's inability to obtain sufficient labor, equipment, materials, or other resources to build or operate the Facility except to the extent such inability is caused by a Force Majeure Event; (vi) a strike, work stoppage or labor dispute limited only to any one or more of Seller, Seller's Affiliates, Seller's contractors, their subcontractors thereof or any other third party employed by Seller to work on the Facility; (vii) any equipment failure except if such equipment failure is caused by a Force Majeure Event; or (viii) except as the Guaranteed Commercial Operation Date may be extended as a result of a Development Cure Period, Seller's inability to achieve Commercial Operation following the Guaranteed Commercial Operation Date; or (ix) any action or inaction by any third party, including Transmission Provider, that delays or prevents the approval, construction or placement in service of any Interconnection Facilities or Network Upgrades, except to the extent caused by a Force Majeure Event.

10.2 **No Liability If a Force Majeure Event Occurs**. Neither Seller nor Buyer shall be liable to the other Party in the event it is prevented from performing its obligations hereunder in whole or in part due to a Force Majeure Event. The Party rendered unable to fulfill any obligation by reason of a Force Majeure Event shall take reasonable actions necessary to remove such inability with due speed and diligence. Nothing herein shall be construed as permitting that Party to continue to fail to perform after said cause has been removed. The obligation to use due

speed and diligence shall not be interpreted to require resolution of labor disputes by acceding to demands of the opposition when such course is inadvisable in the discretion of the Party having such difficulty. Neither Party shall be considered in breach or default of this Agreement if and to the extent that any failure or delay in the Party's performance of one or more of its obligations hereunder is caused by a Force Majeure Event. The occurrence and continuation of a Force Majeure Event shall not (a) suspend or excuse the obligation of a Party to make any payments due hereunder, except as provided above, (b) [redacted] or (c) limit Buyer's right to declare an Event of Default pursuant to Section 11.1(b)(iv) after all applicable extensions of the Guaranteed Commercial Operation Date, and receive a Damage Payment upon exercise of Buyer's remedies pursuant to Section 11.2. Any delays caused by a Force Majeure Event will not serve to increase the Contract Term of this Agreement.

10.3 **Notice**. In the event of any delay or nonperformance resulting from a Force Majeure Event, the Party suffering the Force Majeure Event shall (a) as soon as practicable, notify the other Party in writing of the nature, cause, estimated date of commencement thereof, the anticipated extent of any delay or interruption in performance, and, to the extent reasonably practicable, a mitigation plan for limiting or overcoming the impacts of the Force Majeure Event and (b) notify the other Party in writing of the cessation or termination of such Force Majeure Event, all as known or estimated in good faith by the affected Party; *provided*, *however*, that a Party's failure to give timely Notice shall not affect such Party's ability to assert that a Force Majeure Event has occurred unless the delay in giving Notice materially prejudices the other Party. Upon written request from the non-claiming Party, the Party claiming that a Force Majeure Event has delayed or interrupted its performance shall provide documentation demonstrating that the claimed delay or interruption was the result of a Force Majeure Event and the delay or interruption did not result from the affected Party's actions or failure to take reasonable actions to mitigate the impacts of the Force Majeure Event.

10.4 **Termination Following Force Majeure Event**. If a Force Majeure Event has occurred after the Commercial Operation Date that has caused either Party to be unable to perform its material obligations hereunder, and has continued for a consecutive twelve (12) month period, then the non-claiming Party may terminate this Agreement upon Notice to the other Party experiencing the Force Majeure Event; *provided* that if Seller is the Party claiming such Force Majeure Event and such Force Majeure Event cannot reasonably be cured within such twelve (12) month period, then Seller may provide a plan to Buyer, which must be acceptable to Buyer in its reasonable discretion, to cure such Force Majeure Event within an additional six (6) month period and Buyer may not terminate this Agreement due to such Force Majeure Event unless Seller has not resumed performance of its material obligations hereunder upon the expiration of such additional six (6) month period. Upon any such termination, the non-claiming Party shall have no liability to the Party claiming Force Majeure Event, save and except for those obligations specified in Section 2.1(b).

ARTICLE 11
DEFAULTS; REMEDIES; TERMINATION

11.1 **Events of Default**. An "**Event of Default**" shall mean,

(a) with respect to a Party (the "**Defaulting Party**") that is subject to the Event of Default the occurrence of any of the following:

(i) the failure by such Party to make, when due, any payment required pursuant to this Agreement and such failure is not remedied within [redacted] after Notice thereof;

(ii) any representation or warranty made by such Party herein is false or misleading in any material respect when made or when deemed made or repeated, and such representation or warranty is not corrected within [redacted] after Notice thereof; *provided*, that this [redacted] period shall be extended by up to an additional [redacted] if (a) the breach cannot reasonably be cured within the [redacted] period despite diligent efforts, (b) the default is capable of being cured within the additional [redacted] period, and (c) the Defaulting Party commences the cure within the original [redacted] period and is at all times thereafter diligently and continuously proceeding to cure the breach;

(iii) the failure by such Party to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default) and such failure is not remedied within [redacted] after Notice thereof; *provided*, that this [redacted] period shall be extended by an additional [redacted] if (a) the breach cannot reasonably be cured within the [redacted] period despite diligent efforts, (b) the default is capable of being cured within the additional [redacted] period, and (c) the Defaulting Party commences the cure within the original [redacted] period and is at all times thereafter diligently and continuously proceeding to cure the breach;

(iv) failure by such Party to satisfy the collateral requirements pursuant to Sections 8.7, 8.8 or 8.11, as applicable;

(v) such Party becomes Bankrupt;

(vi) such Party assigns this Agreement or any of its rights hereunder other than in compliance with Sections 14.1, 14.2 or 14.3, as appropriate; or

(vii) such Party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting, surviving or transferee entity fails to assume all the obligations of such Party under this Agreement by operation of Law or pursuant to an agreement reasonably satisfactory to the other Party.

(b) with respect to Seller as the Defaulting Party, the occurrence of any of the following:

(i) except as otherwise provided herein, if at any time, Seller delivers or attempts to deliver Energy to the Delivery Point for sale under this Agreement that was not generated by the Facility;

(ii) with respect to any Guaranty provided for the benefit of Buyer, the failure by Seller to provide for the benefit of Buyer either (1) cash, (2) a replacement Guaranty from a different Guarantor meeting the criteria set forth in the definition of Guarantor, or (3) a replacement Letter of Credit from an issuer meeting the criteria set forth in the definition of Letter of Credit, in each case, in the amount required hereunder within [redacted] after Seller receives Notice of the occurrence of any of the following events:

(A) if any representation or warranty made by the Guarantor in connection with this Agreement is false or misleading in any material respect when made or when deemed made or repeated, and such representation or warranty is not remedied within [redacted] after Notice thereof;

(B) the failure of the Guarantor to make any payment required or to perform any other material covenant or obligation in any Guaranty;

(C) the Guarantor becomes Bankrupt;

(D) the Guarantor shall fail to meet the criteria for an acceptable Guarantor as set forth in the definition of Guarantor;

(E) the failure of the Guaranty to be in full force and effect (other than in accordance with its terms) prior to the indefeasible satisfaction of all obligations of Seller hereunder; or

(F) the Guarantor shall repudiate, disaffirm, disclaim, or reject, in whole or in part, or challenge the validity of any Guaranty; or

(iii) with respect to any outstanding Letter of Credit provided for the benefit of Buyer that is not then required under this Agreement to be canceled or returned, the failure by Seller to provide for the benefit of Buyer either (1) cash, or (2) a replacement Guaranty from a Guarantor meeting the criteria set forth in the definition of Guarantor, or (3) a substitute Letter of Credit from a different issuer meeting the criteria set forth in the definition of Letter of Credit, in each case, in the amount required hereunder within [redacted] after Seller receives Notice of the occurrence of any of the following events:

(A) the issuer of the outstanding Letter of Credit shall fail to maintain a Credit Rating of at least "A-" by S&P or "A3" by Moody's;

(B) the issuer of such Letter of Credit becomes Bankrupt;

(C) the issuer of the outstanding Letter of Credit shall fail to comply with or perform its obligations under such Letter of Credit and such failure shall be continuing after the lapse of any applicable grace period permitted under such Letter of Credit;

(D) the issuer of the outstanding Letter of Credit shall fail to honor a properly documented request to draw on such Letter of Credit;

(E) the issuer of the outstanding Letter of Credit shall disaffirm, disclaim, repudiate or reject, in whole or in part, or challenge the validity of, such Letter of Credit;

(F) such Letter of Credit fails or ceases to be in full force and effect at any time; or

(G) Seller shall fail to renew or cause the renewal of each outstanding Letter of Credit on a timely basis as provided in the relevant Letter of Credit and as provided in accordance with this Agreement, and in no event less than [redacted] prior to the expiration of the outstanding Letter of Credit.

[redacted]



(c) with respect to Buyer as the Defaulting Party, the failure of Buyer to comply with the requirements of Section 8.12.

11.2 **Remedies; Declaration of Early Termination Date**. If an Event of Default with respect to a Defaulting Party shall have occurred and be continuing, the other Party ("**Non-Defaulting Party**") shall have the following rights:

(a) to send Notice, designating a day, no earlier than the day such Notice is deemed to be received and no later than twenty (20) days after such Notice is deemed to be received, as an early termination date of this Agreement ("**Early Termination Date**") that terminates this Agreement (the "**Terminated Transaction**") and ends the Contract Term effective as of the Early Termination Date;

(b) to accelerate all amounts owing between the Parties, and to collect as liquidated damages (i) the Damage Payment (in the case of an Event of Default occurring before the Commercial Operation Date) or (ii) the Termination Payment calculated in accordance with Section 11.3 below (in the case of an Event of Default occurring on or after the Commercial Operation Date);

(c) to withhold any payments due to the Defaulting Party under this Agreement;

(d) to suspend performance; and

(e) to exercise any other right or remedy available at Law or in equity, including specific performance or injunctive relief, except to the extent such remedies are expressly limited under this Agreement;

provided, that payment by the Defaulting Party of the Damage Payment or Termination Payment, as applicable, shall constitute liquidated damages and the Non-Defaulting Party's sole and exclusive remedy for the Terminated Transaction and the Event of Default related thereto.

11.3 **Damage Payment; Termination Payment**.

(a) Damage Payment Prior to Commercial Operation Date. If the Early Termination Date occurs before the Commercial Operation Date, then the Damage Payment shall be calculated in accordance with this Section 11.3(a):

(i) If Seller is the Defaulting Party, then the Damage Payment shall be owed to Buyer and shall be a dollar amount that equals the amount of the Development Security as set forth on the Cover Sheet plus, if the Development Security is posted as cash, any interest accrued thereon. Buyer shall be entitled to immediately retain for its own benefit any Delay Damages paid by Seller, plus those funds held as Development Security and any interest accrued thereon if the Development Security is posted as cash, and any amount of Development Security that Seller has not yet posted with Buyer shall be

immediately due and payable by Seller to Buyer. There will be no amounts owed to Seller. The Parties agree that Buyer's damages in the event of an Early Termination Date prior to the Commercial Operation Date caused by Seller's default would be difficult or impossible to determine and that the damages set forth in this Section 11.3(a)(i) are a reasonable approximation of Buyer's harm or loss.

(ii) If Buyer is the Defaulting Party, then the Damage Payment shall equal to the Termination Payment as set forth in Section 11.3(b) below, calculated as of the Early Termination Date. The Parties agree that Seller's damages in the event of an Early Termination Date prior to the Commercial Operation Date caused by Buyer's default would be difficult or impossible to determine and that the damages set forth in this Section 11.3(a)(ii) are a reasonable approximation of Seller's harm or loss.

(b) Termination Payment On or After the Commercial Operation Date. The Termination Payment for a Terminated Transaction occurring after the Commercial Operation Date ("**Termination Payment**") shall be the aggregate of all Settlement Amounts plus any or all other amounts due to the Non-Defaulting Party netted into a single amount. The Non-Defaulting Party shall calculate, in a commercially reasonable manner, a Settlement Amount for the Terminated Transaction as of the Early Termination Date. Third parties (which shall not include Affiliates of the Non-Defaulting Party) supplying information for purposes of the calculation of Gains or Losses may include, without limitation, dealers in the relevant markets, end-users of the relevant product, information vendors and other sources of market information. The Settlement Amount shall not include consequential, incidental, punitive, exemplary, indirect or business interruption damages; *provided*, *however*, that any lost Green Attributes shall be deemed direct damages covered by this Agreement. Without prejudice to the Non-Defaulting Party's duty to mitigate, the Non-Defaulting Party shall not have to enter into replacement transactions to establish a Settlement Amount. Each Party agrees and acknowledges that (a) the actual damages that the Non-Defaulting Party would incur in connection with a Terminated Transaction would be difficult or impossible to predict with certainty, (b) the Termination Payment described in this Section is a reasonable and appropriate approximation of such damages, and (c) the Termination Payment described in this Section is the exclusive remedy of the Non-Defaulting Party in connection with a Terminated Transaction but shall not otherwise act to limit any of the Non-Defaulting Party's rights or remedies if the Non-Defaulting Party does not elect a Terminated Transaction as its remedy for an Event of Default by the Defaulting Party.

11.4 **Notice of Payment of Termination Payment**. As soon as practicable after a Terminated Transaction, Notice shall be given by the Non-Defaulting Party to the Defaulting Party of the amount of the Termination Payment and whether the Termination Payment is due to the Non-Defaulting Party. The Notice shall include a written statement explaining in reasonable detail the calculation of such amount and the sources for such calculation. The Termination Payment shall be made to the Non-Defaulting Party, as applicable, within ten (10) Business Days after such Notice is effective.

11.5 **Disputes With Respect to Termination Payment**. If the Defaulting Party disputes the Non-Defaulting Party's calculation of the Termination Payment, in whole or in part, the Defaulting Party shall, within five (5) Business Days of receipt of the Non-Defaulting Party's calculation of the Termination Payment, provide to the Non-Defaulting Party a detailed written

explanation of the basis for such dispute. Disputes regarding the Termination Payment shall be determined in accordance with Article 15.

11.6 **Rights And Remedies Are Cumulative**. Except where liquidated damages are provided as the exclusive remedy, the rights and remedies of a Party pursuant to this Article 11 shall be cumulative and in addition to the rights of the Parties otherwise provided in this Agreement.

11.7 **Mitigation**. Any Non-Defaulting Party shall use commercially reasonable efforts to mitigate its Costs, Losses and damages resulting from any Event of Default of the other Party under this Agreement.



ARTICLE 12
LIMITATION OF LIABILITY AND EXCLUSION OF WARRANTIES

12.1 **No Consequential Damages**. EXCEPT TO THE EXTENT PART OF AN EXPRESS REMEDY OR MEASURE OF DAMAGES HEREIN OR AN INDEMNITY CLAIM UNDER ARTICLE 16, NEITHER PARTY SHALL BE LIABLE TO THE OTHER OR ITS INDEMNIFIED PERSONS FOR ANY SPECIAL, PUNITIVE, EXEMPLARY, INDIRECT, OR CONSEQUENTIAL DAMAGES, OR LOSSES OR DAMAGES FOR LOST REVENUE OR LOST PROFITS, WHETHER FORESEEABLE OR NOT, ARISING OUT OF, OR IN CONNECTION WITH THIS AGREEMENT, BY STATUTE, IN TORT OR CONTRACT, OR OTHERWISE.

12.2 **Waiver and Exclusion of Other Damages**. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. ALL LIMITATIONS OF LIABILITY CONTAINED IN THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THOSE PERTAINING TO THE PARTIES' LIMITATION OF LIABILITY AND THE PARTIES' WAIVER OF CONSEQUENTIAL DAMAGES, SHALL APPLY EVEN IF THE

REMEDIES FOR BREACH OF WARRANTY PROVIDED IN THIS AGREEMENT ARE DEEMED TO "FAIL OF THEIR ESSENTIAL PURPOSE" OR ARE OTHERWISE HELD TO BE INVALID OR UNENFORCEABLE.

NOTWITHSTANDING ANYTHING ELSE HEREIN TO THE CONTRARY, PRIOR TO THE COMMERCIAL OPERATION DATE, SELLER'S AGGREGATE LIABILITY ARISING UNDER OR RELATED TO THIS AGREEMENT FOR ANY AND ALL REASONS SHALL NOT EXCEED THE SUM OF (A) THE AMOUNT OWING OR PAID BY SELLER IN RESPECT OF DELAY DAMAGES, IF ANY, AND (B) THE AMOUNT OF THE DAMAGE PAYMENT OWED BY SELLER, IF ANY.

FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS AND EXCLUSIVE REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED.

IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN, THE OBLIGOR'S LIABILITY SHALL BE LIMITED TO DIRECT DAMAGES ONLY. THE VALUE OF ANY RENEWABLE ENERGY INCENTIVES (INCLUDING ANY TAX CREDITS) NOT GENERATED OR OBTAINED DUE TO BUYER'S DEFAULT (WHICH SELLER HAS NOT BEEN ABLE TO MITIGATE AFTER USE OF REASONABLE EFFORTS) AND AMOUNTS DUE IN CONNECTION WITH THE RECAPTURE OR REPAYMENT OF ANY RENEWABLE ENERGY INCENTIVES DUE TO OR RESULTING FROM BUYER'S DEFAULT, IF ANY, SHALL BE DEEMED TO BE DIRECT DAMAGES.

TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, INCLUDING UNDER SECTIONS 4.7, 11.2 AND 11.3, AND AS PROVIDED IN EXHIBIT B AND EXHIBIT E, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, THAT OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT, AND THAT THE LIQUIDATED DAMAGES CONSTITUTE A REASONABLE APPROXIMATION OF THE ANTICIPATED HARM OR LOSS. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. THE PARTIES HEREBY WAIVE ANY RIGHT TO CONTEST SUCH PAYMENTS AS AN UNREASONABLE PENALTY.

THE PARTIES ACKNOWLEDGE AND AGREE THAT MONEY DAMAGES AND THE EXPRESS REMEDIES PROVIDED FOR HEREIN ARE AN ADEQUATE REMEDY FOR THE BREACH BY THE OTHER OF THE TERMS OF THIS AGREEMENT, AND EACH PARTY WAIVES ANY RIGHT IT MAY HAVE TO SPECIFIC PERFORMANCE WITH RESPECT TO ANY OBLIGATION OF THE OTHER PARTY UNDER THIS AGREEMENT.

ARTICLE 13
REPRESENTATIONS AND WARRANTIES; AUTHORITY

13.1 **Seller's Representations and Warranties**. As of the Effective Date, Seller represents and warrants as follows:

(a) Seller is a limited liability company, duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation, and is qualified to conduct business in each jurisdiction where the failure to so qualify would have a material adverse effect on the business or financial condition of Seller.

(b) Seller has the power and authority to enter into and perform this Agreement and is not prohibited from entering into this Agreement or discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement, except where such failure does not have a material adverse effect on Seller's performance under this Agreement. The execution, delivery and performance of this Agreement by Seller has been duly authorized by all necessary corporate action on the part of Seller and does not and will not require the consent of any trustee or holder of any indebtedness or other obligation of Seller or any other party to any other agreement with Seller.

(c) The execution and delivery of this Agreement, consummation of the transactions contemplated herein, and fulfillment of and compliance by Seller with the provisions of this Agreement will not conflict with or constitute a breach of or a default under any Law presently in effect having applicability to Seller, subject to any permits that have not yet been obtained by Seller, the documents of formation of Seller or any outstanding trust indenture, deed of trust, mortgage, loan agreement or other evidence of indebtedness or any other agreement or instrument to which Seller is a party or by which any of its property is bound.

(d) This Agreement has been duly executed and delivered by Seller. This Agreement is a legal, valid and binding obligation of Seller enforceable in accordance with its terms, except as limited by Laws of general applicability limiting the enforcement of creditors' rights or by the exercise of judicial discretion in accordance with general principles of equity.

13.2 **Buyer's Representations and Warranties.** As of the Effective Date, Buyer represents and warrants as follows:

(a) Buyer is a California Joint Powers Authority, duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation, and is qualified to conduct business in each jurisdiction where the failure to so qualify would have a material adverse effect on the business or financial condition of Buyer.

(b) Buyer has the power and authority to enter into and perform this Agreement and is not prohibited from entering into this Agreement or discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement, except where such failure does not have a material adverse effect on Buyer's performance under this Agreement. The execution, delivery and performance of this Agreement by Buyer has been duly authorized by all necessary action on the part of Buyer and does not and will not require the consent

of any trustee or holder of any indebtedness or other obligation of Buyer or any other party to any other agreement with Buyer.

(c) The execution and delivery of this Agreement, consummation of the transactions contemplated herein, and fulfillment of and compliance by Buyer with the provisions of this Agreement will not conflict with or constitute a breach of or a default under any Law presently in effect having applicability to Buyer, including but not limited to community choice aggregation, competitive bidding, public notice, open meetings, election, referendum, or prior appropriation requirements, the documents of formation of Buyer or any outstanding trust indenture, deed of trust, mortgage, loan agreement or other evidence of indebtedness or any other agreement or instrument to which Buyer is a party or by which any of its property is bound.

(d) This Agreement has been duly executed and delivered by Buyer. This Agreement is a legal, valid and binding obligation of Buyer enforceable in accordance with its terms, except as limited by Laws of general applicability limiting the enforcement of creditors' rights or by the exercise of judicial discretion in accordance with general principles of equity.

13.3 **General Covenants**. Each Party covenants that commencing on the Effective Date and continuing throughout the Contract Term:

(a) It shall continue to be duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation and to be qualified to conduct business in each jurisdiction where the failure to so qualify would have a material adverse effect on its business or financial condition;

(b) It shall maintain (or obtain from time to time as required) all regulatory authorizations necessary for it to legally perform its obligations under this Agreement; and

(c) It shall perform its obligations under this Agreement in compliance with all terms and conditions in its governing documents and any contracts to which it is a party and in material compliance with any Law.

ARTICLE 14
ASSIGNMENT

14.1 **General Prohibition on Assignments**. Except as provided below, neither Party may voluntarily assign this Agreement or its rights or obligations under this Agreement, without the written consent of the other Party, which consent shall not be unreasonably withheld. Any direct or indirect Change of Control of a Party (whether voluntary or by operation of Law) will be deemed an assignment and will require the prior written consent of the other Party, except as provided in Section 14.3. Any assignment made without required written consent, or in violation of the conditions to assignment set out below, shall be null and void. The assigning Party shall be responsible for the other Party's costs associated with the preparation, review, execution and delivery of documents in connection with any assignment of this Agreement, including without limitation reasonable attorneys' fees.

14.2 **Collateral Assignment**. Subject to the provisions of this Section 14.2, Seller has the right to assign this Agreement as collateral for any financing or refinancing of the Facility

without the consent of Buyer. In connection with any financing or refinancing of the Facility by Seller, Buyer shall work in good faith with Seller (and its Affiliate(s)) and Lender to agree upon a consent to collateral assignment of this Agreement ("Collateral Assignment Agreement") in a form mutually agreeable to Buyer, Seller and Lender; *provided*, *however*, that Buyer shall be under no obligation to ultimately enter into a Collateral Assignment Agreement to the extent the form thereof cannot be agreed.

14.3 **Permitted Assignment**. Notwithstanding Section 14.1, and in addition to its rights set forth in Section 14.2, Seller may at any time, without the prior written consent of Buyer, transfer or assign this Agreement (including by a Change of Control) (i) to an Affiliate of Seller, or (ii) in connection with a tax equity financing (regardless of whether a Change of Control results from such tax equity financing). Seller may also, without the prior written consent of Buyer, transfer or assign this Agreement (including by a Change of Control) to a Person that is, individually, or to Persons that collectively qualify as, a Permitted Transferee.

14.4 **Permitted Buyer Assignment**. Without the prior written consent of Seller, Buyer may make a limited assignment in connection with a municipal prepayment transaction to an entity that has [redacted] ("**Limited Assignee**") of Buyer's right to receive Product and Buyer's obligation to make payments to Seller, subject to execution of an assignment agreement, in a form substantially similar to that set forth in Exhibit M ("**Limited Assignment Agreement**"), between and among Seller, Buyer, and Limited Assignee, provided that the limited assignment shall be expressly subject to Limited Assignee's timely payment of amounts due under this Agreement and that Buyer remains liable for Buyer's obligations under this Agreement notwithstanding the limited assignment. Buyer may make such assignment by delivering Notice upon not less than thirty (30) days prior to such proposed assignment. Subject to the foregoing, Seller agrees to (i) comply with Limited Assignee's reasonable requests for know-your-customer and similar account opening information and documentation with respect to Seller, including but not limited to information related to forecasted generation, credit rating, and compliance with anti-money laundering rules, the Dodd-Frank Act, the Commodity Exchange Act, the Patriot Act and similar rules, regulations, requirements and corresponding policies; and (ii) promptly execute such Limited Assignment Agreement and implement such assignment as contemplated thereby, subject only to the countersignature of Limited Assignee and Buyer, the requirements of this Section 14.4, and Lender consent.

ARTICLE 15
DISPUTE RESOLUTION

15.1 **Venue**. The Parties agree that any suit, action or other legal proceeding by or against any party (or its affiliates or designees) with respect to or arising out of this Agreement shall be brought in the federal courts of the United States or, if such federal courts refuse jurisdiction notwithstanding the Parties' agreement, then in the courts of the State of California, in either case sitting in County of Los Angeles, California.

15.2 **Dispute Resolution**. In the event of any dispute arising under this Agreement, within ten (10) days following the receipt of a Notice from either Party identifying such dispute, the Parties shall meet, negotiate and attempt, in good faith, to resolve the dispute quickly,

informally and inexpensively. If the Parties are unable to resolve a dispute arising hereunder within the earlier of either thirty (30) days of initiating such discussions, or within forty (40) days after Notice of the dispute, either Party may seek any and all remedies available to it at Law or in equity, subject to the limitations set forth in this Agreement.

ARTICLE 16
INDEMNIFICATION

16.1 **Indemnification.**

(a) Each Party (the "**Indemnifying Party**") agrees to indemnify, defend and hold harmless the other Party and its Affiliates, directors, officers, employees, attorneys, representatives and agents (collectively, the "**Indemnified Party**") from and against all third-party claims, demands, losses, liabilities, penalties, and expenses and expert witness fees (collectively "**Indemnifiable Event**"), to the extent such Indemnifiable Event arises out of, results from, or is caused by any of the following: (a) the negligent act or omission, recklessness or willful misconduct of the Indemnifying Party, its Affiliates, its or their directors, officers, employees, agents, subcontractors, and anyone directly or indirectly employed by the Indemnifying Party or any of its subcontractors or anyone that they control; (b) any violation of applicable Law by the Indemnifying Party, in each case in connection with this Agreement; or (c) third-party claims resulting from the Indemnifying Party's material breach (including inaccuracy of any representation of warranty made hereunder)or non-performance of its material obligations under this Agreement. Upon the Indemnified Party's written request, the Indemnifying Party, at its own expense, must defend any suit or action that is subject to the Indemnifying Party's indemnity obligations. The Parties' indemnification obligations survive the expiration or termination of this Agreement until the relevant statute of limitations.

(b) Nothing in this Section 16.1 shall enlarge or relieve Seller or Buyer of any liability to the other for any breach of this Agreement. Neither Party shall be indemnified for its damages resulting to the extent of its own negligence, intentional acts or willful misconduct. These indemnity provisions shall not be construed to relieve any insurer of its obligation to pay claims consistent with the provisions of a valid insurance policy.

16.2 **Claims**. Promptly after receipt by a Party of any claim or Notice of the commencement of any action, administrative, or legal proceeding, or investigation as to which the indemnity provided for in this Article 16 may apply, the Indemnified Party shall notify the Indemnifying Party in writing of such fact. The Indemnifying Party shall assume the defense thereof with counsel designated by such Party and reasonably satisfactory to the Indemnified Party, *provided*, *however*, that if the defendants in any such action include both the Indemnified Party and the Indemnifying Party and the Indemnified Party shall have reasonably concluded that there may be legal defenses available to it which are different from or additional to, or inconsistent with, those available to the Indemnifying Party, the Indemnified Party shall have the right to select and be represented by separate counsel, at the Indemnifying Party's expense, unless a liability insurer is willing to pay such costs. If the Indemnifying Party fails to assume the defense of a claim meriting indemnification, the Indemnified Party may at the expense of the Indemnifying Party contest, settle, or pay such claim, *provided* that settlement or full payment of any such claim may be made only following consent of the Indemnifying Party or, absent such consent, written opinion

of the Indemnified Party's counsel that such claim is meritorious or warrants settlement. Notwithstanding the preceding sentence if the settlement consists solely of a monetary payment by the Indemnifying Party, such settlement shall not require the consent of the Indemnifying Party. Except as otherwise provided in this Article 16, in the event that a Party is obligated to indemnify and hold the other Party and its successors and assigns harmless under this Article 16, the amount owing to the Indemnified Party will be the amount of the Indemnified Party's damages net of any insurance proceeds received by the Indemnified Party following a reasonable effort by the Indemnified Party to obtain such insurance proceeds.

ARTICLE 17
INSURANCE

17.1 **Insurance**.

(a) General Liability. Seller shall maintain, or cause to be maintained at its sole expense, (i) commercial general liability insurance against claims for personal injury (including bodily injury and death) and property damage with a limit of liability of [redacted] per occurrence, and a general aggregate of not less than [redacted] for combined bodily injury and property damage; and (ii) an umbrella insurance policy in a minimum limit of liability of [redacted] The amounts of liability insurance described in this Article 17 may be satisfied by primary insurance or by any combination of primary and excess/umbrella insurance. Such insurance shall contain standard cross-liability and severability of interest provisions such that each person is protected in the same manner as though a separate policy has been issued to each but nothing therein shall operate to increase the insurance company's liability beyond the amount the insurance company would have been liable if only one Person or interest had been named as insured. The liability insurance policies referenced in this Article 17 shall (x) provide an endorsement waiving rights of subrogation against Buyer, (y) name Buyer as additional insured on all required liability insurance (except workers compensation), and (z) be primary to any insurance of Buyer that may apply to such occurrence, accident or claim and no "other insurance" provision shall be applicable to Buyer or any additional insureds, by virtue of having been named an additional insured under any policy of insurance.

(b) Workers Compensation and Employer's Liability Insurance. Employers' Liability insurance shall not be less than [redacted] providing statutory benefits as required by Law (if any exposure exists) for injury, sickness, disability or death of the employees.

(c) Business Auto Liability Insurance. Seller shall maintain at all times during the Contract Term business auto insurance for bodily injury and property damage with limits of [redacted] combined single limit. Such insurance shall cover liability arising out of Seller's use of all owned (if any), non-owned and hired motor vehicles in the performance of the Agreement.

(d) Property Insurance. Seller shall maintain or cause to be maintained property insurance covering the Facility against physical loss or damage, including coverage for natural perils including but not limited to flood, earthquake, windstorm, severe convective storm and

wildfire, all with limits in accordance with industry standard recognizing that natural perils may be subject to a lower sublimit. Coverage will be on an "all-risk" basis including mechanical and electrical breakdown.

ARTICLE 18
CONFIDENTIAL INFORMATION

18.1 **Definition of Confidential Information**. The following constitutes "**Confidential Information**," whether oral or written which is delivered by Seller to Buyer or by Buyer to Seller: (a) pricing and other commercially-sensitive or proprietary information provided to or from Buyer in connection with the terms and conditions of, and proposals and negotiations related to, this Agreement, and (b) information that either Seller or Buyer stamps or otherwise identifies as "confidential" or "proprietary" before disclosing it to the other. Confidential Information does not include (i) information that was publicly available at the time of the disclosure, other than as a result of a disclosure in breach of this Agreement; (ii) information that becomes publicly available through no fault of the recipient after the time of the delivery; (iii) information that was rightfully in the possession of the recipient (without confidential or proprietary restriction) at the time of delivery or that becomes available to the recipient from a source not subject to any restriction against disclosing such information to the recipient; and (iv) information that the recipient independently developed without a violation of this Agreement.

18.2 **Duty to Maintain Confidentiality**. Except as permitted in this Article 18, neither Party shall disclose Confidential Information to a third party, except upon the written consent of the Disclosing Party. Confidential Information will retain its character as Confidential Information but may be disclosed by the recipient (the "**Receiving Party**") if and to the extent such disclosure is required (a) to be made by any requirements of Law, including the California Public Records Act, (b) pursuant to an order of a court or (c) in order to enforce or implement this Agreement. If the Receiving Party becomes legally compelled (by interrogatories, requests for information or documents, subpoenas, summons, civil investigative demands, or similar processes or otherwise in connection with any litigation or to comply with any applicable Law, order, regulation, ruling, regulatory request, accounting disclosure rule or standard or any exchange, control area or independent system operator rule) to disclose any Confidential Information of the disclosing Party (the "**Disclosing Party**"), Receiving Party shall provide Disclosing Party with prompt notice so that Disclosing Party, at its sole expense, may seek an appropriate protective order or other appropriate remedy. If the Disclosing Party takes no such action within five (5) Business Days after receiving the foregoing notice from the Receiving Party, the Receiving Party is not required to defend against such request and shall be permitted to disclose such Confidential Information of the Disclosing Party to the extent required under applicable Law, with no liability for any damages that arise from such disclosure. Each Party hereto acknowledges and agrees that information and documentation provided in connection with this Agreement may be subject to the California Records Act (Government Code Section 6250 et seq.).

18.3 **Irreparable Injury; Remedies**. Receiving Party acknowledges that its obligations hereunder are necessary and reasonable in order to protect Disclosing Party and the business of Disclosing Party, and expressly acknowledges that monetary damages may be inadequate to compensate Disclosing Party for any breach or threatened breach by Receiving Party of any covenants and agreements set forth herein. Accordingly, Receiving Party acknowledges that any

such breach or threatened breach may cause irreparable injury to Disclosing Party and that, in addition to any other remedies that may be available, in Law, in equity or otherwise, Disclosing Party will be entitled to seek injunctive relief against the threatened breach of this Agreement or the continuation of any such breach, without the necessity of proving actual damages.

18.4 **Permitted Disclosures**. Notwithstanding anything to the contrary in this Article 18, Confidential Information may be disclosed by either Party to such Party's counsel, accountants, auditors, advisors, other professional consultants, credit rating agencies, Affiliates or actual or prospective owners, investors, lenders, directors, underwriters, contractors, suppliers or others involved in the construction, operation and financing transactions and arrangements for a Party or its affiliates, or any of its or their agents, consultants or trustees, so long as the Person to whom Confidential Information is disclosed agrees in writing to be bound by the confidentiality provisions of this Article 18 to the same extent as if it were a Party, or is bound by substantially similar confidentiality requirements.

18.5 **Press Releases**. Neither Party shall issue (or cause its Affiliates to issue) a press release regarding the transactions contemplated by this Agreement unless both Parties have agreed upon the contents of any such public statement.

ARTICLE 19
MISCELLANEOUS

19.1 **Entire Agreement; Integration; Exhibits**. This Agreement, together with the Cover Sheet and Exhibits attached hereto, constitutes the entire agreement and understanding between Seller and Buyer with respect to the subject matter hereof and supersedes all prior agreements relating to the subject matter hereof, which are of no further force or effect. The Exhibits attached hereto are integral parts hereof and are made a part of this Agreement by reference. The headings used herein are for convenience and reference purposes only. In the event of a conflict between the provisions of this Agreement and those of the Cover Sheet or any Exhibit, the provisions of first the Cover Sheet, and then this Agreement shall prevail, and such Exhibit shall be corrected accordingly. This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof.

19.2 **Amendments**. This Agreement may only be amended, modified or supplemented by an instrument in writing executed by duly authorized representatives of Seller and Buyer; *provided*, that, for the avoidance of doubt, this Agreement may not be amended by electronic mail communications.

19.3 **No Waiver**. Waiver by a Party of any default by the other Party shall not be construed as a waiver of any other default.

19.4 **No Agency, Partnership, Joint Venture or Lease**. Seller and the agents and employees of Seller shall, in the performance of this Agreement, act in an independent capacity and not as officers or employees or agents of Buyer. Under this Agreement, Seller and Buyer intend to act as energy seller and energy purchaser, respectively, and do not intend to be treated

as, and shall not act as, partners in, co-venturers in or lessor/lessee with respect to the Facility or any business related to the Facility. This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement).

19.5 **Severability**. In the event that any provision of this Agreement is unenforceable or held to be unenforceable, the Parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby. The Parties shall, however, use their best endeavors to agree on the replacement of the void, illegal or unenforceable provision(s) with legally acceptable clauses which correspond as closely as possible to the sense and purpose of the affected provision and this Agreement as a whole.

19.6 **Mobile-Sierra**. Notwithstanding any other provision of this Agreement, neither Party shall seek, nor shall they support, any third party seeking to prospectively or retroactively revise the rates, terms or conditions of service of this Agreement through application or complaint to FERC pursuant to the provisions of Section 205, 206 or 306 of the Federal Power Act, or any other provisions of the Federal Power Act, absent prior written agreement of the Parties. Further, absent the prior written agreement in writing by both Parties, the standard of review for changes to the rates, terms or conditions of service of this Agreement proposed by a Party shall be the "public interest" standard of review set forth in United Gas Pipe Line Co. v. Mobile Gas Service Corp., 350 U.S. 332 (1956) and Federal Power Commission v. Sierra Pacific Power Co., 350 U.S. 348 (1956). Changes proposed by a non-Party or FERC acting *sua sponte* shall be subject to the most stringent standard permissible under applicable Law.

19.7 **Counterparts**. This Agreement may be executed in one or more counterparts, including electronic signatures, all of which taken together shall constitute one and the same instrument and each of which shall be deemed an original.

19.8 **Electronic Delivery**. This Agreement may be duly executed and delivered by a Party by execution and electronic format (including portable document format (.pdf)) delivery of the signature page of a counterpart to the other Party.

19.9 **Binding Effect**. This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

19.10 **Change in Electric Market Design**.

(a) If a change in the CAISO Tariff renders this Agreement or any provisions hereof incapable of being performed or administered, then any Party may request that Buyer and Seller enter into negotiations to make the minimum changes to this Agreement necessary to make this Agreement capable of being performed and administered, while attempting to preserve to the maximum extent possible the benefits, burdens, and obligations set forth in this Agreement as of the Effective Date. Upon delivery of such a request, Buyer and Seller shall engage in such negotiations in good faith. If Buyer and Seller are unable, within sixty (60) days after delivery of such request, to agree upon changes to this Agreement or to resolve issues relating to changes to this Agreement, then any Party may submit issues pertaining to changes to this Agreement to the dispute resolution process set forth in Article 15. Notwithstanding the foregoing, (i) a change in cost shall not in and of itself be deemed to render this Agreement or any of the provisions hereof

incapable of being performed or administered, or constitute, or form the basis of, a Force Majeure Event, and (ii) all of unaffected provisions of this Agreement shall remain in full force and effect during any period of such negotiation or dispute resolution.

(b) If the Interconnection Point and/or any of the Transmission Systems utilized to deliver Product to the Delivery Point under this Agreement (i) are integrated into a new or existing regional transmission organization or independent system operator (other than the CAISO Balancing Authority), or (ii) leave a regional transmission organization or independent system operator, and such integration or departure has a material and adverse impact on either Party's performance under this Agreement, including the costs of either Party to perform, then the affected Party may request that Buyer and Seller enter into negotiations to make the minimum changes to this Agreement necessary to restore the balance of benefits, burdens, and obligations set forth in this Agreement as of the Effective Date. Upon delivery of such a request, Buyer and Seller shall engage in such negotiations in good faith; *provided*, that neither Party shall be obligated to amend this Agreement if such amendment(s) would materially adversely affect, or could reasonably be expected to have or result in a material adverse effect on, any of such Party's rights, benefits, risks and/or obligations under this Agreement.

19.11 **No Recourse to Members of Buyer**. Buyer is organized as a Joint Powers Authorities in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) pursuant to its Joint Powers Agreement and is a public entity separate from its constituent members. Buyer shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Seller shall have no rights and shall not make any claims, take any actions or assert any remedies against any of Buyer's constituent members or the employees, directors, officers, consultants or advisors of Buyer or its constituent members, in connection with the PPA.

19.12 **Forward Contract**. The Parties acknowledge and agree that this Agreement constitutes a "forward contract" within the meaning of the U.S. Bankruptcy Code, and Buyer and Seller are "forward contract merchants" within the meaning of the U.S. Bankruptcy Code. Each Party further agrees that, for all purposes of this Agreement, each Party waives and agrees not to assert the applicability of the provisions of 11 U.S.C. § 366 in any bankruptcy proceeding wherein such Party is a debtor. In any such proceeding, each Party further waives the right to assert that the other Party is a provider of last resort to the extent such term relates to 11 U.S.C. §366 or another provision of 11 U.S.C. § 101-1532.

19.13 **Further Assurances**. Each of the Parties hereto agree to use commercially reasonable efforts to provide such information, execute and deliver any instruments and documents and to take such other actions as may be necessary or reasonably requested by the other Party which are not inconsistent with the provisions of this Agreement and which do not involve the assumptions of obligations other than those provided for in this Agreement, to give full effect to this Agreement and to carry out the intent of this Agreement.

[Signatures on following page]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the Effective Date.

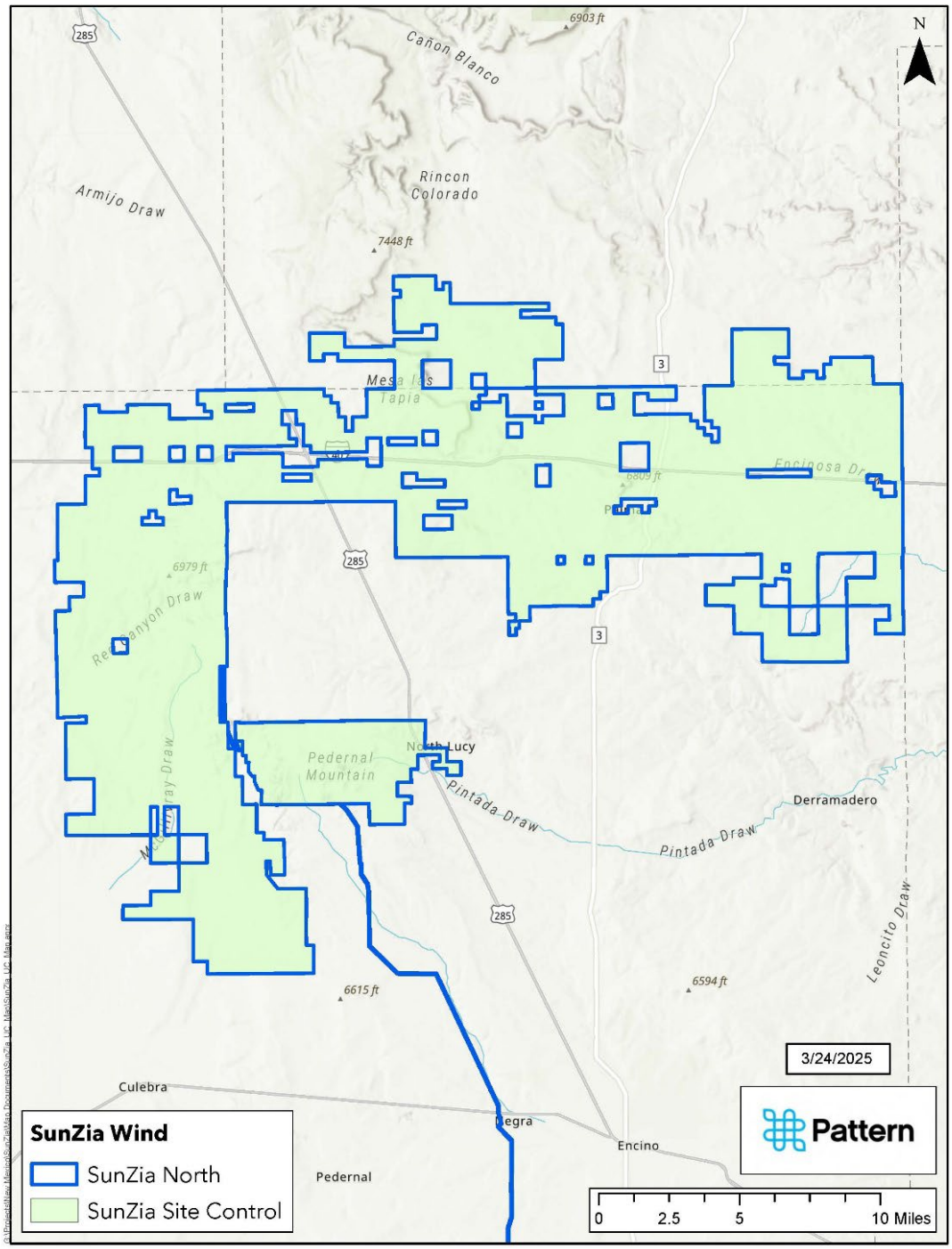
SunZia Wind North LLC	**San Diego Community Power**
By:_____	By:_____
Name:	Name:
Title:	Title:

EXHIBIT A
FACILITY DESCRIPTION

The Facility Description provided herein reflects Seller's expectation for the Facility and the Site as of the Effective Date. Except as otherwise provided in the Agreement, Seller shall not make any alteration or modification to the Facility which results in a change to the Guaranteed Capacity or the anticipated output of the Facility without Buyer's prior written consent; *provided* that Seller shall be permitted to repower the Facility after the tenth (10th) Contract Year so long as Seller continues to be obligated to deliver Guaranteed Energy Production during such repower; upon any such repower that changes the Installed Capacity, Seller shall deliver an updated Installed Capacity Certificate in the form of Exhibit G.

Site Name: SunZia Wind North

Site Map: [See next page]



Site Location: San Miguel County, New Mexico

Technology: Utility Scale Wind Technology

Guaranteed Capacity: 7.46 MW

Delivery Point: CAISO Scheduling Point-Intertie combination at PALOVRDE_ASR-APND and PVWEST, or an Alternative Delivery Point as mutually agreed by the Parties

Participating Transmission Owner: SunZia Transmission, LLC

EXHIBIT B
FACILITY CONSTRUCTION AND COMMERCIAL OPERATION

1. **Construction of the Facility**. "**Construction Start**" will occur upon Seller's issuance of a full notice to proceed with the construction of the Facility following Seller's execution of an EPC Contract related to the Facility. The Parties agree that Construction Start of the Facility has been completed.

2. **Commercial Operation of the Facility**. "**Commercial Operation**" means the condition existing when (i) Seller has fulfilled all of the conditions in Section 2.3 of the Agreement and (ii) Seller has confirmed to Buyer in writing that Commercial Operation has been achieved.

   The "**Commercial Operation Date**" shall be the later of (x) [redacted], and (y) date on which Commercial Operation is achieved.

   a. Seller shall cause Commercial Operation for the Facility to occur by the Guaranteed Commercial Operation Date. Seller shall notify Buyer at least sixty (60) days before the anticipated Commercial Operation Date. For the avoidance of doubt, Seller may continue to increase the Installed Capacity of the Facility after the Commercial Operation Date and will notify Buyer from time to time of such increases by delivering a certificate from a Licensed Professional Engineer substantially in the form attached as Exhibit G hereto; when the Installed Capacity is complete, Seller shall include a statement to that effect in a Notice accompanying the final such certificate.

[redacted]

[redacted]

3. **Termination for Failure to Achieve Commercial Operation**. If the Facility has not achieved Commercial Operation on or before the Guaranteed Commercial Operation Date (as it may be extended hereunder), Buyer may elect to terminate this Agreement in accordance with Sections 11.1(b)(iv) and 11.2. If the Facility has not achieved Commercial Operation by the Outside Commercial Operation Date, and Buyer has not terminated this Agreement in accordance with Sections 11.1(b)(iv) and 11.2, Seller may elect to terminate this Agreement in accordance with Section 2.6(b).

4. **Extension of the Guaranteed Dates**. The Guaranteed Commercial Operation Date shall, subject to notice and documentation requirements set forth below, be automatically extended on a day-for-day basis (the "**Development Cure Period**") for the following delays:

   a. Up to [redacted] days if a Force Majeure Event occurs;

   b. Up to [redacted] days due to delays caused by a Transmission Provider that are outside of the reasonable control of Seller;

   c. Up to [redacted] days due to a delay in the completion of the Interconnection Facilities or the commercial operation date of the SunZia Transmission Line (for reasons that are outside the reasonable control of Seller); or

   d. a delay caused by Buyer breach or default of its obligations under this Agreement.

   The cumulative extensions granted under clauses 4(a), 4(b) and 4(c) of the Development Cure Period shall not exceed [redacted] days for any reason. The permitted extension granted under clause 4(d) shall be unlimited in duration. No extension shall be given if (i) the delay was the result of Seller's failure to take all commercially reasonable actions to meet its requirements and deadlines, (ii) Seller failed to provide requested documentation as provided below, or (iii) Seller failed to provide Notice to Buyer as required in the next sentence. Seller shall provide prompt Notice to Buyer of a delay, but in no case more than thirty (30) days after Seller becomes aware of such delay, except that in the case of a delay occurring within sixty (60) days of the Guaranteed Commercial Operation Date, or after such date, Seller must provide Notice within five (5) Business Days of Seller becoming aware of such delay. Upon request from Buyer, Seller shall provide documentation demonstrating to Buyer's reasonable satisfaction that the delays described above did not result from Seller's actions or failure to take commercially reasonable actions. Notwithstanding the foregoing, the Parties may mutually agree upon an additional extension of the Outside Commercial Operation Date of up to sixty (60) days beyond the maximum extensions set forth in this Exhibit B with the payment of Delay Damages by Seller.

5. **Failure to Reach Guaranteed Capacity**. If, at Commercial Operation, [redacted] of the Guaranteed Capacity has not been completed and is not ready to produce and deliver Product to Buyer, Seller shall have [redacted] days after

the Commercial Operation Date to install additional capacity and/or network upgrades such that the Installed Capacity is equal to at least the Guaranteed Capacity. In the event that Seller fails to construct the Guaranteed Capacity by such date, [redacted]

[redacted]

EXHIBIT C
PROGRESS REPORTING FORM

Each Progress Report must include the following items:

1. Executive summary.

2. Facility description.

3. Site plan of the Facility.

4. Description of any planned changes to the Facility or the site.

5. Schedule showing progress on achieving each of the Milestones.

6. Summary of activities during the previous calendar month/quarter.

7. Forecast of activities scheduled for the current calendar month/quarter.

8. Written description about the progress relative to Seller's Milestones, including whether Seller has met or is on target to meet the Milestones, and evidence of completion of Milestones, upon reasonable request from Buyer.

9. List of issues that could reasonably foreseeably affect Seller's Milestones.

10. A status report of start-up activities including a forecast of activities ongoing and after start-up, a report on Facility performance including performance projections for the next twelve (12) months.

11. Progress and schedule of all major agreements, contracts, permits, approvals, technical studies, financing agreements and major equipment purchase orders showing the start dates, completion dates, and completion percentages.

12. Pictures, in sufficient quantity and of appropriate detail, in order to document construction and startup progress of the Facility, the interconnection into the PTO's Transmission System and all other interconnection utility services.

13. Any other documentation, including copies of the Interconnection Agreement, transmission agreements and permits, as reasonably requested by Buyer, as such documentation may be redacted by Seller as necessary.

EXHIBIT D
FORM OF AVERAGE FORECAST OF ENERGY (MWh)

	1:00	2:00	3:00	4:00	5:00	6:00	7:00	8:00	9:00	10:00	11:00	12:00	13:00	14:00	15:00	16:00	17:00	18:00	19:00	20:00	21:00	22:00	23:00	24:00
JAN																								
FEB																								
MAR																								
APR																								
MAY																								
JUN																								
JUL																								
AUG																								
SEP																								
OCT																								
NOV																								
DEC																								

The foregoing table (i) is provided for informational purposes only, and it shall not constitute, or be deemed to constitute, an obligation of any of the Parties to this Agreement, and (ii) reflects expected P50 delivered volumes taking into account estimated X% physical losses from the Facility to the Delivery Point.

EXHIBIT E
ENERGY REPLACEMENT DAMAGES CALCULATION

In accordance with Section 4.7, if Seller fails to achieve the Guaranteed Energy Production during any Performance Measurement Period, and Seller elects to not provide Replacement Product, a liquidated damages ("**Energy Replacement Damages**") payment shall be due from Seller to Buyer, calculated as follows:



"**Adjusted Energy Production**" shall mean the sum of the Delivered Energy *plus* Lost Output *plus* Deemed Delivered Energy in the first Contract Year of the current Performance Measurement Period, *plus* (ii) Delivered Energy *plus* Lost Output *plus* Deemed Delivered Energy in the second Contract Year of the Performance Measurement Period.

"**Lost Output**" means the sum of electric energy in MWh that would have been generated and delivered, but was not, on account of Force Majeure Event, Buyer default, System Emergency, POI Curtailment, and Curtailment Order. The additional MWh comprising Lost Output shall be calculated in the same manner as Deemed Delivered Energy.

No payment shall be due if the calculation of (A - B) or (C - D) yields a negative number.

Within sixty (60) days after each Contract Year, Buyer will send Seller Notice of the amount of damages owing, if any, which shall be payable to Buyer before the later of (a) thirty (30) days of such Notice and (b) ninety (90) days after each Contract Year.

EXHIBIT F
FORM OF COMMERCIAL OPERATION DATE CERTIFICATE

This certification ("**Certification**") of Commercial Operation is delivered by the undersigned, a licensed professional engineer and duly authorized representative of _____ in its capacity as independent engineer ("**Engineer**") for purposes of this certification, to [____] **(**"**Buyer**"), pursuant to the [agreement between Seller and Engineer] and in connection with that certain Renewable Power Purchase and Sale Agreement (SunZia North) dated _____ ("**Agreement**") by and between [Pattern Entity] ("**Seller**") and Buyer. All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

Engineer hereby certifies and represents to Buyer the following:

(1) Wind turbines with a nameplate capacity at least equal to [redacted] of the Guaranteed Capacity have been installed at the Facility.

(2) Testing and commissioning of each wind turbine referred to in paragraph (1) above has been completed in accordance with the turbine supply agreement and each such wind turbine has delivered electricity to the Point of Interconnection specified in the Interconnection Agreement.

(3) Authorization to parallel the Facility was obtained by the Participating Transmission Owner on _____[DATE]_____.

EXECUTED on this _____ day of _____, 20__.

Sincerely,

By:_____
[NAME], P.E.
[TITLE]
New Mexico License No. [##]

EXHIBIT G
FORM OF INSTALLED CAPACITY CERTIFICATE

This certification ("**Certification**") of Installed Capacity is delivered by the undersigned, a licensed professional engineer and duly authorized representative of _____ in its capacity as independent engineer ("**Engineer**") for purposes of this certification, to [____] ("**Buyer**"), pursuant to the [agreement between Seller and Engineer] and in connection with that certain Renewable Power Purchase and Sale Agreement (SunZia North) dated _____ ("**Agreement**") by and between [Pattern Entity] ("Seller") and Buyer. All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

As of the date set forth below, [___] wind turbines with an aggregate nameplate capacity of [__], which is the Installed Capacity as of the date hereof, have been installed at the Facility, and testing and commissioning of each such wind turbines has been completed in accordance with the turbine supply agreement and each such wind turbine has delivered electricity to the Point of Interconnection specified in the Interconnection Agreement.

EXECUTED on this _____ day of _____, 20__.

Sincerely,

By:_____
[NAME], P.E.
[TITLE]
New Mexico License No. [##]
Exp. [DATE]

EXHIBIT H

RESERVED

EXHIBIT I
FORM OF LETTER OF CREDIT

[Seller to provide prior to PPA execution]

EXHIBIT J
FORM OF GUARANTY

This Guaranty (this "Guaranty") is entered into as of [_____] (the "Effective Date") by and between [_____], a [_____] ("Guarantor"), and [____] (together with its successors and permitted assigns, "Buyer" and together with Guarantor, the "Parties" and each a "Party").

Recitals

A. Buyer and _____, a _____ ("Seller"), entered into that certain Renewable Power Purchase and Sale Agreement (SunZia North) (as amended, restated or otherwise modified from time to time, the "PPA") dated as of [____], 20___.

B. Guarantor is entering into this Guaranty as Performance Security to secure Seller's obligations under the PPA, as required by Sections 8.7 and/or 8.8 of the PPA.

C. It is in the best interest of Guarantor to execute this Guaranty inasmuch as Guarantor will derive substantial direct and indirect benefits from the execution and delivery of the PPA.

D. Initially capitalized terms used but not defined herein have the meaning set forth in the PPA.

Agreement

1. Guaranty. For value received, Guarantor does hereby unconditionally, absolutely and irrevocably guarantee, as primary obligor and not as a surety, to Buyer the full, complete and prompt payment by Seller of any and all amounts and payment obligations now or hereafter owing from Seller to Buyer under the PPA, including, without limitation, compensation for penalties, the Termination Payment, indemnification payments or other damages, as and when required pursuant to the terms of the PPA (the "Guaranteed Amount"), provided, that Guarantor's aggregate liability under or arising out of this Guaranty shall not exceed the sum of Dollars ($) [redacted] The Parties understand and agree that any payment by Guarantor shall thereafter reduce the Guarantee Limit hereunder on a dollar-for-dollar basis. This Guaranty is an irrevocable, absolute, unconditional and continuing guarantee of the full and punctual payment and performance, and not of collection, of the Guaranteed Amount and, except as otherwise expressly addressed herein, is in no way conditioned upon any requirement that Buyer first attempt to collect the payment of the Guaranteed Amount from Seller, any other guarantor of the Guaranteed Amount or any other person or entity or resort to any other means of obtaining payment of the Guaranteed Amount. In the event Seller shall fail to duly, completely or punctually pay any Guaranteed Amount as required pursuant to the PPA, Guarantor shall promptly pay such amount as required herein.

2. Demand Notice. For avoidance of doubt, a payment shall be due for purposes of this Guaranty only when and if a payment is due and payable by Seller to Buyer under the terms and conditions of the Agreement. If Seller fails to pay any Guaranteed Amount as required

pursuant to the PPA for five (5) Business Days following Seller's receipt of Buyer's written notice of such failure (the "Demand Notice"), then Buyer may elect to exercise its rights under this Guaranty and may make a demand upon Guarantor (a "Payment Demand") for such unpaid Guaranteed Amount. A Payment Demand shall be in writing and shall reasonably specify in what manner and what amount Seller has failed to pay and an explanation of why such payment is due and owing, with a specific statement that Buyer is requesting that Guarantor pay under this Guaranty. Guarantor shall, within five (5) Business Days following its receipt of the Payment Demand, pay the Guaranteed Amount to Buyer.

3. Scope and Duration of Guaranty. This Guaranty applies only to the Guaranteed Amount. This Guaranty shall continue in full force and effect from the Effective Date until the earlier of the following: (x) all Guaranteed Amounts have been paid in full (whether directly or indirectly through set-off or netting of amounts owed by Buyer to Seller), or (y) replacement Performance Security is provided in an amount and form required by the terms of the PPA. Further, this Guaranty (a) shall remain in full force and effect without regard to, and shall not be affected or impaired by any invalidity, irregularity or unenforceability in whole or in part of this Guaranty, and (b) subject to the preceding sentence, shall be discharged only by complete performance of the undertakings herein. Without limiting the generality of the foregoing, the obligations of the Guarantor hereunder shall not be released, discharged, or otherwise affected and this Guaranty shall not be invalidated or impaired or otherwise affected for the following reasons:

(i) the extension of time for the payment of any Guaranteed Amount, or

(ii) any amendment, modification or other alteration of the PPA, or

(iii) any indemnity agreement Seller may have from any party, or

(iv) any insurance that may be available to cover any loss, except to the extent insurance proceeds are used to satisfy the Guaranteed Amount, or

(v) any voluntary or involuntary liquidation, dissolution, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition or readjustment of, or other similar proceeding affecting, Seller or any of its assets, including but not limited to any rejection or other discharge of Seller's obligations under the PPA imposed by any court, trustee or custodian or any similar official or imposed by any law, statue or regulation, in each such event in any such proceeding, or

(vi) the release, modification, waiver or failure to pursue or seek relief with respect to any other guaranty, pledge or security device whatsoever, or

(vii) any payment to Buyer by Seller that Buyer subsequently returns to Seller pursuant to court order in any bankruptcy or other debtor-relief proceeding, or

(viii) those defenses based upon (A) the legal incapacity or lack of power or authority of any person, including Seller and any representative of Seller to enter into the PPA or perform its obligations thereunder, (B) lack of due execution, delivery, validity or enforceability, including of the PPA, or (C) Seller's inability to pay any Guaranteed Amount or perform its obligations under the PPA, or

(ix) any other event or circumstance that may now or hereafter constitute a defense to payment of the Guaranteed Amount, including, without limitation, statute of frauds and accord and satisfaction;

provided that Guarantor reserves the right to assert for itself any defenses, setoffs or counterclaims that Seller is or may be entitled to assert against Buyer (except for such defenses, setoffs or counterclaims that may be asserted by Seller with respect to the PPA, but that are expressly waived under any provision of this Guaranty).

4. Waivers by Guarantor. Guarantor hereby unconditionally waives as a condition precedent to the performance of its obligations hereunder, with the exception of the requirements in Paragraph 2, (a) notice of acceptance, presentment or protest with respect to the Guaranteed Amounts and this Guaranty, (b) notice of any action taken or omitted to be taken by Buyer in reliance hereon, (c) any requirement that Buyer exhaust any right, power or remedy or proceed against Seller under the PPA, and (d) any event, occurrence or other circumstance which might otherwise constitute a legal or equitable discharge of a surety. Without limiting the generality of the foregoing waiver of surety defenses, it is agreed that the occurrence of any one or more of the following shall not affect the liability of Guarantor hereunder:

(i) at any time or from time to time, without notice to Guarantor, the time for payment of any Guaranteed Amount shall be extended, or such performance or compliance shall be waived;

(ii) the obligation to pay any Guaranteed Amount shall be modified, supplemented or amended in any respect in accordance with the terms of the PPA;

(iii) (a) sale, transfer or consolidation of Seller into or with any other entity, (b) sale of substantial assets by, or restructuring of the corporate existence of, Seller or (c) change in ownership of any membership interests of, or other ownership interests in, Seller; or

(iv) the failure by Buyer or any other person to create, preserve, validate, perfect or protect any security interest granted to, or in favor of, Buyer or any person.

5. Subrogation. Notwithstanding any payments that may be made hereunder by the Guarantor, Guarantor hereby agrees that until the earlier of payment in full of all Guaranteed Amounts or expiration of the Guaranty in accordance with Section 3, it shall not be entitled to, nor shall it seek to, exercise any right or remedy arising by reason of its payment of any Guaranteed Amount under this Guaranty, whether by subrogation or otherwise, against Seller or seek contribution or reimbursement of such payments from Seller.

6. Representations and Warranties. Guarantor hereby represents and warrants that (a) it has all necessary and appropriate limited liability company powers and authority and the legal right to execute and deliver, and perform its obligations under, this Guaranty, (b) this Guaranty constitutes its legal, valid and binding obligations enforceable against it in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, moratorium and other similar laws affecting enforcement of creditors' rights or general principles of equity, (c) the execution, delivery and performance of this Guaranty does not and will not contravene Guarantor's organizational documents, any applicable law or any contractual provisions binding on or affecting

Guarantor, (d) there are no actions, suits or proceedings pending before any court, governmental agency or arbitrator, or, to the knowledge of the Guarantor, threatened, against or affecting Guarantor or any of its properties or revenues which may, in any one case or in the aggregate, adversely affect the ability of Guarantor to enter into or perform its obligations under this Guaranty, and (e) no consent or authorization of, filing with, or other act by or in respect of, any arbitrator or governmental authority, and no consent of any other Person (including, any stockholder or creditor of the Guarantor), that has not heretofore been obtained is required in connection with the execution, delivery, performance, validity or enforceability of this Guaranty by Guarantor.

7. Notices. Notices under this Guaranty shall be deemed received if sent to the address specified below: (i) on the day received if served by overnight express delivery, and (ii) four business days after mailing if sent by certified, first class mail, return receipt requested. If transmitted by facsimile, such notice shall be deemed received when the confirmation of transmission thereof is received by the Party giving the notice. Any Party may change its address or facsimile to which notice is given hereunder by providing notice of the same in accordance with this Paragraph 8.

If delivered to Buyer, to it at [____]
Attn: [____]
Fax: [____]

If delivered to Guarantor, to it at [____]
Attn: [____]
Fax: [____]

8. **Governing Law and Forum Selection; WAIVER OF JURY TRIAL**. This Guaranty shall be governed by, and interpreted and construed in accordance with, the laws of the United States and the State of California, excluding choice of law rules. The Parties agree that any suit, action or other legal proceeding by or against any party (or its affiliates or designees) with respect to or arising out of this Guaranty shall be brought in the federal courts of the United States sitting in the County of Los Angeles, California. 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 GUARANTY.

9. Miscellaneous. This Guaranty shall be binding upon Guarantor and its successors and assigns and shall inure to the benefit of Buyer and its successors and permitted assigns pursuant to the PPA. No provision of this Guaranty may be amended or waived except by a written instrument executed by Guarantor and Buyer. This Guaranty is not assignable by Guarantor without the prior written consent of Buyer. No provision of this Guaranty confers, nor is any provision intended to confer, upon any third party (other than Buyer's successors and permitted assigns) any benefit or right enforceable at the option of that third party. This Guaranty embodies the entire agreement and understanding of the Parties with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements and understandings of the Parties, verbal or written, relating to the subject matter hereof. If any provision of this Guaranty is determined to be illegal or unenforceable (i) such provision shall be deemed restated in accordance with applicable Laws to reflect, as nearly

as possible, the original intention of the Parties and (ii) such determination shall not affect any other provision of this Guaranty and all other provisions shall remain in full force and effect. This Guaranty may be executed in any number of separate counterparts, each of which when so executed shall be deemed an original, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. This Guaranty may be executed and delivered by electronic means with the same force and effect as if the same was a fully executed and delivered original manual counterpart.

10. DISPUTE RESOLUTION.

In the event of any dispute arising under this Guaranty, within ten (10) days following the receipt of a notice from either Party identifying such dispute, the Parties shall meet, negotiate and attempt, in good faith, to resolve the dispute quickly, informally and inexpensively. If the Parties are unable to resolve a dispute arising hereunder within the earlier of either thirty (30) days of initiating such discussions, or within forty (40) days after notice of the dispute, either Party may seek any and all remedies available to it at law or in equity, subject to the limitations set forth in this Guaranty.

IN WITNESS WHEREOF, the undersigned has caused this Guaranty to be duly executed and delivered by its duly authorized representative on the date first above written.

GUARANTOR:

[_____]

By:_____
Printed Name:
Title:

BUYER:

[_____]

By:_____
Printed Name:
Title:

By:_____
Printed Name:
Title:

EXHIBIT K
NOTICES

SUNZIA WIND NORTH LLC ("Seller")	**SAN DIEGO COMMUNITY POWER** ("Buyer")
All Notices: Street: 1088 Sansome St. City: San Francisco, CA Attn: General Counsel Phone: (415) 283-4000 Email: generalcounsel@patternenergy.com	**All Notices:** PO Box 12716 San Diego, CA 92112 Attn: Chief Commercial Officer Phone: (619) 657-0422 Email: powercontracts@sdcommunitypower.org
Reference Numbers: Duns: [redacted] Federal Tax ID Number: [redacted]	**Reference Numbers:** [redacted]
Invoices: Attn: Pattern Energy Settlements Phone: (713) 308-4200 Email: AccountingSettlements@patternenergy.com	**Invoices:** Attn: SDCP Settlements Phone: (619) 880-6545 Email: settlements@sdcommunitypower.org
Scheduling: Attn: Manager 24/7 Operations Control Center 888 Westheimer Road, Suite 213 Houston, TX 77006 Email: patternocc@patternenergy.com Realtimeoperations@patternenergy.com Phone: (713) 308-4242 Facsimile: (281) 694-2848	**Scheduling:** Tenaska Power Services Co. Attn: Kara Whillock Phone: (972) 333-6122 Email: kwhillock@tnsk.com Day Ahead: (817) 303-1115 Real Time: (817) 303-1852 Facsimile: (817) 303-1104
Confirmations: Attn: Pattern Energy Settlements Phone: (713) 308-4200 Email: AccountingSettlements@patternenergy.com	**Confirmations:** Attn: SDCP Settlements Phone: (619) 880-6545 Email: settlements@sdcommunitypower.org
Payments: Attn: Pattern Energy Settlements Phone: (713) 308-4200 Email: AccountingSettlements@patternenergy.com	**Payments:** Attn: SDCP Settlements Phone: (619) 880-6545 Email: settlements@sdcommunitypower.org
Wire Transfer: [redacted]	**Wire Transfer:** [redacted]

Emergency Contact: Attn: 24/7 Operations Control Center Phone: (713) 308-4242 Email: patternocc@patternenergy.com	**With additional Notices of an Event of Default to:** PO Box 12716 San Diego, CA 92112 Attn: SDCP General Counsel Email: legal@sdcommunitypower.org
	Emergency Contact: Attn: Chief Commercial Officer Phone: (619) 657-0422 Email: powercontracts@sdcommunitypower.org

EXHIBIT L
OPERATING RESTRICTIONS

Operating restrictions of the Facility for Market Curtailment Periods are as follows:

- Interconnection Capacity (Maximum Injection Amount): 1,089 MW[1]
- Minimum operating capacity: 0.0 MW
- Maximum number of start-ups per calendar day (if any such operational limitations exist): N/A
- Ramp Rate: To be provided by Seller upon Notice to Buyer prior to Commercial Operation
- Minimum Down Time: N/A

[1] Under certain circumstances, as set forth in the Interconnection Agreement, the Interconnection Capacity available to the Facility will be 901.28 MW.

EXHIBIT M

FORM OF LIMITED ASSIGNMENT AGREEMENT

This Limited Assignment Agreement (this "**Agreement**") is entered into as of [____] (the "**Assignment Agreement Effective Date**") by and among [____], a [____] ("**PPA Seller**"), San Diego Community Power, a California joint powers authority ("**PPA Buyer**"), and Morgan Stanley Capital Group Inc., a Delaware corporation ("**MSCG**").

RECITALS

WHEREAS, PPA Buyer and PPA Seller are parties to that certain PPA identified on Appendix 1 hereto;

WHEREAS, in connection with one or more prepaid energy transactions entered into between the Issuer and a Prepay Seller, and with effect from and including the Assignment Period Start Date, PPA Buyer wishes to transfer by limited assignment to MSCG, and MSCG wishes to accept the transfer by limited assignment of, the Assigned Rights and Obligations (as defined below) with respect to any and all Assignment Appendices in effect (as defined below) during the Assignment Period (as defined below);

WHEREAS, pursuant to this Agreement, during the Assignment Period, MSCG will receive the Assigned Product specified in any and all Assignment Appendices in effect from time to time and MSCG will deliver such Assigned Product to Prepay Seller(s), which will redeliver such Assigned Product to Issuer for ultimate redelivery to PPA Buyer; and

WHEREAS, pursuant to this Agreement, during the Assignment Period, MSCG will assume responsibility for the Delivered Product Payment Obligation with respect to any and all Assignment Appendices then in effect.

THEREFORE, in consideration of the premises above and the mutual covenants and agreements herein set forth, PPA Seller, PPA Buyer and MSCG (the "**Parties**" hereto; each is a "**Party**") agree as follows:

AGREEMENT

1. Definitions.

Unless the context otherwise specifies or requires, or defined below, capitalized terms used but not defined in this Agreement have the meanings set forth in the PPA. The following terms, when used in this Agreement and identified by the capitalization of the first letter thereof, have the respective meanings set forth below, unless the context otherwise requires:

"**Agreement**" has the meaning specified in the first paragraph above.

"**Assigned Product**" means [____].

"**Assigned Rights and Obligations**" means (i) the rights of PPA Buyer under the PPA to receive the Assigned Product in each Month as specified in any and all Assignment Appendices then in effect during the Assignment Period, as such rights may be limited or further described in the "Further Information" section on Appendix 1, and (ii) the Delivered Product Payment Obligation, which right and obligation are transferred and conveyed to MSCG hereunder, but which shall not relieve PPA Buyer of its obligations under the PPA in any respects.

"**Assignment Agreement Effective Date**" has the meaning set forth in the first paragraph above.

"**Assignment Appendix**" means each Assignment Appendix in the form attached hereto as Appendix 2 and delivered by MSCG hereunder pursuant to Section 11(f).

"**Assignment Appendix End Date**" has, with respect to each Assignment Appendix, the meaning specified therein.

"**Assignment Appendix Period**" means, with respect to each Assignment Appendix, the period from the Assignment Appendix Start Date to the Assignment Appendix End Date; provided that no Assignment Appendix Period may commence prior to the Assignment Period Start Date and no Assignment Appendix Period may extend beyond the Assignment Period End Date.

"**Assignment Appendix Start Date**" has, with respect to each Assignment Appendix, the meaning specified therein.

"**Assignment Early Termination Date**" has the meaning specified in Section 5(b).

"**Assignment Period**" has the meaning specified in Section 5(a).

"**Assignment Period End Date**" means 11:59:59 p.m. pacific prevailing time on [____].

"**Assignment Period Start Date**" means [_____].

"**Claims**" means all claims or actions, threatened or filed, and the resulting losses, damages, expenses, attorneys' fees, experts' fees, and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement, in each case arising under, in respect of or related in any way to the PPA or any transaction thereunder, except for the Delivered Product Payment Obligation.

"**Custodian**" has, with respect to each Assignment Appendix, the meaning specified therein.

"**Custody Agreement**" has, with respect to each Assignment Appendix, the meaning specified therein.

"**Delivered Product Payment Obligation**" has the meaning specified in Section 3(a).

"**Issuer**" has, with respect to each Assignment Appendix, the meaning specified therein.

"**Month**" means a calendar month.

"**Monthly Gross Amount**" has the meaning specified in Section 3(c).

"**MSCG**" has the meaning specified in the first paragraph of this Agreement.

"**PPA Buyer**" has the meaning specified in the first paragraph of this Agreement.

"**PPA Seller**" has the meaning specified in the first paragraph of this Agreement.

"**Prepaid Agreement**" has, with respect to each Assignment Appendix, the meaning specified therein.

"**Prepay Power Supply Contract**" has, with respect to each Assignment Appendix, the meaning specified therein.

"**Prepay Seller**" has, with respect to each Assignment Appendix, the meaning specified therein.

"**Receivables**" has the meaning given to such term in Section 3(f).

"**Retained Rights and Obligations**" has the meaning specified in Section 3.

2. Transfer and Undertakings.

(a) PPA Buyer hereby assigns, transfers and conveys to MSCG all right, title and interest in and to the rights of PPA Buyer under the PPA to receive delivery of the Assigned Product specified in any and all Assignment Appendices then in effect during the Assignment Period. In connection with this assignment, PPA Buyer hereby delegates to MSCG the Assigned Rights and Obligations during the Assignment Period.

(b) PPA Seller hereby consents and agrees to PPA Buyer's assignment, transfer and conveyance of all right, title and interest in and to the Assigned Product specified in any and all Assignment Appendices then in effect and, subject to Section 3, the delegation of the Assigned Rights and Obligations to MSCG and the exercise and performance by MSCG of the Assigned Rights and Obligations during the Assignment Period.

(c) MSCG hereby accepts such assignment, transfer and conveyance of PPA Buyer's right, title and interest in and to the Assigned Product specified in any and all Assignment Appendices then in effect during the Assignment Period, and PPA Buyer's delegation of the Assigned Rights and Obligations during the Assignment Period and agrees to perform any such Assigned Rights and Obligations due from it during the Assignment Period to the extent expressly set forth in this Agreement.

3. Limited Assignment.

The Parties acknowledge and agree that (i) the Assigned Rights and Obligations include only a portion of PPA Buyer's and PPA Seller's rights and obligations under the PPA, and that all rights and obligations (including without limitation obligations with respect to payment for any Product not included in the Assigned Product and any other amounts owed under the PPA, including payment of the Contract price by PPA Buyer to PPA Seller) arising under the PPA that are not expressly included in the Assigned Rights and Obligations shall be "**Retained Rights and Obligations**" that are retained solely by PPA Buyer, and (ii) the Retained Rights and Obligations include all rights and obligations of PPA Buyer and PPA Seller arising during the Assignment Period except the rights and obligations expressly included in the Assigned Rights and Obligations. In this regard:

(a) **Limited to Delivered Product Payment Obligation**. MSCG's sole payment obligation hereunder will be to pay the Floating Price Payments into the Custodial Account as such terms are defined in and described on Appendix 1 (the "**Delivered Product Payment Obligation**"). MSCG and PPA Buyer each agree to instruct the Custodian in accordance with Section 3(c) hereof to pay PPA Seller for the Assigned Product delivered during each Month of the Assignment Period specified in any and all Assignment Appendices then in effect on each applicable payment date under Section 8.2 of the PPA. PPA Buyer shall remain responsible for all payment obligations and performance obligations of PPA Buyer under the PPA during the Assignment Period, and shall remain so responsible to make such payments and complete such performance by the times and on the terms set out in the PPA, including in the event that either (i) MSCG does not make the payments into the Custodial Account as described above or (ii) the Custodian does not make the payments to PPA Seller from the Custodial Account as described above. Any payment adjustments or subsequent reconciliations occurring or to occur after payment by MSCG as described in this Section 3(a) will be resolved exclusively between PPA Buyer and PPA Seller consistent with the applicable provisions of the PPA. Without limiting a Party's obligations under this Agreement, the Parties agree that the assignment, transfer and/or conveyance of all or any portion of the Assigned Products in accordance with this Agreement and the Parties' performance of any obligation in accordance with this Agreement shall not constitute a failure to meet the requirements of the PPA, or a breach of any covenant, representation or warranty under the PPA (and in no event shall PPA Seller be responsible for any failure of any portion of the Assigned Products to satisfy the requirements of the PPA, to the extent such failure results from the assignment, transfer and/or conveyance of such Assigned Products in accordance with this Agreement).

(b) **Retained Rights and Obligations**. Any Claims (other than the Delivered Product Payment Obligation or a failure to perform the same) arising or existing in connection with or related to the PPA, whether related to performance by PPA Seller, PPA Buyer or MSCG, and whether arising before, during or after the Assignment Period, in each case excluding the Delivered Product Payment Obligation (provided, however, that PPA Buyer still remains liable for any failure in timely payment of all amounts due and owing under the PPA), will be included in the Retained Rights and Obligations, and any such Claims will be resolved exclusively between PPA Seller and PPA Buyer in accordance with the PPA.

(c) **Invoicing**. During the Assignment Period specified in any and all Assignment Appendices then in effect, PPA Seller shall continue to provide PPA Buyer a monthly invoice of

amounts owing under the PPA in accordance with the requirements thereof, which invoice shall show the total amount due to PPA Seller under the PPA for such Month (the "**Monthly Gross Amount**"). Promptly following PPA Buyer's receipt of each monthly invoice from PPA Seller during the Assignment Period specified in any and all Assignment Appendices then in effect and, in any event, no later than [redacted] thereafter, PPA Buyer shall deliver (i) a copy of such monthly invoice and the related supporting data to MSCG and (ii) a statement to each of MSCG and the Custodian indicating (A) the Monthly Gross Amount; (B) the Delivered Product Payment Obligation; and (C) the "**Retained Payment Obligation**", which shall be an amount equal to the Monthly Gross Amount minus the Delivered Product Payment Obligation. PPA Buyer and MSCG covenant and agree to instruct the Custodian to pay the Monthly Gross Amount to PPA Seller on or before the applicable payment date in the PPA; provided that (x) the liability of MSCG hereunder to PPA Seller is limited as described on Appendix 1 and (y) the Monthly Gross Amount payable to PPA Seller shall be reduced to the extent that PPA Buyer disputes any of the invoiced amounts pursuant to Section 8.5 of the PPA. PPA Buyer and MSCG may agree in a separate writing as to the allocation of the Monthly Gross Amount between PPA Buyer and MSCG of amounts paid by the Custodian to PPA Seller hereunder. At all times, PPA Buyer remains liable to PPA Seller for all amounts due and owing under the PPA. [If the monthly invoice of amounts owing under the PPA results in a settlement amount due from PPA Seller to PPA Buyer, PPA Seller will make such payments directly to PPA Buyer's existing bank account, without settlement with MSCG or through the Custodial Account.][2] For the avoidance of doubt, the Parties acknowledge and agree that any invoice adjustments or reconciliations occurring after the initial settlement of amounts due under a monthly invoice shall be resolved exclusively between PPA Seller and PPA Buyer pursuant to the terms of the PPA.

(d) **Scheduling**. All scheduling of Assigned Product and other communications related to the PPA shall take place between PPA Buyer and PPA Seller pursuant to the terms of the PPA; provided that during any Assignment Period specified in any and all Assignment Appendices then in effect (i) title to Assigned Product specified in any and all Assignment Appendices then in effect will pass to MSCG upon delivery by PPA Seller at the Delivery Point in accordance with the PPA; (ii) immediately thereafter, title to such Assigned Product will pass to one or more Prepay Sellers (as set forth in the applicable Assignment Appendix), Issuer (as set forth in the applicable Assignment Appendix) and then to PPA Buyer upon delivery by MSCG at the same point where title is passed to MSCG pursuant to clause (i) above; (iii) PPA Buyer will be deemed to be acting as MSCG's agent with regard to scheduling Assigned Product; and (iv) PPA Buyer will provide copies to MSCG of (A) any notice of a Force Majeure Event delivered under the PPA, (B) any notice of a default or of a breach or other event that, if not cured within an applicable grace period, could result in an Event of Default, (C) annual forecasts and monthly forecasts with respect to the Assigned Product delivered by PPA Seller under the PPA, if any, (D) invoices delivered by PPA Seller under Section 8.1 of the PPA (with a copy to the Custodian if and to the extent retained by PPA Buyer and MSCG), and (E) any other information reasonably requested by MSCG relating to Assigned Product. For the avoidance of doubt, in accordance with Section 5.1 of the PPA, PPA Buyer shall continue to pay or cause to be paid all Taxes on or with respect to the delivery to and

[2] What would these payments be for? / Is there an expectation that there will be payments from time to time by PPA Seller to PPA Buyer and the PPA? Or is this text to account for something such as an indemnity payment?

purchase by PPA Buyer, MSCG, Issuer, and/or Prepay Seller(s), as applicable, of Product that are imposed on Product at and after its delivery to PPA Buyer, MSCG, Issuer, and/or Prepay Seller(s), as applicable, at the time and place contemplated under the PPA or hereunder (other than withholding or other Taxes imposed on PPA Seller's income, revenue, receipts or employees), if any.

(e) **Amendments**. PPA Buyer will provide written notice (including copies thereof) of any proposed or actual amendment, waiver, supplement, modification, or other changes to the PPA to MSCG relating to the Assigned Rights and Obligations, and the Parties hereby acknowledge and agree that an amendment, waiver, supplement, modification or other change will not have any effect on MSCG's rights or obligations under this Agreement unless MSCG receives prior written notice thereof. No amendment, modification, or waiver in respect of this Agreement will be effective unless in writing (including a writing evidenced by a facsimile or electronic transmission) and executed by each of the Parties hereto.

(f) **Setoff of Receivables**. Pursuant to the applicable Prepaid Agreement(s), Prepay Seller(s) may purchase the rights to payment of the net amounts owed by PPA Buyer under the applicable Prepay Power Supply Contract ("**Receivables**") in the case of non-payment by PPA Buyer. To the extent any such Receivables relate to Assigned Product purchased by MSCG pursuant to the Assigned Rights and Obligations, the applicable Prepay Seller may sell such Receivables to MSCG and, provided that MSCG has notified PPA Seller in writing (with a copy to PPA Buyer) (a "**Receivables Setoff Notice**") that the amount of any such Receivables is, to its knowledge, true and accurate, MSCG may transfer such Receivables (excluding any penalties, late payment fees, late payment interest or other fees, costs or interest included in such Receivables) to PPA Seller and apply the face amount of such Receivables (excluding any penalties, late payment fees, late payment interest or other fees, costs or interest included in such Receivables) as a reduction to any Delivered Product Payment Obligations; provided, however, that (1) at no time shall PPA Seller be required to pay MSCG for any amounts by which such Receivables exceed any Delivered Product Payment Obligations, and (2) at all times, PPA Buyer remains liable to PPA Seller for all amounts due and owing under the PPA including the Monthly Gross Amount under each invoice. The amount of any Receivables set forth in a Receivables Setoff Notice shall be final and binding unless PPA Buyer shall have provided PPA Seller and MSCG a written notice within [redacted] of its receipt of a Receivables Setoff Notice containing conclusive evidence that such amount is incorrect and asserting what PPA Buyer has determined is the correct amount of Receivables. If any dispute arises therefrom, MSCG shall still be entitled to set-off the amount of Receivables set forth in its Receivables Setoff Notice as provided above, and any such dispute as to the correct amount of Receivables shall be settled exclusively between PPA Buyer and PPA Seller with no liability to MSCG, provided that at all times, PPA Buyer remains liable to PPA Seller for all amounts due and owing under the PPA including the Monthly Gross Amount under each invoice. To effect such transfer, MSCG shall deliver to PPA Seller a Receivables Setoff Notice not later than the payment due date for the Delivered Electricity Payment Obligations and shall deliver to PPA Seller a bill of sale signed by MSCG not later than [redacted] thereafter.

4. Forward Contract.

The Parties acknowledge and agree that this Agreement constitutes a "forward contract" and that the Parties shall constitute "forward contract merchants" within the meaning of the United States Bankruptcy Code.

5. Assignment Period; Assignment Early Termination.

(a) **Assignment Period**. The "**Assignment Period**" under an Assignment Appendix shall begin on the Assignment Appendix Start Date and extend until the Assignment Appendix End Date; provided that in no event shall the Assignment Period extend past an Assignment Early Termination Date with respect to such Assignment Appendix; provided further that the Assignment Period under each Assignment Appendix will automatically terminate upon the expiration or early termination of either the Delivery Term (as defined in the PPA) or the PPA.

(b) **Early Termination**. An "**Assignment Early Termination Date**" will occur under the following circumstances and as of the dates and for the applicable Assignment Appendices specified below:

i. delivery of a written notice of termination by either MSCG or PPA Buyer to each of the other Parties hereto, which Assignment Early Termination Date shall occur under the Assignment Appendices specified in such written notice and on the date set forth in a written notice of such election delivered by either MSCG or PPA Buyer to each of the other Parties hereto; or

ii. delivery of a written notice of termination by PPA Seller in its sole discretion to each of the other Parties hereto, if MSCG fails to pay when due any amounts owed to PPA Seller in respect of any Delivered Product Payment Obligation and such failure continues for [redacted] following receipt by MSCG of written notice thereof, which Assignment Early Termination Date shall occur under all Assignment Appendices then in effect upon the date set forth in a written notice of such election delivered by PPA Seller to MSCG and PPA Buyer; or

iii. the election of PPA Seller in its sole discretion to declare an Assignment Early Termination Date if any of the events described in the definition of "Bankrupt" set forth in the PPA occurs with respect to MSCG, which Assignment Early Termination Date shall occur under all Assignment Appendices then in effect immediately on the date of PPA Seller's delivery of notice of its election to MSCG and PPA Buyer.

(c) **Reversion of Assigned Rights and Obligations**. The applicable Assignment Period(s) will end at the end of the last delivery hour on the date specified in any termination notice provided pursuant to Section 5(b). The Parties acknowledge and agree that upon the occurrence of an Assignment Early Termination Date, upon the automatic termination referred to in Section 5(a), and at the expiration of any Assignment Period, the Assigned Rights and Obligations under each applicable Assignment Appendix will revert from MSCG to PPA Buyer. Any Assigned Rights and Obligations under an Assignment Appendix that would become due for payment or performance on or after such Assignment Early Termination Date or on or after the automatic

termination referred to in Section 5(a) in either case with respect to such Assignment Appendix shall immediately and automatically revert from MSCG to PPA Buyer; provided that (i) MSCG shall remain jointly (with PPA Buyer) responsible for the Delivered Product Payment Obligation with respect to any Assigned Product delivered to MSCG prior to the Assignment Early Termination Date or prior to the expiration of an Assignment Period, and (ii) any legal restrictions on the effectiveness of such reversion (whether arising under bankruptcy law or otherwise) shall not affect the occurrence of the Assignment Early Termination Date or expiration of the Assignment Period.

(d) **Notice of Assignment Early Termination Date**. Within [redacted] of the occurrence of an Assignment Early Termination Date, PPA Buyer shall provide written notice thereof to PPA Seller.

6. Representations and Warranties.

(a) **Copy of PPA**. As of the Assignment Agreement Effective Date, PPA Seller and PPA Buyer represent and warrant to MSCG that a true, complete, and correct copy of the PPA as of such date is attached hereto as Appendix 3.

(b) **No Default**. As of the Assignment Agreement Effective Date, PPA Seller and PPA Buyer represent and warrant to MSCG that to its knowledge no event or circumstance exists (or would exist with the passage of time or the giving of notice) that would give either of them the right to terminate the PPA or suspend performance thereunder.

(c) **Other**. As of the Assignment Agreement Effective Date, each of PPA Buyer and PPA Seller represents and warrants to each other and to MSCG that:

i. It has made no prior transfer (whether by way of security or otherwise) of any interest in the Assigned Rights and Obligations; and

ii. All obligations of PPA Buyer and PPA Seller under the PPA required to be performed on or before the Assignment Period Start Date have been fulfilled.

(d) **Representations**. Each Party represents to each of the other Parties as of the Assignment Agreement Effective Date:

i. **Status**. It is duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation and, if relevant under such laws, in good standing.

ii. **Powers**. It has the power to execute, this Agreement and any other documentation relating to this Agreement to which it is a party, to deliver this Agreement and any other documentation relating to this Agreement that it is required by this Agreement to deliver and to perform its obligations under this Agreement and has taken all necessary action to authorize such execution, delivery and performance.

iii. **No Violation or Conflict**. Such execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby, including

the incurrence by such Party of its obligations under this Agreement, will not result in any violation of, or conflict with: (i) any term of any material contract or agreement applicable to it; (ii) any of its charter, bylaws, or other constitutional documents; (iii) any determination or award of any arbitrator applicable to it; or (iv) any license, permit, franchise, judgment, writ, injunction or regulation, decree, order, charter, law, ordinance, rule or regulation of any Government Agency in effect, applicable to it or any of its assets or properties or to any obligations incurred by it or by which it or any of its assets or properties or obligations are bound or affected, and shall not cause a breach of, or default under, any such term or result in the creation of any lien upon any of its properties or assets.

iv. **Consents**. All consents, approvals, orders or authorizations of, registrations, declarations, filings or giving of notice to, obtaining of any licenses or permits from, or taking of any other action with respect to, any Person or Government Agency that are required to have been obtained by such Party with respect to this Agreement and the transactions contemplated hereby, including the due authorization of such Party and its governing body and any approval or consent of any security holder of such Party or any holder (or any trustee for any holder) of any indebtedness or other obligation of such Party, have been obtained and are in full force and effect and all conditions of any such consents have been complied with.

v. **Obligations Binding**. Its obligations under this Agreement constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

vi. **Non-Reliance**. It is acting for its own account, and it has made its own independent decisions to enter into this Agreement and as to whether this Agreement is appropriate or proper for it based upon its own judgment and upon advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) of the other Parties as investment advice or as a recommendation to enter into this Agreement; it being understood that information and explanations related to the terms and conditions of this Agreement shall not be considered investment advice or a recommendation to enter into this Agreement. It is entering into this Agreement as a bona-fide, arm's-length transaction involving the mutual exchange of consideration and, once executed by all Parties, considers this Agreement a legally enforceable contract. No communication (written or oral) received from any of the other Parties shall be deemed to be an assurance or guarantee as to the expected results of this Agreement.

vii. **Assessment and Understanding**. It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks of this Agreement. It is also capable of assuming, and assumes, the risks of this Agreement.

viii. **Status of Parties**. None of the other Parties is acting as a fiduciary for or an adviser to it in respect of this Agreement.

7. Miscellaneous.

Article [__] (Confidential Information), [__] (No Consequential Damages), [__] (No Agency, Partnership, Joint Venture or Lease), Sections [__] (Severability), [__] (Electronic Delivery), [__] (Counterparts), and Section [__] (Binding Effect) of the PPA are incorporated by reference into this Agreement, *mutatis mutandis*, as if fully set forth herein.

8. Amendments.

Except as provided in Section 11(c), no amendment, modification, or waiver in respect of this Agreement will be effective unless in writing and executed by each of the Parties.

9. Costs and Expenses.

The Parties shall each pay their own costs and expenses (including legal fees) incurred in connection with this Agreement and as a result of the negotiation, preparation, and execution of this Agreement.

10. Notices.

Any notice, demand, statement, or request required or authorized by this Agreement to be given by one Party to another Party shall be delivered in accordance with Article 9 of the PPA and to the addresses of each of PPA Seller and PPA Buyer specified in the PPA. PPA Buyer agrees to notify MSCG of any updates to such notice information, including any updates provided by PPA Seller to PPA Buyer. Notices to MSCG shall be provided to the address set forth in Appendix 3. Each Party may update its address from time to time by notice to the other Parties.

11. Governing Law; Dispute Resolution.

(a) Governing Law. This Agreement and the rights and duties of the Parties under this Agreement will be governed by and construed, enforced and performed in accordance with the laws of the state of New York, without reference to any conflicts of laws provisions that would direct the application of another jurisdiction's laws; *provided*, however, that the authority of PPA Buyer to enter into and perform its obligations under this agreement shall be determined in accordance with the laws of the state of California.

(b) Arbitration. Any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope of this Agreement to arbitrate, shall be determined by final, non-appealable binding arbitration in San Francisco, California before three (3) arbitrators. The arbitration shall be administered by Judicial Arbitration and Mediation Services, Inc. ("**JAMS**") pursuant to its Comprehensive Arbitration Rules and Procedures. Within [redacted] after

the commencement of arbitration, each of MSCG and PPA Buyer, on the one hand, and PPA Seller, on the other hand, shall select one person to act as arbitrator, and JAMS shall appoint one (1) person to act as an arbitrator (for such an arbitration, MSCG, PPA Buyer and PPA Seller are the "**Arbitration Parties**"), provided that if the arbitration pertains to matters and disputes solely as between PPA Buyer and MSCG, and PPA Seller is neither asserting nor defending a claim in relation thereto, then each of MSCG and PPA Buyer shall select one person to act as arbitrator, and JAMS shall appoint one (1) person to act as an arbitrator (for such an arbitration, only MSCG and PPA Buyer are the "**Arbitration Parties**"). The JAMS appointed arbitrator shall serve as the chairperson (the "**chairperson**"). If any of the Arbitration Parties is unable or fails to select one person to act as arbitrator, such arbitrator shall be appointed by JAMS. The chairperson shall be a person who has experience in renewable energy-related transactions, and none of the arbitrators shall have been previously employed by any Arbitration Party or have any direct pecuniary interest in any Arbitration Party or the subject matter of the arbitration, unless such conflict is expressly acknowledged and waived in writing by all of the Arbitration Parties. The Arbitration Parties shall maintain the confidential nature of the arbitration proceeding and any award, including any hearing(s), except as may be necessary to prepare for or conduct the arbitration hearing on the merits, or except as necessary in connection with a court application for a preliminary remedy, a judicial challenge to an award or its enforcement, or unless otherwise required by law or judicial decision. Any arbitration proceedings, decision or award rendered hereunder and the validity, effect and interpretation of this arbitration provision shall be governed by the Federal Arbitration Act. The arbitrator(s) shall have no authority to award consequential, treble, exemplary, or punitive damages of any type or kind regardless of whether such damages may be available under any law or right, with the Arbitration Parties hereby affirmatively waiving their rights, if any, to recover or claim such damages. The responsibility for compensation and expenses of the three arbitrators and all other expenses charged by JAMS shall be shared equally between or among the Arbitration Parties, as the case may be. In any arbitration arising out of or related to this Agreement, the arbitrators shall award to the prevailing Arbitration Party or Arbitration Parties, if any, the costs and attorney's fees reasonably incurred in seeking to enforce the application of this Section 11(b) by the prevailing party in connection with the arbitration, and the non-prevailing Arbitration Party or Arbitration Parties shall also be liable to the prevailing Arbitration Party or Arbitration Parties for the compensation and expenses of the three arbitrators and all costs and charges of JAMS in connection with the arbitration. Notwithstanding the foregoing provisions of this Section 11(b), any costs incurred by an Arbitration Party in seeking judicial enforcement of any written decision of the arbitrators shall be chargeable to and borne exclusively by the Arbitration Party against whom such court order is obtained. The award shall be final and binding on the Arbitration Parties and judgment upon any award may be entered in any court of competent jurisdiction.

(c) Judicial Reference. Without limiting the provisions in Section 11(b), if Section 11(b) is deemed ineffective or unenforceable in any respect, any dispute between the Parties arising out of or in connection with this Agreement or its performance, breach, or termination (including the existence, validity and interpretation of this Agreement and the applicability of any statute of limitation period) (each, a "**Dispute**") shall be resolved by a reference proceeding in California in accordance with the provisions of Sections 638 et seq. of the California Code of Civil Procedure ("**CCP**"), or their successor sections (a "**Reference Proceeding**"), which shall constitute the exclusive remedy for the resolution of any Dispute. As a condition precedent to initiating a

Reference Proceeding with respect to any Dispute, the Parties shall comply with the provisions of Section 11(c)(i).

i. Notice of Dispute. Prior to initiating the Reference Proceeding, a Party (the "**Disputing Party**") shall provide the other Parties (the "**Responding Parties**"; and together with the Disputing Party, the "**Dispute Parties**") with a written notice of each issue in dispute, a proposed means for resolving each such issue, and support for such position (the "**Notice of Dispute**"). Within [redacted] after receiving the Notice of Dispute, the Responding Parties shall provide the Disputing Party with a written Notice of each additional issue (if any) with respect to the dispute raised by the Notice of Dispute, a proposed means for resolving every issue in dispute, and support for such position (the "**Dispute Response**"). If the Notice of Dispute makes no claim or assertion against one of the Responding Parties, and such Responding Party, in making its Dispute Response does not make or assert a claim against either the Disputing Party or the other Responding Party and states that it has no interest in the Dispute, then such Responding Party shall not participate in the resolution of the Dispute and shall not be a "**Dispute Party**" for purposes of this Section 11(c). Thereafter, the Dispute Parties shall meet to discuss the matter and attempt in good faith to reach a negotiated resolution of the dispute. If the Dispute Parties do not resolve the dispute by unanimous agreement within [redacted] after receipt of the Dispute Response, (the "**Negotiation Period**"), then any Dispute Party may provide to the other Dispute Party(ies) written notice of intent for judicial reference (the "**Impasse Notice**") in accordance with the further provisions of this Section 11(c).

ii. Applicability; Selection of Referees. Within [redacted] of the delivery of an Impasse Notice, each of MSCG and PPA Buyer, on the one hand, and PPA Seller, on the other hand, shall nominate one (1) referee, provided that if PPA Seller is not a Dispute Party, then each of MSCG and PPA Buyer shall nominate (1) referee, and PPA Seller will not nominate a referee. The two (2) referees (the "**Party-Appointed Referees**") shall unanimously appoint one additional referee (the "**Additional Referee**", together with the Party-Appointed Referees, the "**Referees**"). The Party-Appointed Referees shall be competent and experienced in matters involving the electric energy business in the United States, with at least ten (10) years of electric industry experience as a practicing attorney. The Additional Referee shall be an active or retired California state or federal judge (the "**Head Referee**"). Each of the Party-Appointed Referees and the Additional Referee shall be impartial and independent of each of the Dispute Parties and of the other referees and not employed by any of the Dispute Parties in any prior matter.

iii. Inability to Agree upon Third Referee. If the Party-Appointed Referees are unable to agree on the Additional Referee within [redacted] from delivery of the Impasse Notice, then the Additional Referee shall be appointed pursuant to CCP Section 640(b) in an action filed in the Superior Court of California, County of San Francisco (the "Court"), and with due regard given to the selection criteria above. A request for appointment of a referee may be heard on an ex parte or expedited basis, and the Dispute Parties agree that irreparable harm would result if ex parte relief is not granted. Pursuant to CCP Section 170.6, each of PPA Buyer and MSCG, on the one hand, and PPA Seller, on the other hand, shall have one (1) peremptory challenge to the referee selected by the Court, provided that

if PPA Seller is not a Dispute Party, then each of MSCG and PPA Buyer shall have one (1) peremptory challenge to the referee selected by the Court.

iv. Discovery; Proceedings.

(A) The Dispute Parties agree that time is of the essence in conducting the Reference Proceeding. Accordingly, the Referees shall be requested, subject to change in the time periods specified herein for good cause shown, to (i) set the matter for a status and trial-setting conference within [redacted] after the date of selection of the Head Referee, (ii) if practicable, try all issues of law or fact within [redacted] after the date of the conference, and (iii) report a statement of decision within [redacted] after the matter has been submitted for decision.

(B) Discovery and other pre-hearing procedures shall be conducted as agreed to by the Dispute Parties, or if they cannot agree, as determined by the Head Referee after discussion with the Dispute Parties regarding the need for discovery and other pre-hearing procedures.

(C) Except as expressly set forth herein, the Head Referee shall determine the manner in which the Reference Proceeding is conducted, including the time and place of hearings, the order of presentation of evidence, and all other questions that arise with respect to the course of the Reference Proceeding. The Reference Proceeding, including the trial, shall be conducted at a neutral location selected by the Dispute Parties, or if not agreed by the Dispute Parties, by the Head Referee, in San Francisco, California.

(D) All proceedings and hearings conducted before the Referees, except for trial, shall be conducted without a court reporter, except that when any Dispute Party so requests, a court reporter will be used at any hearing conducted before the Referees, and the Referees will be provided a courtesy copy of the transcript. The Dispute Party making such a request shall have the obligation to arrange for and pay the court reporter.

v. Decision. The Referees shall render a written statement of decision setting forth findings of fact and conclusions of law. The Referees shall have no authority to award consequential, treble, exemplary, or punitive damages of any type or kind regardless of whether such damages may be available under any law or right, with the Parties hereby affirmatively waiving their rights, if any, to recover or claim such damages. The decision shall be entered as a judgment in the court in accordance with the provisions of CCP Sections 644 and 645. The decision shall be appealable to the same extent and in the same manner that such decision would be appealable if rendered by a judge of the Court. The Parties intend this general reference agreement to be specifically enforceable in accordance with the CCP.

vi. Expenses. The Dispute Parties shall bear the compensation and expenses of its respective own counsel, witnesses, consultants and employees. The responsibility

for compensation and expenses of the Referees and all other expenses of judicial reference shall be shared equally between or among the Dispute Parties.

(d) **Assignment Appendix Prepaid Transaction Details**. From time to time, MSCG may deliver one or more completed Assignment Appendices to the other Parties hereto completing the terms that are currently bracketed therein, and each such Assignment Appendix shall be binding upon each of the Parties hereto; provided that the aggregate sum of the Assigned Product under all Assignment Appendices then in effect will not exceed the Guaranteed Capacity under and as defined in the PPA. As set forth in Appendix 1 hereto, MSCG's payment obligations are limited to the Assigned Product delivered pursuant to the Assignment Appendices then in effect. Each Assignment Appendix will set forth certain details relating to the commodity prepayment transaction pursuant to which all or a portion of the Assigned Product shall be delivered; provided that MSCG may, at any time with the prior consent of PPA Buyer but without the consent of PPA Seller, by written notice to PPA Seller and PPA Buyer, (i) rescind any Assignment Appendix, provided that such rescission shall be on a prospective basis only and shall not affect obligations accrued prior to such rescission or (ii) update or amend any Assignment Appendix to change any or all of the following terms specified therein, provided that any and all such changes shall be consistent with MSCG's, PPA Seller's and PPA Buyer's rights and obligations, and the limitations provided, under this Agreement:: (A) an increase or decrease of the volume of Assigned Product to be delivered into the applicable commodity prepayment transaction (including without limitation a change thereto to reflect that all MWh of Assigned Product delivered in accordance with the PPA by PPA Seller shall be delivered into one commodity prepayment transaction, subject only the aggregate quantity limit specified above); (B) a change in the relevant commodity prepayment transaction (i.e., the "Prepaid Agreement") pursuant to which the Assigned Product shall be delivered; (C) a change in the identity of the Prepay Seller; or (D) a change to the Assignment Appendix Start Date and/or the Assignment Appendix End Date. For the avoidance of doubt, (I) more than one Assignment Appendix may be in effect at any time, and (II) at any given time, less than one hundred percent (100%) of the Guaranteed Capacity under and as defined in the PPA may be assigned pursuant to the Assignment Appendices then in effect.

11. **U.S. Resolution Stay Protocol.**[3] The Parties agree that the terms of Section 1 and Section 2 and the related defined terms (together, the "**Bilateral Terms**") of the form of bilateral template entitled "Full-Length Omnibus (for use between U.S. G-SIBs and Corporate Groups)," published by ISDA on November 2, 2018 (currently available on the 2018 ISDA U.S. Resolution Stay Protocol page at www.isda.org)), the effect of which is to amend the qualified financial contracts between the Parties thereto to conform with the requirements of the QFC Stay Rules, are hereby incorporated into and form a part of this Agreement, and for such purposes this Agreement shall be deemed a "Covered Agreement", MSCG shall be deemed a "Covered Entity" and the Counterparty shall be deemed a "Counterparty Entity." In the event that, after the date of this Agreement, all Parties hereto become adhering Parties to the 2018 ISDA U.S. Resolution Stay Protocol (the "**Protocol**"), the terms of the Protocol will replace the terms of this section. In the event of any inconsistencies between this Agreement and the terms of the Protocol or the Bilateral Terms (each, the "**QFC Stay Terms**"), as applicable, the QFC Stay Terms will govern.

[3] NTD: PPA Sellers are not currently adherents to the ISDA Stay Protocol.

Terms used in this paragraph without definition shall have the meanings assigned to them under the QFC Stay Rules. For purposes of this paragraph, references to "this Agreement" include any related credit enhancements entered into between the Parties, directly or indirectly through an agent, or provided by one to the other.

"**QFC Stay Rules**" means the regulations codified at 12 C.F.R. 252.2, 252.81–8, 12 C.F.R. 382.1-7 and 12 C.F.R. 47.1-8, which, subject to limited exceptions, require an express recognition of the stay-and-transfer powers of the FDIC under the Federal Deposit Insurance Act and the Orderly Liquidation Authority under Title II of the Dodd Frank Wall Street Reform and Consumer Protection Act and the override of default rights related directly or indirectly to the entry of an affiliate into certain insolvency proceedings and any restrictions on the transfer of any covered affiliate credit enhancements.

IN WITNESS WHEREOF, the Parties have executed this Agreement effective as of the date first set forth above.

[PPA SELLER]

By: _____
Name:_____
Title:_____

SAN DIEGO COMMUNITY POWER

By: _____
Name:_____
Title:_____

MORGAN STANLEY CAPITAL GROUP INC.

By: _____
Name:_____
Title:_____

Appendix 1
Assigned Rights and Obligations

PPA: [____]

Delivery Point: The Delivery Point (as defined in the PPA)

Further Information: [____]

Limitation of MSCG Liability. MSCG has separately agreed with PPA Buyer and Custodian pursuant to the Custody Agreement to pay the "Day-Ahead Average Price" as defined below into the custodial account specified in the Custody Agreement (the "**Custodial Account**") for a specified portion of the Assigned Product delivered to the Delivery Point during each Month of the Assignment Period pursuant to all Assignment Appendices then in effect (the "**Floating Price Payments**"). MSCG agrees for the benefit of PPA Seller to pay the Floating Price Payments into the Custodial Account, and MSCG's payment obligations under this Agreement are limited to making such payments into the Custodial Account, for application as provided in the Custody Agreement. PPA Buyer and PPA Seller each acknowledge and agree that the making of Floating Price Payments into the Custodial Account by MSCG shall not entitle (i) PPA Seller to receive payments in excess of the Contract Price as defined in the PPA for Assigned Product delivered hereunder or (ii) PPA Buyer to pay less than the Contract Price as defined in the PPA for Assigned Product delivered hereunder. PPA Buyer and MSCG each acknowledge and agree that the making of Floating Price Payments into the Custodial Account by MSCG shall not entitle (i) MSCG to any payments from PPA Seller or (ii) affect the Custodian's obligation to pay the Monthly Gross Amount to PPA Seller on or before the applicable payment date in the PPA. At all times PPA Buyer shall remain obligated for the payment of all amounts owing under the terms of the PPA including the Monthly Gross Amount under each invoice provided by PPA Seller to PPA Buyer pursuant to the PPA. At all times, PPA Buyer remains liable to PPA Seller for all amounts due and owing under the PPA. For the avoidance of doubt, MSCG's obligations hereunder are limited to only the Assignment Appendices then in effect.

"Day-Ahead Average Price" means the result of (i) (x) the sum of the Day-Ahead Market Prices for each Pricing Interval in a Month divided by (y) the number of Pricing Intervals in such Month plus (ii) the Index Adder (as set forth in the table immediately below) for the relevant Month. As used in this definition, "Pricing Interval" means the unit of time for which [_____] establishes a separate price. As used in this definition "Day-Ahead Market Price" means the Day Ahead Market or Locational Marginal Price for [_____] for each applicable hour as published by [_____], or as such price may be corrected or revised from time to time by [_____] in accordance with its rules. For the avoidance of doubt, the Day-Ahead Average Price can be a negative number.

Month	Index Adder ($/MWh)
[____]	[____]
[____]	[____]
[____]	[____]
[____]	[____]

Month	Index Adder ($/MWh)
[____]	[____]
[____]	[____]
[____]	[____]
[____]	[____]
[____]	[____]
[____]	[____]

Appendix 2

Assignment Appendix - [A][B][C]

Date: [____]

"**Assignment Appendix End Date**" means 11:59:59 p.m. pacific prevailing time on [____], 20[_].

"**Assignment Appendix Start Date**" means [____] 1, 20[_].

"**Custodian**" means U.S. Bank Trust Company, National Association a national banking association.

"**Custody Agreement**" means the [Amended & Restated Custodial Agreement] dated as of [____], among the Issuer, PPA Buyer, MSCG, each applicable Prepay Seller and the Custodian, as from time to time amended, restated, supplemented or otherwise modified.

"**Issuer**" means California Community Choice Financing Authority, a joint powers authority and a public entity of the State of California established pursuant to the provisions of the Joint Exercise of Powers Act (Article 1, Chapter 5, Division 7, Title 1, Section 6500 *et seq*. of the California Government Code, as amended).

"**Prepaid Agreement**" means that certain Prepaid Energy Sales Agreement, dated as of [____], 20[_] by and between Prepay Seller and Issuer, as from time to time amended, restated, supplemented or otherwise modified.

"**Prepay Power Supply Contract**" means that certain Power Supply Contract, dated as of [____], 20[_] by and between Prepay Seller and Issuer, as from time to time amended, restated, supplemented or otherwise modified.

"**Prepay Seller**" means [_____], a [_____], or any other Person that is the prepay seller under the terms of the Prepaid Agreement from time to time.

Assigned Product subject to this Assignment Appendix: As set forth immediately below, [the percentage of Assigned Product]/[the monthly quantities of Assigned Product] delivered to the Delivery Point: [____]

Appendix 3

MSCG Notice Information

[To be completed before signing.]

Appendix 4

Copy of PPA

[To be attached.]

ITEM 14
ATTACHMENT B

RENEWABLE POWER PURCHASE AND SALE AGREEMENT (SUNZIA SOUTH)

COVER SHEET

Seller: SunZia Wind South LLC

Buyer: San Diego Community Power, a California Joint Powers Authority

Description of Facility: A wind-powered electricity generating facility known as SunZia Wind South, with a nameplate capacity of up to 2,561.2 MW, as described in Exhibit A, as such facility may be modified under the terms of this Agreement.

Milestones:

Milestone	Date for Completion
Execute Interconnection Agreement	Complete
Evidence of Site Control	Complete
Financial Close	Complete
Procurement of Major Equipment	Complete
Construction Start Date	Complete
CEC Pre-Certification	Complete
[redacted]	[redacted]
[redacted]	[redacted]

Delivery Term: Fifteen (15) Contract Years.

Guaranteed Capacity: 17.54 MW.

Expected Energy: [redacted] per Contract Year, as such amount may be adjusted by Seller in accordance with the definition of "Expected Energy" below.

Product:

☒ Delivered Energy
☒ Green Attributes/Renewable Energy Credits (Portfolio Content Category 1) attributable to the Delivered Energy

Scheduling Coordinator: Seller/Seller Third Party.

Development Security & Performance Security

Development Security: [redacted]

Performance Security: [redacted]

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RENEWABLE POWER PURCHASE AND SALE AGREEMENT (SUNZIA SOUTH)

This Renewable Power Purchase and Sale Agreement (SunZia South) ("**Agreement**") is entered into as of _____, 2026 (the "**Effective Date**"), between Buyer and Seller. Buyer and Seller are sometimes referred to herein individually as a "**Party**" and jointly as the "**Parties**."

RECITALS

WHEREAS, Seller owns and operates the Facility; and;

WHEREAS, Seller desires to sell, and Buyer desires to purchase, on the terms and conditions set forth in this Agreement, the Product;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the sufficiency and adequacy of which are hereby acknowledged, the Parties agree to the following:

ARTICLE 1
DEFINITIONS

1.1 **Contract Definitions**. The following terms, when used herein with initial capitalization, shall have the meanings set forth below:

"**Accepted Compliance Costs**" has the meaning set forth in Section 3.12.

"**Affiliate**" means, with respect to any Person, each Person that directly or indirectly controls, is controlled by, or is under common control with such designated Person. For purposes of this definition and the definition of "Permitted Transferee", "control" (including, with correlative meanings, the terms "controlled by" and "under common control with"), as used with respect to any Person, shall mean (a) the direct or indirect right to cast at least fifty percent (50%) of the votes exercisable at an annual general meeting (or its equivalent) of such Person or, if there are no such rights, ownership of at least fifty percent (50%) of the equity or other ownership interest in such Person, or (b) the right to direct the policies or operations of such Person.

"**Agreement**" has the meaning set forth in the Preamble and includes any Exhibits, schedules and any written supplements hereto, the Cover Sheet, and any designated collateral, credit support or similar arrangement between the Parties.

"**Alternative Delivery Point**" means a Scheduling Point other than the Delivery Point, that is agreed upon by Buyer and Seller.

"**Approved Meter**" means a CAISO-approved revenue quality meter or meters, together with a CAISO-approved data processing gateway or remote intelligence gateway, telemetering equipment and data acquisition services sufficient for monitoring, recording and reporting, in real time, all Energy produced by the Facility net of Electrical Losses and Station Use.

"**Available Capacity**" means the capacity from Buyer's Share of the Facility, expressed in whole MW, that is available to generate Energy.

"**Balancing Authority**" has the meaning set forth in the CAISO Tariff.

"**Bankrupt**" means with respect to any entity, such entity that (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, (b) has any such petition filed or commenced against it which remains unstayed or undismissed for a period of thirty (30) days (provided that such thirty (30) day period shall be extended to sixty (60) days if Seller is actively contesting the petition), (c) makes an assignment or any general arrangement for the benefit of creditors, (d) otherwise becomes bankrupt or insolvent (however evidenced), (e) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (f) is generally unable to pay its debts as they fall due.

"**Business Day**" means any day except a Saturday, Sunday, the Friday after the U.S. Thanksgiving holiday, or a Federal Reserve Bank holiday in California. A Business Day begins at 8:00 a.m. and ends at 5:00 p.m. local time for the Party sending a Notice, or payment, or performing a specified action.

"**Buyer**" has the meaning set forth on the Cover Sheet.

"**Buyer Performance Security**" means cash or Letter of Credit in the amount equal to the Seller Performance Security.

"**Buyer Lockbox Arrangement**" has the meaning set forth in Section 8.12.

"**Buyer's Share**" means the percentage that is equal to the quotient of the Guaranteed Capacity *divided* by the Installed Capacity (or, prior to the Commercial Operation Date, the total nameplate capacity of the Facility in operation at the time), not to exceed one hundred percent (100%), as such percentage may change from time to time with changes to the Installed Capacity in accordance with this Agreement, if applicable.

"**Buyer's WREGIS Account**" has the meaning set forth in Section 4.8(a).

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

"**CAISO Grid**" has the same meaning as "CAISO Controlled Grid" as defined in the CAISO Tariff.

"**CAISO Operating Instruction**" has the same meaning as "Operating Instruction" as defined in the CAISO Tariff.

"**CAISO Tariff**" means the California Independent System Operator Corporation Agreement and Tariff, Business Practice Manuals (BPMs), and Operating Procedures, including the rules, protocols, procedures and standards attached thereto, as the same may be amended or modified from time-to-time and, to the extent subject to approval by FERC, as approved by FERC.

"**California Renewables Portfolio Standard**" or "**RPS**" means the renewable energy program and policies established by California State Senate Bills 1038 (2002), 1078 (2002), 107 (2008), X-1 2 (2011), 350 (2015), and 100 (2018) as codified in, *inter alia*, California Public Utilities Code Sections 399.11 through 399.31 and California Public Resources Code Sections 25740 through 25751, as such provisions are amended or supplemented from time to time.

[redacted]

"**CEC**" means the California Energy Commission, or its successor agency.

"**CEC Certification and Verification**" means that the CEC has certified (or, with respect to periods before the date that is one hundred eighty (180) days following the Commercial Operation Date, that the CEC has pre-certified) that the Facility is an Eligible Renewable Energy Resource for purposes of the California Renewables Portfolio Standard and that all Energy generated by the Facility qualifies as generation from an Eligible Renewable Energy Resource.

"**Change of Control**" means any circumstance in which (a) in respect of Buyer, the Person that has ultimate control over Buyer ceases to have such ultimate control, and (b) in the case of Seller, the Ultimate Parent ceases to have control over Seller; *provided* that, for the avoidance of doubt, it shall not be a Change of Control of Seller if the Ultimate Parent retains either (i) the direct or indirect right to cast at least fifty percent (50%) of the votes exercisable at an annual general meeting (or its equivalent) of Seller or, if there are no such rights, ownership of at least fifty percent (50%) of the equity or other ownership interest in Seller, or (ii) the right to direct the policies or operations of Seller.

"**COD Delay Damages Payment**" has the meaning set forth in Exhibit B.

"**Collateral Agent**" has the meaning set forth in the Security Agreement.

"**Commercial Operation**" has the meaning set forth in Exhibit B.

"**Commercial Operation Date**" has the meaning set forth in Exhibit B.

"**Compliance Actions**" has the meaning set forth in Section 3.12.

"**Compliance Expenditure Cap**" has the meaning set forth in Section 3.12.

"**Confidential Information**" has the meaning set forth in Section 18.1.

"**Construction Start**" has the meaning set forth in Exhibit B.

[redacted]

"**Contract Revenues**" has the meaning set forth in Section 4.5(b).

"**Contract Term**" has the meaning set forth in Section 2.1.

"**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, with respect to the Non-Defaulting Party, brokerage fees, commissions and other similar third-party transaction costs and expenses reasonably incurred by such Party either in terminating any arrangement pursuant to which it has hedged its obligations or entering into new arrangements which replace the Agreement; and all reasonable expenses, including reasonable attorneys' fees incurred by the Non-Defaulting Party in connection with terminating the Agreement.

"**Cover Sheet**" means the cover sheet to this Agreement.

"**COVID-19**" means the pandemic disease designated COVID-19 and the related virus designated SARS-CoV-2 and any mutations thereof, or the efforts of a Governmental Authority to combat or mitigate such disease.

"**CPUC**" means the California Public Utilities Commission, or successor entity.

"**Credit Rating**" means, with respect to any entity, the publicly available or (subject to the express condition that the Party seeking to use private rating reports has provided to the other Party true and correct copies of the private rating reports of such subject entity) private rating then assigned to such entity's unsecured, senior long-term debt obligations (not supported by third party credit enhancements) or if such entity does not have a rating for its senior unsecured long-term debt, then the publicly available or (subject to the above parenthetical) private rating then assigned to such entity as an issuer rating by S&P, Fitch, or Moody's. If ratings by Fitch, S&P and Moody's are not equivalent, the lower rating shall apply.

"**Curtailment Order**" means any of the following:

(a) the CAISO orders, directs, alerts, or provides notice to a Party, including a CAISO Operating Instruction, to curtail deliveries of Energy from the Facility for the following reasons: (i) any System Emergency, or (ii) any warning of an anticipated System Emergency, or warning of an imminent condition or situation, which jeopardizes CAISO's electric system integrity or the integrity of other systems to which CAISO is connected;

(b) a curtailment ordered by a Transmission Provider for reasons including, but not limited to, (i) any situation that affects normal function of the electric system including, but not limited to, any abnormal condition that requires action to prevent circumstances such as equipment damage, loss of load, or abnormal voltage conditions, or (ii) any warning, forecast or anticipation of conditions or situations that jeopardize the Transmission Provider's electric system integrity or the integrity of other systems to which the Transmission Provider is connected;

(c) a curtailment ordered by CAISO or a Transmission Provider due to scheduled or unscheduled maintenance on the Transmission Provider's transmission facilities that prevents (i) Buyer from receiving or (ii) Seller from delivering Energy at the Delivery Point; or

(d) a curtailment in accordance with Seller's obligations under its Interconnection Agreement with the Participating Transmission Owner.

"**Curtailment Period**" means the period of time, as measured using current Settlement Intervals, during which Seller reduces generation or deliveries of Delivered Energy from the Facility pursuant to a Curtailment Order. Curtailment Period shall not include periods during which Seller reduces generation as a result of a Market Curtailment Period.

"**Damage Payment**" means the amount to be paid by the Defaulting Party to the Non-Defaulting Party after a Terminated Transaction occurring prior to the Commercial Operation Date, in a dollar amount as set forth in Section 11.3(a).

"**Day-Ahead Forecast**" means the amount of expected Delivered Energy, as determined in accordance with the Third-Party Vendor Forecast, for each hour of the immediately succeeding day, based on a commercially reasonable forecasting methodology to determine the potential generation of the Facility as a function of Available Capacity, wind speed and direction, wind turbine power curves and other pertinent data (including data related to Curtailment Orders) for the period of time, consistent with Prudent Operating Practice; *provided* that a Day-Ahead Forecast provided in a day prior to any non-Business Day(s) shall include non-binding forecasts for the immediately succeeding day, each succeeding non-Business Day and the next Business Day.

"**Day-Ahead Market**" has the meaning set forth in the CAISO Tariff.

"**Day-Ahead Schedule**" has the meaning set forth in the CAISO Tariff.

"**Deemed Delivered Energy**" means the amount of Energy, expressed in MWh, from the Facility that would have been sold and delivered to Buyer at the Delivery Point, but that is not sold and delivered to Buyer at the Delivery Point during a Market Curtailment Period, which amount shall be determined by Seller in a commercially reasonable manner using an industry-standard methodology that utilizes Available Capacity, wind speed and direction, wind turbine power curves and other pertinent data for the period of time, consistent with Prudent Operating Practice and actual meteorological conditions on Site as input for the period of time during such Market Curtailment Period. The amount of Deemed Delivered Energy during any Market Curtailment Period shall be calculated without regard to any simultaneous POI Curtailment.

"**Defaulting Party**" has the meaning set forth in Section 11.1(a).

"**Deficient Month**" has the meaning set forth in Section 4.8(e).

"**Delay Damages**" means an amount equal to [redacted]

"**Delivered Energy**" means, in any Settlement Period or Settlement Interval, as applicable, the amount of Energy generated by the Facility and delivered to Buyer at the Delivery Point in accordance with Seller's obligations under this Agreement, which such amount shall equal the sum of:

(1) Subject to the Hourly Delivery Cap, (i) (a) Buyer's Share of the Energy produced by the Facility and delivered to the Point of Interconnection, as measured in MWh by the Approved Meter, as such amount may be reduced as a result of a Curtailment Order, net of all Electrical Losses (other than Electrical Losses that are reflected in the meter readings) and Station Use; or (b) if a portion of the Facility output is curtailed at Seller's election, in any Settlement Period or Settlement Interval that is not during a Curtailment Period or Market Curtailment Period and Buyer's Share is not curtailed, then Delivered Energy for such Settlement Period or Settlement Interval will instead be equal to Buyer's Share of the Energy that the Facility would have been able to produce and deliver to the Point of Interconnection if the Facility was not so curtailed, estimated in a manner consistent with the description set forth in clause (a) above; or (c) if the Facility output is reduced, at Seller's direction in any Settlement Interval or Settlement Period, as applicable, during a Market Curtailment Period, then Delivered Energy for such Settlement Interval or Settlement Period will be instead equal to the amount of Energy delivered to Buyer at the Delivery Point during such Market Curtailment Period; *provided*, however, that neither (a), (b) nor (c) above shall exceed the quantity of E-Tags demonstrating delivery of such Energy to the Delivery Point, if such E-Tags are required by the CAISO Tariff or other applicable Law; *plus*

(2) all Replacement Energy delivered as part of prospectively delivered Replacement Product pursuant to Section 4.7(b)(i).

"**Delivery Point**" has the meaning set forth in Exhibit A.

"**Delivery Term**" shall mean the period of Contract Years set forth on the Cover Sheet beginning on the Commercial Operation Date, unless terminated earlier in accordance with the terms and conditions of this Agreement.

"**Development Cure Period**" has the meaning set forth in Exhibit B.

"**Development Security**" means, at Seller's option, (a) cash or (b) a Letter of Credit, in the amount set forth on the Cover Sheet.

"**Disclosing Party**" has the meaning set forth in Section 18.2.

"**Early Termination Date**" has the meaning set forth in Section 11.2(a).

"**Effective Date**" has the meaning set forth in the Preamble hereto.

"**Electrical Losses**" means all transmission or transformation losses between the Facility and the Delivery Point, other than losses that are financially settled by Seller.

"**EIRP**" means "Eligible Intermittent Resource Protocol" as described in Appendix Q of the CAISO Tariff or a successor CAISO program for intermittent resources.

"**Eligible Renewable Energy Resource**" has the meaning set forth in California Public Utilities Code Section 399.12(e) and California Public Resources Code Section 25741(a), as either code provision is amended or supplemented from time to time.

"**Energy**" means electrical energy, measured in MWh.

"**Energy Replacement Damages**" has the meaning set forth in Exhibit E.

"**EPC Contract**" means Seller's engineering, procurement and construction contract for the Facility.

"**E-Tag**" has the meaning set forth in the CAISO Tariff.

"**Event of Default**" has the meaning set forth in Section 11.1.

"**Excess MWh**" has the meaning set forth in Section 3.3(d).

"**Expected Energy**" means the quantity of Energy (with associated Green Attributes) that Seller expects to be able to deliver to Buyer at the Delivery Point during each Contract Year in the quantity specified on the Cover Sheet, as such amount may be increased or decreased by Seller, by an amount of no more than five percent (5%) of the annual Expected Energy amount as set forth on the Cover Sheet as of the Effective Date, in a Notice to Buyer indicating the final amount (reasonably supported by a wind resource assessment from a Licensed Professional Engineer) within sixty (60) days following Seller's delivery to Buyer of the final Installed Capacity Certificate (Exhibit G); *provided further*, Seller shall use commercially reasonable efforts to notify Buyer of any change in the anticipated Expected Energy from the quantity specified on the Cover Sheet prior to the Commercial Operation Date.

"**Facility**" means the energy generating facility described on the Cover Sheet and in Exhibit A.

"**FERC**" means the Federal Energy Regulatory Commission or any successor government agency.

"**Fitch**" means Fitch Ratings Ltd., or its successor.

"**Floor Price**" means [redacted]

"**Force Majeure Event**" has the meaning set forth in Section 10.1.

"**Forced Facility Outage**" means an unexpected failure of one or more components of the Facility or any outage on the Transmission System that prevents Seller from making power available at the Delivery Point and that is not the result of a Force Majeure Event.

"**Future Environmental Attributes**" means Buyer's Share of any and all generation attributes (other than Green Attributes or Renewable Energy Incentives) under the RPS regulations and/or under any and all other international, federal, regional, state or other Law, rule, regulation, bylaw, treaty or other intergovernmental compact, decision, administrative decision, program (including any voluntary compliance or membership program), competitive market or business method (including all credits, certificates, benefits, and emission measurements, reductions, offsets and allowances related thereto) that are attributable, as of the Effective Date, or in the future, to the generation of electrical energy by a wind generation facility as opposed to from a conventional generation resource.

"**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 this Agreement for the remaining Contract Term, determined in a commercially reasonable manner. Factors used in determining the economic benefit to a Party may include, without limitation, reference to information supplied by one or more third parties, which shall exclude Affiliates of the Non-Defaulting Party, 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, comparable transactions, forward price curves based on economic analysis of the relevant markets, settlement prices for comparable transactions at liquid trading hubs (e.g., SP-15), all of which should be calculated for the remaining Contract Term, and includes the value of Green Attributes.

"**Governmental Authority**" means any federal, state, provincial, local or municipal government, any political subdivision thereof or any other governmental, congressional or parliamentary, regulatory, or judicial instrumentality, authority, body, agency, department, bureau, or entity with authority to bind a Party at law, including CAISO and WREGIS.

"**Green Attributes**" means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the Delivered Energy. Green Attributes include but are not limited to Renewable Energy Credits, as well as: (1) any avoided emissions of pollutants to the air, soil or water such as sulfur oxides (SOx), nitrogen oxides (NOx), 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 atmosphere; (3) the reporting rights to these avoided emissions, such as Green Tag Reporting Rights. Green Attributes do not include (i) any energy, capacity, reliability or other power attributes from the Facility, (ii) investment or production tax credits associated with the construction or operation of the Facility and other financial incentives associated therewith, (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 Facility for compliance with local, state, or

federal operating and/or air quality permits. If the Facility is a biomass or landfill gas 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 Facility.

"**Green Tag**" means a certificate or other instrument recognized by a Governmental Authority, with one Green Tag representing the Green Attributes associated with one (1) MWh of Energy generated by the Facility.

"**Green Tag Reporting Rights**" means the right of a purchaser of renewable energy to report ownership of accumulated Green Tags in compliance with and to the extent permitted by applicable Law and include, without limitation, rights under Section 1605(b) of the Energy Policy Act of 1992, and any present or future federal, state or local certification program or emissions trading program, including pursuant to the WREGIS Operating Rules.

"**Guaranteed Capacity**" has the meaning set forth on the Cover Sheet.

"**Guaranteed Commercial Operation Date**" has the meaning set forth on the Cover Sheet.

"**Guaranteed Energy Production**" has the meaning set forth in Section 4.7.

"**Guarantor**" means (A) (i) Pattern Energy Group LP or (ii) any Person that (a) does not already have any material credit exposure to Buyer under any other agreements, guarantees, or other arrangements at the time its Guaranty is issued, (b) is an Affiliate of Seller, or other third party reasonably acceptable to Buyer, (c) has [redacted] (d) is incorporated or organized in a jurisdiction of the United States and is in good standing in such jurisdiction, and (B) in either the case of (i) or (ii), that executes and delivers a Guaranty for the benefit of Buyer.

"**Guaranty**" means a guaranty from a Guarantor provided for the benefit of Buyer substantially in the form attached as Exhibit J, or as reasonably acceptable to Buyer.

"**Hourly Delivery Cap**" means the maximum amount of Energy and associated Renewable Energy Credits and Green Tags delivered to the Delivery Point and sold to Buyer in any given hour under this Agreement, which amount shall be equal to Buyer's Share *multiplied* by 1,495 MW.

"**Imbalance Energy**" means the amount of Energy, in any given Settlement Period or Settlement Interval, by which the amount of Delivered Energy deviates from the amount of Scheduled Energy.

"**Indemnified Party**" has the meaning set forth in Section 16.1(a).

"**Indemnifying Party**" has the meaning set forth in Section 16.1(a).

"**Installed Capacity**" means the nameplate capacity of the Facility at the point of interconnection (which point of interconnection is specified in the Interconnection Agreement), as evidenced by a certificate from a Licensed Professional Engineer substantially in the form attached as Exhibit G hereto, as it may be updated as set forth in Exhibit B by delivery of a subsequent certificate from a Licensed Professional Engineer substantially in the form attached as Exhibit G hereto.

"**Interconnection Capacity Limit**" means the maximum instantaneous amount of Energy that is permitted to be delivered by the Facility to the Point of Interconnection, which amount shall be not less than two thousand one hundred (2,100) MW.

"**Intercreditor and Collateral Agency Agreement**" means that certain Intercreditor and Collateral Agency Agreement, dated as of March 1, 2021, by and among (i) River City Bank, (ii) each of the creditors from time to time signatory thereunder, and (iii) Buyer.

"**Inter-SC Trade**" has the meaning set forth in the CAISO Tariff.

"**Interconnection Agreement**" means the interconnection agreement entered into by Seller pursuant to which the Facility will be interconnected with the PTO's Transmission System, and pursuant to which any Interconnection Facilities will be constructed, operated and maintained during the Contract Term.

"**Interconnection Facilities**" means the interconnection facilities, control and protective devices and metering facilities required to connect the Facility with the PTO's Transmission System in order to meet the terms and conditions of this Agreement.

"**Interest Rate**" has the meaning set forth in Section 8.2.

"**Intertie**" has the meaning set forth in the CAISO Tariff.

"**Investment Grade Credit Rating**" means, in respect of a Person, a Credit Rating of [redacted]; provided that if there is a Credit Rating for the Person by more than one of S&P, Fitch, or Moody's, then each such Credit Rating shall be at or higher than [redacted], as applicable.

"**Joinder**" has the meaning set forth in the Intercreditor and Collateral Agency Agreement.

"**Law**" means any applicable law, statute, rule, regulation, decision, writ, order, decree or judgment, permit or any interpretation thereof, promulgated or issued by a Governmental Authority.

"**Lender**" means, collectively, any Person (i) providing senior or subordinated construction, interim, back leverage or long-term debt, equity or tax equity financing or refinancing for or in connection with the development, construction, purchase, installation or operation of the Facility, whether that financing or refinancing takes the form of private debt, equity, public debt or any other form (including financing or refinancing provided to a member or other direct or indirect owner of Seller), including any equity or tax equity investor directly or indirectly providing financing or refinancing for the Facility or purchasing equity ownership

interests of Seller and/or its Affiliates, and any trustee or agent acting on their behalf, (ii) providing Interest Rate protection under an agreement hedging or otherwise mitigating the cost of any of the foregoing obligations, and/or (iii) participating in a lease financing (including a sale leaseback or leveraged leasing structure) with respect to the Facility.

"**Letter(s) of Credit**" means one or more irrevocable, standby letters of credit (a) issued by a U.S. commercial bank or a foreign bank with a U.S. branch with such bank having a Credit Rating of at least [redacted] and (b) in a form substantially similar to the letter of credit set forth in Exhibit I or as otherwise reasonably acceptable to the Party that is the beneficiary of the Letter of Credit.

"**Licensed Professional Engineer**" means either (i) DNV Energy USA Inc., (ii) UL Services Group LLC, (iii) the independent engineer retained by the Lenders, or on their behalf under customary terms and conditions, in connection with a financing of the Facility, which engineer, or employee or principal thereof (a) is licensed to practice engineering in New Mexico, (b) has training and experience in the power industry specific to the technology of the Facility, (c) is not a representative of a consultant, engineer, contractor, designer or other individual involved in the development of the Facility or of a manufacturer or supplier of any equipment installed at the Facility other than as the independent engineer for the Lenders, and (d) is licensed in an appropriate engineering discipline for the required certification being made, or (iv) a person acceptable to Buyer in its reasonable judgment.

"**Limited Assignee**" has the meaning set forth in Section 14.4.

"**Limited Assignment Agreement**" has the meaning set forth in Section 14.4.

"**LMP**" means "Locational Marginal Price," which has the meaning set forth in CAISO Tariff.

"**Lockbox Account**" has the meaning set forth in the Security Agreement.

"**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 termination of this Agreement for the remaining Contract Term, determined in a commercially reasonable manner. Factors used in determining economic loss to a Party may include, without limitation, reference to information supplied by one or more third parties, which shall exclude Affiliates of the Non-Defaulting Party, 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, comparable transactions, forward price curves based on economic analysis of the relevant markets, settlement prices for comparable transactions at liquid trading hubs (e.g., SP-15), all of which should be calculated for the remaining Contract Term and must include the value of Green Attributes and Renewable Energy Incentives.

"**Lost Output**" has the meaning set forth in Exhibit E.

[redacted]

[redacted]

"**Market Curtailment Period**" means the period of time, as measured using current Settlement Intervals, during a Settlement Period or Settlement Interval [redacted] *provided,* if applicable, that the Market Curtailment Period shall also include the time required for the Facility to ramp down to implement such curtailment (if any) and ramp up following such curtailment (if any) in accordance with the Operating Restrictions.

"**Milestones**" means the development activities and dates associated therewith set forth on the Cover Sheet.

"**Moody's**" means Moody's Investors Service, Inc., or its successor.

"**MW**" means megawatts measured in alternating current.

"**MWh**" means megawatt-hour measured in alternating current.

"**Non-Defaulting Party**" has the meaning set forth in Section 11.2.

"**Notice**" shall, unless otherwise specified in the Agreement, mean written communications by a Party to be delivered by hand delivery, United States mail, overnight courier service or electronic communication (including email or other electronic means).

"**Operating Restrictions**" means the operational characteristics of the Facility set forth in Exhibit L.

"**Outage Schedule**" has the meaning set forth in Section 6.1.

[redacted]

"**Participating Transmission Owner**" or "**PTO**" means an entity that owns, operates and maintains the Transmission System or distribution lines and associated facilities and/or has entitlements to use certain transmission or distribution lines and associated facilities where the Facility is interconnected. For purposes of this Agreement, the Participating Transmission Owner is set forth in Exhibit A.

"**Party**" has the meaning set forth in the Preamble.

"**Parties**" has the meaning set forth in the Preamble.

"**Performance Measurement Period**" has the meaning set forth in Section 4.7.

"**Performance Security**" means, at Seller's option (i) cash (ii) a Letter of Credit, and/or (iii) a Guaranty, in the amount set forth on the Cover Sheet.

"**Permitted Transferee**" means an entity that satisfies, or is controlled by another Person that satisfies, the following requirements:

[redacted]

(b) At least three (3) years of experience in the ownership and operations of utility-scale wind-powered electricity generation facilities, or has retained a third-party with such experience to operate the Facility.

"**Person**" means any individual, sole proprietorship, corporation, limited liability company, limited or general partnership, joint venture, association, joint-stock company, trust, incorporated organization, institution, public benefit corporation, unincorporated organization, government entity or other entity.

"**Planned Outage**" means a period during which the Facility is either in whole or in part not capable of providing service due to planned maintenance which has been scheduled in advance, in accordance with Section 6.1.

"**POI Curtailment**" means the curtailment of the Facility's generation due to the failure of Seller's Economic Bid (as defined in the CAISO Tariff), which will be at or below the Floor Price, or Self-Schedule to clear in the Day-Ahead Market (if applicable) and the Real-Time Market in any Settlement Period or Settlement Interval at the Point of Interconnection. For the avoidance of doubt, (i) no Facility generation curtailed solely due to a POI Curtailment shall constitute Deemed Delivered Energy, and (ii) Buyer shall not be liable for any payment to Seller in connection with Facility generation curtailed solely due to a POI Curtailment.

"**Point of Interconnection**" has the meaning set forth in the Interconnection Agreement.

"**Portfolio Content Category 1**" means the Renewable Energy Credit classification associated with the generation of electricity from an Eligible Renewable Energy Resource consisting of the portfolio content set forth in California Public Utilities Code Section 399.16(b)(1), as may be amended from time to time or as further defined or supplemented by Law.

"**PPA Provider**" has the meaning set forth in the Security Agreement.

"**Product**" has the meaning set forth on the Cover Sheet.

"**Production Tax Credits**" or "**PTCs**" means production tax credit under Section 45 of the Internal Revenue Code as in effect from time-to-time throughout the Delivery Term or any successor or other provision providing for a federal tax credit determined by reference to renewable electric energy produced from wind or other renewable energy resources for which Seller, as the owner of the Facility, is eligible.

"**Progress Report**" means a progress report including the items set forth in Exhibit C.

"**Project**" has the same meaning as "Facility".

"**Prudent Operating Practice**" means the practices, methods and standards of professional care, skill and diligence engaged in or approved by a significant portion of the utility-scale wind energy industry for facilities of similar size, type and design, that, in the exercise of reasonable judgment, in light of the facts known at the time, would have been expected to accomplish results consistent with Law, reliability, safety, environmental protection, applicable codes, and standards of economy and expedition. Prudent Operating Practice is not necessarily defined as the optimal standard practice method or act to the exclusion of others, but rather refer to a range of actions reasonable under the circumstances.

"**PTC Amount**" means the amount, on a dollar per MWh basis, equal to the Production Tax Credits that Seller would have earned in respect of energy produced by the Facility at the time, grossed up on an after tax basis at the then-highest marginal combined federal and state corporate tax rate, but failed to earn as a result of a Market Curtailment Period, which amount will be calculated by reference to the amount of Deemed Delivered Energy and prorated for the number of the Facility's wind turbines that are eligible to receive Production Tax Credits at the time of determination.

"**QRE**" has the meaning set forth for "Qualified Reporting Entity" in the WREGIS Operating Rules.

"**Real-Time Forecast**" means Seller's final forecast of the amount of expected Delivered Energy, net of all Electrical Losses, for each hour of a given day, based on a commercially reasonable forecasting methodology to determine the potential generation of the Facility as a function of Available Capacity, wind speed and direction, wind turbine power curves and other pertinent data for the period of time, consistent with Prudent Operating Practice; *provided* that, for the avoidance of doubt, market conditions and pricing shall not be factored into such determination of the potential generation of the Facility.

"**Real-Time Market**" has the meaning set forth in the CAISO Tariff.

"**REC Price**" means the prevailing market price (expressed in $/MWh) for RECs meeting the RPS requirements for Portfolio Content Category 1, determined by averaging quotes provided by Buyer from three (3) unaffiliated brokers.

"**Receiving Party**" has the meaning set forth in Section 18.2.

"**Recurring Certificate Transfers**" has the meaning set forth in the WREGIS Operating Rules.

"**Remedial Action Plan**" has the meaning in Section 2.5(a).

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

"**Renewable Energy Incentives**" means: (a) all federal, state, or local Tax credits or other Tax benefits associated with the construction, ownership, or production of electricity from the Facility (including credits under Sections 38, 45, 46 and 48 of the Internal Revenue Code of 1986, as amended); (b) any federal, state, or local grants, subsidies or other like benefits relating in any way to the Facility, including a cash grant available under Section 1603 of Division B of the American Recovery and Reinvestment Act of 2009, in lieu of federal Tax credits or any similar or substitute payment available under subsequently enacted federal legislation; and (c) any other form of incentive relating in any way to the Facility that are not a Green Attribute or a Future Environmental Attribute.

"**Replacement Energy**" means [redacted]

"**Replacement Green Attributes**" means Renewable Energy Credits meeting the RPS requirements for Portfolio Content Category 1.

"**Replacement Product**" means (a) Replacement Energy and (b) Replacement Green Attributes provided pursuant to Section 4.7, in an amount not to exceed ten percent (10%) of the Expected Energy for the Contract Year during which such Replacement Product is delivered to Buyer.

"**Resource Data Template**" has the meaning set forth in the CAISO Tariff.

"**S&P**" means the Standard & Poor's Financial Services, LLC (a subsidiary of The McGraw-Hill Companies, Inc.) or its successor.

"**Schedule**" has the meaning set forth in the CAISO Tariff.

"**Scheduled Energy**" means the Energy from Buyer's Share of the Facility that clears under the applicable CAISO market based on the final Schedule developed in accordance with this Agreement, the operating procedures developed by the Parties pursuant to this Agreement, and the applicable CAISO Tariff, protocols and Scheduling practices.

"**Scheduling Coordinator**" or "**SC**" means an entity certified by the CAISO as qualifying as a Scheduling Coordinator pursuant to the CAISO Tariff for the purposes of undertaking the functions specified in "Responsibilities of a Scheduling Coordinator," of the CAISO Tariff, as amended from time to time.

"**Scheduling Point**" has the meaning set forth in the CAISO Tariff.

"**Secured Creditor**" means each PPA Provider or other party that is a Secured Creditor under the Intercreditor and Collateral Agency Agreement and its respective successors and assigns.

"**Security Agreement**" means the Security Agreement, dated as of March 1, 2021, between Buyer and Collateral Agent, as collateral agent for the benefit of the Secured Creditors, or any successor agreement generally available to Buyer's creditors.

"**Self-Schedule**" has the meaning set forth in the CAISO Tariff.

"**Seller**" has the meaning set forth on the Cover Sheet.

"**Seller's WREGIS Account**" has the meaning set forth in Section 4.8(a).

"**Settlement Amount**" means the Non-Defaulting Party's Costs and Losses, on the one hand, netted against its Gains, on the other. If the Non-Defaulting Party's Costs and Losses exceed its Gains, then the Settlement Amount shall be an amount owing to the Non-Defaulting Party. If the Non-Defaulting Party's Gains exceed its Costs and Losses, then the Settlement Amount shall be zero dollars ($0). The Settlement Amount does not include consequential, incidental, punitive, exemplary or indirect or business interruption damages.

"**Settlement Interval**" has the meaning set forth in the CAISO Tariff.

"**Settlement Period**" has the meaning set forth in the CAISO Tariff, which as of the Effective Date is the period beginning at the start of the hour and ending at the end of the hour.

"**Shared Facilities**" has the meaning set forth in Section 6.3.

"**Shared Facilities Agreement**" has the meaning set forth in Section 6.3.

"**Site**" means the real property on which the Facility is or will be located, as further described in Exhibit A.

"**SPTO PPA**" has the meaning set forth in the Recitals hereto.

"**Station Use**" means:

(a) The Energy produced by the Facility that is used within the Facility to power the lights, motors, control systems and other electrical loads that are necessary for operation of the Facility; and

(b) The Energy produced by the Facility that is consumed within the Facility's electric energy distribution system as losses.

"**SunZia PowerCo**" has the meaning set forth in the Recitals hereto.

"SunZia Transmission Line" means that certain 3,000-MW high-voltage (+/-525-kV) transmission line originating at the Point of Interconnection (as defined in the Interconnection Agreement) in New Mexico and terminating near Phoenix, Arizona. The western terminus of the line will connect to the 500-kV Pinal Central Substation.

"**System Emergency**" means any condition that: (a) requires, as determined and declared by CAISO, the PTO or a Transmission Provider, automatic or immediate action to (i) prevent or limit harm to or loss of life or property, (ii) prevent loss of transmission facilities or generation supply in the immediate vicinity of the Facility, or (iii) to preserve Transmission System reliability,

and (b) directly affects the ability of any Party to perform under any term or condition in this Agreement, in whole or in part.

"**Tax**" or "**Taxes**" means all U.S. federal, state and local and any foreign taxes, levies, assessments, surcharges, duties and other fees and charges of any nature imposed by a Governmental Authority, whether currently in effect or adopted during the Contract Term, including ad valorem, excise, franchise, gross receipts, import/export, license, property, sales and use, stamp, transfer, payroll, unemployment, income, and any and all items of withholding, deficiency, penalty, additions, interest or assessment related thereto.

"**Tax Credits**" means the Production Tax Credit and any other state, local or federal production tax credit, depreciation benefit, tax deduction or investment tax credit specific to the production of renewable energy or investments in renewable energy facilities.

"**Terminated Transaction**" has the meaning set forth in Section 11.2(a).

"**Termination Payment**" has the meaning set forth in Section 11.3(b).

"**Third-Party Vendor Forecast**" means the forecast of the hourly Energy expected to be produced by the Facility and delivered to the Delivery Point, net of all Electrical Losses, provided by either (a) ENFOR A/S or (b) any other reputable third-party vendor that is registered to do business in California, experienced in providing and verifying wind energy generation forecasts, and not an Affiliate of Seller.

"**Transmission Provider**" means any entity or entities transmitting or transporting the Product on behalf of Seller or Buyer to or from the Delivery Point, including the Participating Transmission Owner.

"**Transmission System**" means the transmission facilities operated by the Transmission Provider(s), now or hereafter in existence, which provide energy transmission service upstream to or downstream from the Delivery Point.

[redacted]

"**WREGIS**" means the Western Renewable Energy Generation Information System or any successor renewable energy tracking program.

"**WREGIS Certificate Deficit**" has the meaning set forth in Section 4.8(e).

"**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.

"**WREGIS Operating Rules**" means those operating rules and requirements adopted by WREGIS as of October 2022, as subsequently amended, supplemented or replaced (in whole or in part) from time to time.

1.2 **Rules of Interpretation**.

In this Agreement, except as expressly stated otherwise or unless the context otherwise requires:

(a) headings and the rendering of text in bold and italics are for convenience and reference purposes only and do not affect the meaning or interpretation of this Agreement;

(b) words importing the singular include the plural and vice versa and the masculine, feminine and neuter genders include all genders;

(c) the words "hereof", "herein", and "hereunder" and words of similar import shall refer to this Agreement as a whole and not to any particular provision of this Agreement;

(d) a reference to an Article, Section, paragraph, clause, Party, or Exhibit is a reference to that Section, paragraph, clause of, or that Party or Exhibit to, this Agreement unless otherwise specified;

(e) a reference to a document or agreement, including this Agreement shall mean such document, agreement or this Agreement including any amendment or supplement to, or replacement, novation or modification of this Agreement, but disregarding any amendment, supplement, replacement, novation or modification made in breach of such document, agreement or this Agreement;

(f) a reference to a Person includes that Person's successors and permitted assigns;

(g) the term "including" means "including without limitation" and any list of examples following such term shall in no way restrict or limit the generality of the word or provision in respect of which such examples are provided;

(h) references to any statute, code or statutory provision are to be construed as a reference to the same as it may have been, or may from time to time be, amended, modified or reenacted, and include references to all bylaws, instruments, orders and regulations for the time being made thereunder or deriving validity therefrom unless the context otherwise requires;

(i) in the event of a conflict, a mathematical formula or other precise description of a concept or a term shall prevail over words providing a more general description of a concept or a term;

(j) references to any amount of money shall mean a reference to the amount in United States Dollars;

(k) the expression "and/or" when used as a conjunction shall connote "any or all of";

(l) words, phrases or expressions not otherwise defined herein that (i) have a generally accepted meaning in Prudent Operating Practice shall have such meaning in this Agreement or (ii) do not have well known and generally accepted meaning in Prudent Operating Practice but that have well known and generally accepted technical or trade meanings, shall have such recognized meanings;

(m) references to "reasonably acceptable" shall require that the Party with discretion shall not unreasonably withhold, delay or condition its approval;

(n) each Party acknowledges that it was represented by counsel in connection with this Agreement and that it or its counsel reviewed this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

ARTICLE 2
TERM; CONDITIONS PRECEDENT

2.1 **Contract Term**.

(a) Effective Date. This Agreement shall become effective on the Effective Date, and shall remain in full force and effect until the conclusion of the Delivery Term, subject to any early termination provisions and any contract term extension provisions set forth herein (the "**Contract Term**").

(b) Continuing Provisions. Applicable provisions of this Agreement shall continue in effect after termination, including early termination, to the extent necessary to enforce or complete the duties, obligations or responsibilities of the Parties arising prior to termination. In addition, the confidentiality obligations of the Parties under Article 18 shall remain in full force and effect for [redacted] following the termination of this Agreement, all indemnity obligations shall remain in full force and effect for [redacted] following termination of this Agreement, all audit rights shall remain in full force and effect for [redacted] following the termination of this Agreement, and Buyer's obligation to return to Seller the Development Security and/or Performance Security less any amounts drawn in accordance with this Agreement shall remain in full force and effect following the termination of this Agreement.

2.2 **[Reserved.]**.

2.3 **Obligations Prior to Delivery Term**. The Delivery Term shall not commence until Seller completes each of the following conditions. Upon receipt of Notice from Seller of the completion of each condition, Buyer shall, if it disputes the completion of the condition provide Notice to Seller stating Buyer's grounds for dispute within five (5) Business Days of receipt of

Seller's Notice. In the event that Buyer fails to provide such Notice of dispute within such five (5) Business Days, Buyer shall be deemed to have accepted that the condition has been completed.

(a) Seller shall have delivered to Buyer certificates from a Licensed Professional Engineer substantially in the form of Exhibit F and Exhibit G;

(b) A Participating Generator Agreement (as defined in the CAISO Tariff) between Seller and CAISO, and a Meter Service Agreement for CAISO Metered Entities (as defined in the CAISO Tariff) between CAISO and Seller, if, with respect to each such agreement, it is required under the CAISO Tariff or for Seller to meet its obligations under this Agreement, shall have been executed and delivered and be in full force and effect, and a copy of each such agreement delivered to Buyer;

(c) All applicable regulatory authorizations, approvals and permits for the operation of the Facility have been obtained (or if not obtained, applied for and reasonably expected to be received within ninety (90) days) and all conditions thereof have been satisfied and shall be in full force and effect;

(d) Seller has received the requisite pre-certification of the CEC Certification and Verification (and reasonably expects to receive final CEC Certification and Verification for the Facility in no more than one hundred eighty (180) days from the Commercial Operation Date);

(e) Installed Capacity equal to at least [redacted] of the Guaranteed Capacity has been completed and is ready to produce and deliver Product to Buyer, as stated in the certificate in the form of Exhibit F delivered pursuant to clause (a) of this Section 2.3;

(f) Seller (with the reasonable participation of Buyer) shall have completed all applicable WREGIS registration requirements pursuant to the WREGIS Operating Rules that are reasonably capable of being completed prior to the Commercial Operation Date under the WREGIS Operating Rules, including, if applicable, the completion and submittal of all applicable registration forms and supporting documentation, which may include applicable interconnection agreements, informational surveys related to the Facility, QRE service agreements, and other appropriate documentation required to effect Facility registration with WREGIS and to enable Renewable Energy Credit transfers related to the Facility within the WREGIS system;

(g) Seller has obtained insurance meeting the requirements of Article 17; *provided*, *however*, that Seller may deliver copies of certificates of such insurance to Buyer within ten (10) Business Days after the Commercial Operation Date;

(h) Seller has delivered the Performance Security to Buyer in accordance with Section 8.8; and

(i) Seller has paid Buyer for all Delay Damages due and owing under this Agreement, if any.

Upon request from Seller from time to time, Buyer shall confirm in writing the completion of those of the foregoing conditions that have been completed by Seller as of such request.

2.4 **Progress Reports**. The Parties agree time is of the essence in regard to the Agreement. Within fifteen (15) Business Days after the close of each calendar month following the Effective Date until the Commercial Operation Date, Seller shall provide to Buyer a Progress Report and have regular meetings between representatives of Buyer and Seller to review such monthly reports and discuss the Facility's development and construction progress. The content of the Progress Report is set forth in Exhibit C. Seller shall also provide Buyer with any reasonably requested documentation (subject to availability and confidentiality restrictions) directly related to the achievement of Milestones within ten (10) Business Days of receipt of such request. Buyer shall be entitled to provide such Progress Reports to any purchaser to whom Buyer resells the Product (or parts thereof); *provided* such purchaser shall have first executed a commercially reasonable non-disclosure agreement with Seller containing terms consistent with those in Article 18.

2.5 **Remedial Action Plan**.

(a) If Seller misses any [redacted], except as the result of a Force Majeure Event or Buyer default, Seller shall submit to Buyer, [redacted], a remedial action plan ("**Remedial Action Plan**"), which will describe in detail any delays (actual or anticipated) beyond the scheduled Milestone dates, including the cause of the delay (e.g., governmental approvals, financing, property acquisition, design activities, equipment procurement, project construction, interconnection, or any other factor), Seller's detailed description of its proposed course of action to achieve the missed Milestones and all subsequent Milestones by the Guaranteed Commercial Operation Date (as it may be extended pursuant to this Agreement); *provided*, that delivery of any Remedial Action Plan shall not relieve Seller of its obligation to provide Remedial Action Plans with respect to any subsequent Milestones and to achieve the Guaranteed Commercial Operation Date in accordance with the terms of this Agreement.

(b) Delivery of any Remedial Action Plan shall not relieve Seller of its obligation to provide Remedial Action Plans, as applicable, with respect to any subsequent Milestones and to achieve the Guaranteed Commercial Operation Date in accordance with the terms of this Agreement.

(c) Except as set forth in Section 2.6, so long as Seller is in compliance with its obligations under this Section 2.5, its failure to meet any Milestone shall not be a default under this Agreement.

2.6 **Outside Commercial Operation Date**.

(a) Reserved.

(b) If Commercial Operation is not achieved by the Outside Commercial Operation Date, Buyer may declare an Event of Default in accordance with the terms of Section 11.1(b)(iv); *provided*, if Buyer has not declared an Event of Default and terminated this Agreement pursuant to Sections 11.1(b)(iv) and 11.2 [redacted], Seller may terminate this Agreement upon Notice to Buyer, it shall not be an Event of Default by either Party, and neither Party shall have any liability to the other Party, except

for the payment by Seller, as liquidated damages, of the Damage Payment; *provided further*, that the time period for which Seller is subject to the right of first refusal pursuant to Section 11.8 shall be shortened on a day-for-day basis for each day following the Outside Commercial Operation Date for which Buyer does not exercise its in termination right in accordance with Section 11.1(b)(iv) and 11.2.

ARTICLE 3
PURCHASE AND SALE

3.1 **Sale of Product**. Subject to the terms and conditions of this Agreement, during the Delivery Term, Seller shall sell and deliver to Buyer, and Buyer shall purchase from Seller, all the Product produced by or associated with the Facility, subject to the Hourly Delivery Cap. The sale by Seller and purchase by Buyer of Delivered Energy hereunder shall be for resale. During the Delivery Term, Buyer will have exclusive rights to offer, bid, or otherwise submit the Product, or any component thereof, from the Facility after the Delivery Point for resale into the market or to any third party, and retain and receive any and all related revenues. Subject to Buyer's obligations to pay for Deemed Delivered Energy, Buyer has no obligation to purchase from Seller any Product that is not or cannot be delivered to the Delivery Point or Alternative Delivery Point as a result of any circumstance, including, an outage of the Facility, a Force Majeure Event, or a Curtailment Order. The Parties acknowledge and agree that (i) the Product is limited to Delivered Energy and associated Green Attributes; (ii) Buyer has no right under this Agreement to purchase or receive capacity attributes, resource adequacy benefits, ancillary services, or tax or other financial benefit associated with the Facility, or any product, attribute or benefit that is similar to or derivative of such products, attributes or benefits; and (iii) Seller shall bear all costs and receive all revenues associated with such excluded products, attributes or benefits under this Agreement.

3.2 **Sale of Green Attributes**. During the Delivery Term, Seller shall sell and deliver to Buyer, and Buyer shall purchase from Seller, all of the Green Attributes attributable to the Delivered Energy.

3.3 **Compensation.**

[redacted]



(d) Excess Settlement Interval Deliveries. If, during any Settlement Interval, Seller delivers Product amounts to Buyer, as measured by the amount of Delivered Energy, in excess of the product of the Guaranteed Capacity and the duration of the Settlement Interval, expressed in hours ("**Excess MWh**"), then Buyer shall not be obligated to pay for all such Excess MWh.

3.4 **Imbalance Energy**. Other than during a Market Curtailment Period, Seller shall use commercially reasonable efforts to deliver Energy in accordance with the Scheduled Energy but shall not be required to curtail the Delivered Energy other than pursuant to a Curtailment Order. Buyer and Seller recognize that from time to time the amount of Delivered Energy will deviate from the amount of Scheduled Energy. Seller shall be responsible for all CAISO costs, and shall be entitled to all CAISO revenues, associated with Imbalance Energy.

3.5 **Ownership of Renewable Energy Incentives**. Seller shall have all right, title and interest in and to all Renewable Energy Incentives. Buyer acknowledges that any Renewable Energy Incentives belong to Seller. If any Renewable Energy Incentives, or values representing the same, are initially credited or paid to Buyer, Buyer shall cause such Renewable Energy Incentives or values relating to same to be assigned or transferred to Seller without delay. Buyer shall reasonably cooperate with Seller, at Seller's sole expense, in Seller's efforts to meet the requirements for any certification, registration, or reporting program relating to Renewable Energy Incentives.

3.6 **Future Environmental Attributes.**

(a) The Parties acknowledge and agree that as of the Effective Date, environmental attributes anticipated to be sold under this Agreement are restricted to Green Attributes; however, Future Environmental Attributes may be created by a Governmental Authority through Laws enacted after the Effective Date. The Parties shall promptly notify each other upon becoming aware of the existence of Future Environmental Attributes and, subject to the final sentence of this Section 3.6(a), in such event, Buyer shall have the exclusive right to claim such Future Environmental Attributes by providing Notice to Seller. If Buyer provides such Notice, Buyer shall bear all costs associated with the transfer, qualification, verification, registration and ongoing compliance for such Future Environmental Attributes, but there shall be no increase in the Contract Price. Upon Seller's receipt of Notice from Buyer of Buyer's intent to claim such Future Environmental Attributes, the Parties shall determine the necessary actions and additional costs associated with such Future Environmental Attributes. Seller shall have no obligation to alter the Facility or its operations unless the Parties have agreed on all necessary terms and conditions relating to such alteration and Buyer has agreed to reimburse Seller for all costs associated with such alteration.

(b) If Buyer elects to receive Future Environmental Attributes pursuant to Section 3.6(a), the Parties agree to negotiate in good faith with respect to the development of further agreements and documentation necessary to effectuate the transfer of such Future Environmental Attributes, including agreement with respect to (i) appropriate transfer, delivery and risk of loss mechanisms, and (ii) the determination of any additional costs to be borne by Buyer, as set forth above; *provided*, that the Parties acknowledge and agree that such terms are not intended to alter the other material terms of this Agreement.

3.7 **Pre-COD Product**. Seller shall have no obligation to sell or deliver to Buyer, and Buyer shall have no obligation to buy or receive from Seller, any Product prior to the commencement of the Delivery Term. Prior to the Delivery Term, Seller may sell all energy and associated Green Attributes from the Facility to any third party, and all revenues and costs associated with such sales shall be for Seller's account.

3.8 **Reserved.**

3.9 **CEC Certification and Verification**. Seller shall take all necessary steps including, but not limited to, making or supporting timely filings with the CEC to obtain and maintain CEC Certification and Verification for the Facility throughout the Delivery Term, including compliance with all applicable requirements for certified facilities set forth in the current version of the *RPS Eligibility Guidebook* (or its successor). Seller must promptly notify Buyer and the CEC of any changes to the information included in Seller's application for CEC Certification and Verification for the Facility.

3.10 **Non-Modifiable Terms.**

(a) Eligibility. 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. **[STC 6]**

(b) Applicable 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. **[STC 17].**

(c) Transfer of Renewable Energy Credits. 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 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. **[STC REC-1]**

(d) Tracking of RECs in WREGIS. Seller warrants that all necessary steps to allow the Renewable Energy Credits transferred to Buyer to be tracked in the Western Renewable Energy Generation Information System will be taken prior to the first delivery under the contract. **[STC REC-2]**

3.11 **California Renewables Portfolio Standard**. Upon request of Buyer, Seller shall provide records or other information reasonably required to demonstrate that the Product has been conveyed and delivered in accordance with the terms and conditions of this Agreement, including, subject to Section 3.12, scheduling or delivery information necessary to meet the requirements of the California Renewables Portfolio Standard for the Product. Subject to Section 3.12, Seller represents and warrants the Product meets the requirements set forth in PUC Code 399.16(b)(1) and the RPS compliance requirements for Portfolio Content Category 1 as set forth in CPUC Decision 11-12-052.

3.12 **Compliance Expenditure Cap**. Notwithstanding anything herein to the contrary, if Seller establishes to Buyer's reasonable satisfaction that a change in Law occurring after the Effective Date has increased Seller's out-of-pocket costs above the costs that could reasonably have been contemplated as of the Effective Date to take all actions to comply with Seller's obligations under the Agreement with respect to obtaining, maintaining, conveying or effectuating Buyer's use of (as applicable), the items listed below, then the Parties agree that the maximum amount of out-of-pocket costs and expenses Seller shall be required to bear during any Contract Year shall be capped at [redacted] and in the aggregate during the Delivery Term shall be capped at [redacted] ("**Compliance Expenditure Cap**"):

(a) CEC Certification and Verification;

(b) Green Attributes; and

(c) WREGIS.

Any actions required for Seller to comply with its obligations set forth in the first paragraph above, the cost of which will be included in the Compliance Expenditure Cap, shall be referred to collectively as the "**Compliance Actions**."

If Seller reasonably anticipates the need to incur out-of-pocket expenses in excess of the Compliance Expenditure Cap in order to take any Compliance Action, Seller shall provide Notice to Buyer reasonably demonstrating such anticipated out-of-pocket expenses.

Buyer will have sixty (60) days to evaluate such Notice (during which time period Seller is not obligated to take any Compliance Actions described in the Notice) and shall, within such time, either (1) agree to reimburse Seller for all or some portion of the reasonably incurred costs that exceed the Compliance Expenditure Cap specified in such Notice (such Buyer-agreed upon costs, the "**Accepted Compliance Costs**"), or (2) waive Seller's obligation to take such Compliance Actions, or any part thereof for which Buyer has not agreed to reimburse Seller; *provided*, if in any Contract Year, Seller's costs to take Compliance Actions exceed the annual Compliance Expenditure Cap: (i) Buyer may pay to Seller any reasonably demonstrated amounts that Seller expends in connection with Compliance Actions that are over the annual Compliance Expenditure Cap; (ii) in the following Contract Year, Seller shall reimburse Buyer for all such amounts paid by Buyer [redacted], and provided that all such reimbursed amounts in combination with all other Seller costs and expenses associated with Compliance Actions shall not [redacted] in the aggregate over the Contract Term; and (iii) such reimbursed amounts shall be considered costs and expenses associated with Compliance Actions and shall count towards the current annual and aggregate Compliance Expenditure Cap; for the avoidance of doubt, in no case shall Seller be required to bear any costs in connection with Compliance Actions (including those associated with a reimbursement by Seller of Buyer payments hereunder) in any Contract Year or in the aggregate in excess of the respective Compliance Expenditure Cap. If Buyer does not respond to a Notice given by Seller under this Section 3.12 within sixty (60) days after Buyer's receipt of same, Buyer shall be deemed to have waived its rights to require Seller to take the Compliance Actions that are the subject of the Notice, and Seller shall have no further obligations to take, and no liability for a failure to take, such Compliance Actions for the remainder of the Term.

If Buyer agrees to reimburse Seller for the Accepted Compliance Costs, then Seller shall take such Compliance Actions covered by the Accepted Compliance Costs as agreed upon by Buyer and Buyer shall reimburse Seller for Seller's actual costs to effect the Compliance Actions, not to exceed the Accepted Compliance Costs, within sixty (60) days from the time that Buyer receives an invoice and documentation of such costs from Seller. If Buyer agrees to reimburse Seller for the Accepted Compliance Costs for less than all of the costs that exceed the Compliance Expenditure Cap, Seller shall only be obligated to take the Compliance Actions covered by the Accepted Compliance Costs.

The term "commercially reasonable efforts" as used in Section 3.10 means efforts consistent with and subject to this Section 3.12.

ARTICLE 4
OBLIGATIONS AND DELIVERIES

4.1 **Delivery**.

(a) Energy. Subject to the terms and conditions of this Agreement, Seller shall make available and Buyer shall accept all Delivered Energy on an as-generated, instantaneous basis. Seller shall effectuate the delivery of Delivered Energy, and shall be responsible for securing such arrangements with CAISO, the PTO and any other Transmission Provider as are necessary in connection therewith.

(b) Green Attributes. Seller hereby provides and conveys all Green Attributes associated with the Delivered Energy as part of the Product being delivered. Seller represents and warrants that Seller holds the rights to all Green Attributes from the Facility, and Seller agrees to convey and hereby conveys all such Green Attributes to Buyer as included in the delivery of the Product from the Facility.

(c) Interconnection Capacity and Transmission Rights. Seller shall maintain (i) contractual rights to interconnection capacity that is no less than the Interconnection Capacity Limit, and (ii) firm transmission rights sufficient to deliver 1,495 MW_{AC} to the Delivery Point, in each case throughout the Delivery Term; *provided*, that, subject to Section 6.3 below, (i) Seller may share its firm transmission rights with one or more of Seller's Affiliates or with third parties, solely if and to the extent that, and solely for the period of time that, the amount of Energy that the Facility is capable of generating is less than 1,495 MW_{AC}, and (ii) Seller may share the interconnection capacity to which it is entitled under Seller's Interconnection Agreement with one or more of Seller's Affiliates or with third parties, solely if and to the extent that, and solely for the period of time that, the amount of Energy that the Facility is capable of generating is less than 2,100 MW_{AC}.

4.2 **Title and Risk of Loss**.

(a) Energy. Title to and risk of loss related to the Delivered Energy shall pass and transfer from Seller to Buyer at the Delivery Point. Subject to Section 5.1, Seller shall be responsible for paying or satisfying when due any costs or charges imposed in connection with the delivery of Energy from the Facility to the Delivery Point and Buyer shall be responsible for paying or satisfying when due any costs or charges imposed in connection with the delivery of Energy at and after the Delivery Point.

(b) Green Attributes. Title to and risk of loss related to the Green Attributes shall pass and transfer from Seller to Buyer upon the transfer of such Green Attributes in accordance with WREGIS.

4.3 **Scheduling Coordinator Responsibilities**.

(a) Seller as Scheduling Coordinator for the Facility. Seller shall be the Scheduling Coordinator or designate a qualified third party to provide Scheduling Coordinator services with the CAISO for the Facility for the delivery of the Product at the Delivery Point. [redacted] Seller shall perform or cause to be performed all scheduling and settlement activities in compliance with (i) the CAISO Tariff and (ii) Prudent Operating Practice. The Parties agree to communicate and cooperate as reasonably necessary in order to address any scheduling or settlement issues as they may arise, and to work together in good faith to resolve them in a manner consistent with the terms of this Agreement. To the extent required under the CAISO Tariff, Seller (as the Facility's Scheduling Coordinator) shall ensure that all Delivered Energy and Replacement Energy is electronically tagged (E-tagged) in accordance with Prudent Operating Practice. Seller shall comply with any requirements of the CPUC, CEC, WREGIS and CARB, as applicable, with respect to documenting and reporting E-tags, including, as applicable, requirements to match E-tags to WREGIS Certificate creation. Seller shall use commercially reasonable efforts to provide additional information as reasonably requested by Buyer on E-tags for the Delivered Energy.

[redacted]

(c) CAISO Costs and Revenues. Seller shall be responsible for all CAISO costs (including penalties, Imbalance Energy charges, and other charges) and shall be entitled to all

CAISO revenues (including credits, Imbalance Energy payments, and other payments), including costs and revenues associated with CAISO dispatches, bid cost recovery, Inter-SC Trade credits, or other credits in respect of the Product scheduled or delivered from the Facility. In addition, if during the Delivery Term, the CAISO implements or has implemented any sanction or penalty related to scheduling, outage reporting, or generator operation, the cost of such sanctions or penalties arising from the scheduling, outage reporting, or generator operation of the Facility shall be the Seller's responsibility except to the extent such costs are incurred due to the fault or negligence of Buyer.

(d) Master File and Resource Data Template. Seller shall provide the data to the CAISO (and to Buyer) that is required for the CAISO's Master File and Resource Data Template (or successor data systems) for this Facility consistent with this Agreement. Neither Party shall change such data without the other Party's prior written consent. At least once per Contract Year, Seller shall review and confirm that the data provided for the CAISO's Master Data File and Resource Data Template (or successor data systems) for this Facility remains consistent with the actual operating characteristics of the Facility and update such data as appropriate.

4.4 **Forecasting**. Seller shall provide the forecasts described below at its sole expense and in a format reasonably acceptable to Buyer (or Buyer's designee). Seller shall use reasonable efforts to provide forecasts that are consistent with the information actually known by Seller at the time the forecasts are submitted and, to the extent not inconsistent with the requirements of this Agreement, shall prepare such forecasts, or cause such forecasts to be prepared, in accordance with Prudent Operating Practice.

(a) Annual Forecast of Available Capacity. No less than forty-five (45) days before (i) the first day of the first Contract Year of the Delivery Term and (ii) the first day of every subsequent Contract Year during the Delivery Term, Seller shall provide to Buyer a non-binding forecast of each month's Available Capacity, by hour, and Seller's projection of scheduled maintenance for the following calendar year in a form reasonably requested by Buyer.

(b) Annual Forecast of Energy. No less than forty-five (45) days before (i) the first day of the first Contract Year of the Delivery Term and (ii) the first day of every subsequent Contract Year during the Delivery Term, Seller shall provide to Buyer a non-binding forecast of each month's average-day expected Delivered Energy, by hour, for the following calendar year in a form substantially similar to the table found in Exhibit D, or as reasonably requested by Buyer.

(c) Monthly Forecast of Energy and Available Capacity. No less than thirty (30) days before the beginning of Commercial Operation, and thereafter no less than ten (10) Business Days before the beginning of each calendar month during the Delivery Term, Seller shall provide to Buyer a non-binding forecast of the hourly expected Delivered Energy and Available Capacity for each day of the following month in a form reasonably requested by Buyer.

(d) Daily Forecast of Available Capacity. By 5:30 AM Pacific Prevailing Time on the Business Day immediately preceding the date of delivery, Seller shall provide Buyer with (i) a non-binding forecast of its best estimate of Available Capacity and (ii) the Day-Ahead Forecast, in each case, for each hour of the immediately succeeding day.

(e) Real-Time Forecasts. During the Delivery Term, Seller shall notify Buyer of any changes to the Day-Ahead Forecast resulting from changes of fifteen (15) MW or more in the availability of the Installed Capacity or changes of fifteen (15) MWh or more in the hourly expected Delivered Energy, net of all Electrical Losses, as applicable, relative to the amounts that the Day-Ahead Forecast was based on, in each case, due to Forced Facility Outage or Force Majeure Event, as soon as reasonably possible, but no later than sixty (60) minutes prior to the deadline for submitting Schedules to the CAISO in accordance with the rules for participation in the Real-Time Market. If the availability of the Installed Capacity or the hourly expected Delivered Energy, net of all Electrical Losses, changes by at least fifteen (15) MW or fifteen (15 MWh), as applicable, due to Forced Facility Outage or Force Majeure Event as of a time that is less than one (1) hour prior to the Real-Time Market deadline, but before such deadline, then Seller must notify Buyer as soon as reasonably possible. Such Real-Time Forecasts shall contain information regarding the beginning date and time of the event resulting in the change in Installed Capacity or hourly expected Delivered Energy, net of all Electrical Losses, as applicable, the expected end date and time of such event, and any other information required by the CAISO or reasonably requested by Buyer. With respect to any Forced Facility Outage, Seller shall use reasonable efforts to notify Buyer of such outage within ten (10) minutes of becoming aware of the Forced Facility Outage. Seller shall inform Buyer as soon as reasonably practicable of any developments that will affect either the duration of such outage or the availability of the Facility during or after the end of such outage. These Real-Time Forecasts shall be communicated by email to Buyer unless Buyer requests an alternative method of communications reasonably acceptable to Seller.

4.5 **Dispatch Down/Curtailment**.

(a) General. Subject to Section 4.5(b), Seller agrees to reduce deliveries of the Energy produced by the Facility by the amount and for the period set forth in any Curtailment Order; *provided* that Seller is not required to reduce such amount to the extent it is inconsistent with the limitations of the Facility set out in the Operating Restrictions.

(b) Alternative Delivery Point/Third-Party Sales. In the event that, and for so long as, Seller is unable to deliver all or a portion of the Product to Buyer at the Delivery Point, but is able to deliver Product to Buyer at one or more Alternative Delivery Points, such Alternative Delivery Points shall be considered the Delivery Point under this Agreement. If Buyer and Seller fail to agree upon an Alternative Delivery Point, (i) Seller may, in its sole discretion, sell and deliver some or all of the Product during any Curtailment Period to one or more third party buyers to the extent that Seller may do so in compliance with Law and Prudent Operating Practice, and (ii) Seller shall use commercially reasonable efforts to sell and deliver some or all of the Product during Market Curtailment Periods at a positive price to the extent that Seller may do so in compliance with Law and Prudent Operating Practice. [redacted]

4.6 **Reduction in Delivery Obligation**. For the avoidance of doubt, and in no way limiting Section 3.1 or Exhibit E:

(a) Facility Maintenance. Seller shall be permitted to reduce deliveries of Product during any Planned Outage.

(b) Forced Facility Outage. Seller shall be permitted to reduce deliveries of Product during any Forced Facility Outage. As soon as practicable after the Forced Facility Outage has occurred, Seller shall provide Buyer with Notice by e-mail including the expected duration (if known) of any Forced Facility Outage and Seller shall keep Buyer informed of any developments that will affect either the duration of the outage or the availability of the Facility during or after the end of such outage. Upon Buyer's reasonable request, Seller shall promptly prepare and provide to Buyer all reports of Forced Facility Outages or Planned Outages that Buyer may reasonably require for the purpose of enabling Buyer to comply with CAISO requirements or any applicable Laws, provided that Seller may redact such reports as necessary with respect to any Confidential Information except to the extent such Confidential Information is required to be provided to CAISO by Buyer.

(c) System Emergencies and other Events. Seller shall be permitted to reduce deliveries of Product (i) during any period of System Emergency, (ii) pursuant to a Curtailment Order, (iii) during a Market Curtailment Period, (iv) during any Force Majeure Event, (v) as required by Prudent Operating Practice, (vi) due to a POI Curtailment, or (vii) otherwise pursuant to the terms of this Agreement, the Interconnection Agreement or applicable tariff or as may be required under a Shared Facilities Agreement. Notwithstanding anything in this Agreement to the contrary, Seller may, in its sole discretion, sell and deliver some or all of the Product during any Curtailment Period or Market Curtailment Period to one or more third-party buyers to the extent that Seller may do so in compliance with Law and Prudent Operating Practice.

(d) Health and Safety. Seller shall be permitted to reduce deliveries of Product as necessary to maintain health and safety pursuant to Section 6.2.

(e) Real-Time Curtailment. Seller shall be permitted to reduce Facility generation during a period in which the LMP at the Delivery Point in the Real-Time Market is below the Floor Price. During such periods, (i) when the Real-Time Forecast exceeds the portion of the Day-Ahead Forecast that has a Day-Ahead Schedule, Seller shall be permitted to reduce deliveries of Product to Buyer to equal no less than the portion of the Day-Ahead Forecast that has a Day-Ahead Schedule, and (ii) when the Real-Time Forecast is equal to or less than the portion of the Day-Ahead Forecast that has a Day-Ahead Schedule, Buyer shall receive Product based on Buyer's Share of the generation that the Facility would have been able to produce and deliver to the Delivery Point (taking into account Seller's rights to reduce deliveries in Section 4.6(c)) but did not produce and deliver, due to the LMP at the Delivery Point in the Real-Time Market being below the Floor Price, and such amount shall be considered "Delivered Energy" for payment and invoicing purposes.

4.7 **Guaranteed Energy Production**.

(a) After the first Contract Year, Seller shall be required to deliver to Buyer no less than the Guaranteed Energy Production (as defined below) in each period of [redacted] ("**Performance Measurement Period**"). "**Guaranteed Energy Production**" means an amount of Product for each Performance Measurement Period, as measured in MWh, [redacted] of the average annual Expected Energy for the [redacted] in the applicable Performance Measurement Period. The calculation will be performed once each Contract Year, beginning with the third anniversary of the Commercial Operation Date. Seller shall be excused from achieving the Guaranteed Energy Production during any Performance Measurement Period only to the extent of any Force Majeure Events, System Emergencies, Buyer's failure to perform, Curtailment Periods and Market Curtailment Periods. For purposes of determining whether Seller has achieved the Guaranteed Energy Production, Seller shall be deemed to have delivered to Buyer the Product in the amount it could reasonably have delivered to Buyer but was prevented from delivering to Buyer by reason of Force Majeure Events, System Emergencies, Buyer's failure to perform, Curtailment Periods, POI Curtailments, or Market Curtailment Periods. If Seller fails to achieve the Guaranteed Energy Production amount in any Performance Measurement Period, Seller shall, at its discretion (i) provide Replacement Product retroactively pursuant to Section 4.7(b)(ii), or (ii) pay Buyer Energy Replacement Damages calculated in accordance with Exhibit E.

(b) Seller shall be permitted to deliver Replacement Product (i) prospectively during any Performance Measurement Period if Seller reasonably anticipates that delivery of such Replacement Product is necessary to achieve the Guaranteed Energy Production for such Performance Measurement Period, or (ii) retroactively during the Contract Year immediately following any Performance Measurement Period in accordance with Section 4.7(a) above; *provided,* Seller's right to deliver Replacement Product shall be subject to mutual agreement of the Parties (in the reasonable discretion of each) upon a delivery schedule for such Replacement Product; [redacted]. Seller shall provide Notice to Buyer of any proposed delivery of Replacement Product, including a proposed schedule of such deliveries, no later than thirty (30) days prior to the proposed delivery of such Replacement Product, and no later than thirty (30) days after the conclusion of any Performance Measurement Period with respect to which Seller proposes to deliver retroactive Replacement Product. If the Parties cannot reach agreement on a schedule of deliveries within thirty (30) days of such Notice, Seller shall have no right to deliver the proposed Replacement Product.

4.8 **WREGIS**. Seller shall, at its sole expense, take all actions and execute all documents or instruments necessary to ensure that all WREGIS Certificates associated with all Renewable Energy Credits corresponding to all Delivered Energy are issued and tracked for purposes of satisfying the requirements of the California Renewables Portfolio Standard and transferred in a timely manner to Buyer for Buyer's sole benefit. Seller shall transfer the Renewable Energy Credits to Buyer. Seller shall comply with all Laws, including the WREGIS Operating Rules, regarding the certification and transfer of such WREGIS Certificates to Buyer

and Buyer shall be given sole title to all such WREGIS Certificates. Seller shall satisfy its obligations pursuant to Section 3.10(d) and Section 4.2(b) by fulfilling its obligations under Sections 4.8(a) through (f) below.

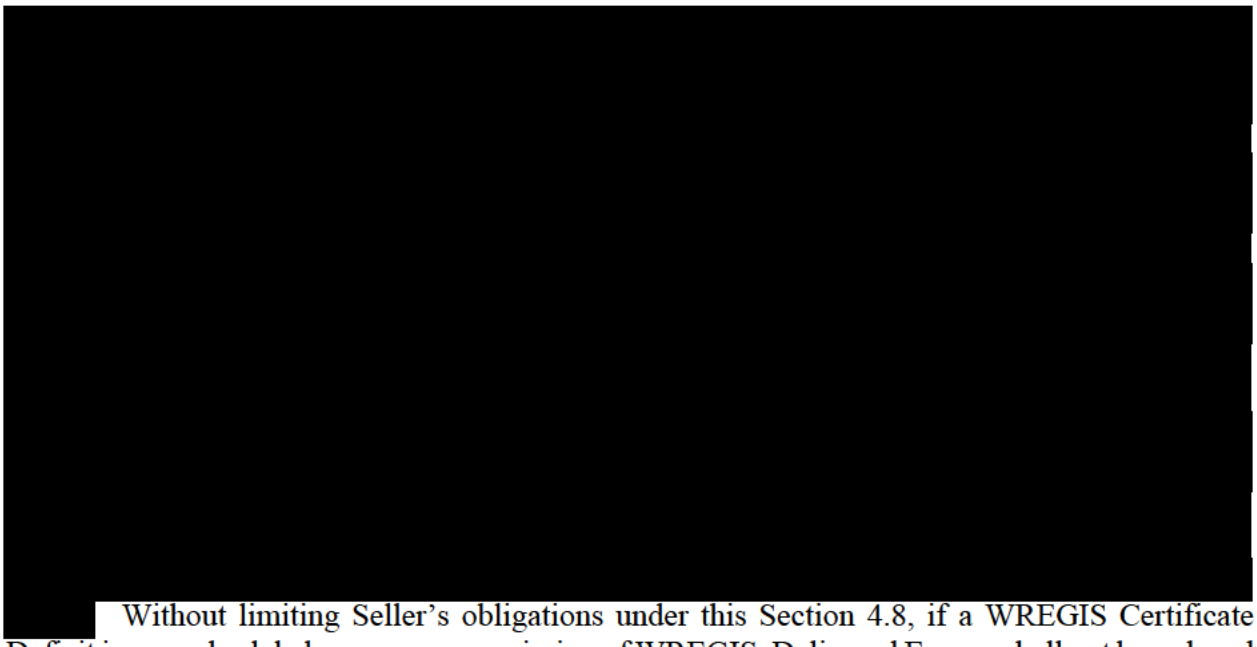
(a) Prior to the Commercial Operation Date, if practicable, and as soon as reasonably possible thereafter if not practicable, Seller shall register the Facility with WREGIS and establish an account with WREGIS ("**Seller's WREGIS Account**"), which Seller shall maintain until the end of the Delivery Term. Seller shall transfer the WREGIS Certificates using Recurring Certificate Transfers from Seller's WREGIS Account to the WREGIS account(s) of Buyer or the account(s) of a designee that Buyer identifies by Notice to Seller ("**Buyer's WREGIS Account**"). Seller shall be responsible for all expenses associated with registering the Facility with WREGIS, establishing and maintaining Seller's WREGIS Account, paying WREGIS Certificate issuance and transfer fees, and transferring WREGIS Certificates from Seller's WREGIS Account to Buyer's WREGIS Account.

(b) Seller shall cause Recurring Certificate Transfers to occur on a monthly basis in accordance with the certification procedure established by the WREGIS Operating Rules. Since WREGIS Certificates will only be created for whole MWh amounts of Energy generated, any fractional MWh amounts (i.e., kWh) will be carried forward until sufficient generation is accumulated for the creation of a WREGIS Certificate. If Seller is required to generate E-Tags associated with Delivered Energy pursuant to the CAISO Tariff, and if required by WREGIS, the CPUC, the CEC, or other applicable Law, WREGIS Certificates must be matched with E-Tags associated with the Delivered Energy and WREGIS Certificates without matching E-Tags associated with Delivered Energy will be rejected.

(c) Seller shall, at its sole expense, ensure that the WREGIS Certificates for a given calendar month correspond with the Delivered Energy for such calendar month. If Seller is required to generate E-Tags associated with Delivered Energy pursuant to the CAISO Tariff, and if matching E-Tags to Delivered Energy is required by WREGIS, the CPUC, the CEC, or other applicable Law, this shall be evidenced by the amounts corresponding to the Facility's metered data that match E-Tags associated with the Delivered Energy. Subject to delivery of Replacement Product, Seller shall ensure that no WREGIS Certificates are transferred to Buyer's WREGIS Account unless they are the result of Delivered Energy reflected in the Facility's metered data and, if Seller is required to generate E-Tags associated with Delivered Energy pursuant to the CAISO Tariff, and if matching E-Tags to Delivered Energy is required by WREGIS, the CPUC, the CEC, or other applicable Law, matched with E-Tags associated with the Delivered Energy.

(d) Due to the approximately ninety (90) day delay in the creation of WREGIS Certificates relative to the timing of invoice payment under Section 8.2, Buyer shall make an invoice payment for a given month in accordance with Section 8.2 before the WREGIS Certificates for such month are formally transferred to Buyer in accordance with the WREGIS Operating Rules and this Section 4.8. Notwithstanding this delay, Buyer shall have all right and title to all such WREGIS Certificates upon payment to Seller in accordance with Section 8.2.

(e) A "**WREGIS Certificate Deficit**" means any deficit or shortfall in WREGIS Certificates delivered to Buyer for a calendar month as compared to the Delivered Energy for the same calendar month ("**Deficient Month**"). [redacted]



Without limiting Seller's obligations under this Section 4.8, if a WREGIS Certificate Deficit is caused solely by an error or omission of WREGIS, Delivered Energy shall not be reduced pursuant to this Section 4.8(e) and the Parties shall cooperate in good faith to cause WREGIS to correct its error or omission.

(f) If WREGIS changes the WREGIS Operating Rules after the Effective Date or applies the WREGIS Operating Rules in a manner inconsistent with this Section 4.8 after the Effective Date, the Parties promptly shall modify this Section 4.8 as reasonably required to cause and enable Seller to transfer to Buyer's WREGIS Account a quantity of WREGIS Certificates for each given calendar month that corresponds to the Delivered Energy in the same calendar month.

ARTICLE 5
TAXES

5.1 **Allocation of Taxes and Charges**. Seller shall pay or cause to be paid all Taxes on or with respect to the Facility or on or with respect to the sale and delivery of Product to Buyer, that are imposed on Product prior to the Delivery Point. Buyer shall pay or cause to be paid all Taxes on or with respect to the delivery to and purchase by Buyer of the Product that are imposed on Product at and from the Delivery Point (other than withholding or other Taxes imposed on Seller's income, revenue, receipts or employees). If a Party is required to remit or pay Taxes that are the other Party's responsibility hereunder, such Party shall promptly pay the Taxes due and then seek and receive reimbursement from the other for such Taxes. In the event any sale of Product hereunder is exempt from or not subject to any particular Tax, the exempted Party shall have provided to the other Party all necessary documentation within thirty (30) days after the Effective Date evidencing such exemption or exclusion. If the exempted Party does not provide such documentation, then such Party shall indemnify, defend, and hold harmless the other Party from any liability with respect to Taxes from which the exempted Party claims it is exempt.

5.2 **Cooperation**. Each Party shall use reasonable efforts to implement the provisions of and administer this Agreement in accordance with the intent of the Parties to minimize all Taxes, so long as no Party is materially adversely affected by such efforts. The Parties shall cooperate to

minimize Tax exposure; *provided*, *however*, that neither Party shall be obligated to incur any financial or operational burden to reduce Taxes for which the other Party is responsible hereunder without receiving due compensation therefor from the other Party. All Energy delivered by Seller to Buyer hereunder shall be a sale made at wholesale, with Buyer reselling such Energy.

ARTICLE 6
MAINTENANCE OF THE FACILITY

6.1 **Maintenance of the Facility**. Seller shall comply with Law and Prudent Operating Practice relating to the operation and maintenance of the Facility and the generation and sale of Product. On or before October 1st each year, and at least sixty (60) days prior to the Commercial Operation Date, Seller shall submit to Buyer Seller's schedule of proposed Planned Outages for the next calendar year ("**Outage Schedule**"); [redacted] Seller shall provide Buyer Notice of any changes to the Outage Schedule as soon as practicable, but no later than five (5) Business Days of the date such change is made.

(a) Within twenty (20) Business Days after its receipt of an Outage Schedule, Buyer shall give Notice to Seller of any reasonable request for changes to the Outage Schedule, and Seller shall use commercially reasonable efforts to accommodate Buyer's requests regarding the timing of any Planned Outage, consistent with Prudent Operating Practices. Seller shall provide Notice to Buyer of any changes to the Outage Schedule after receiving Buyer's comments.

(b) To the extent commercially reasonable, Seller shall schedule maintenance outages within a single month, rather than across multiple months.

6.2 **Maintenance of Health and Safety**. Seller shall take reasonable safety precautions with respect to the operation, maintenance, repair and replacement of the Facility. If Seller becomes aware of any circumstances relating to the Facility that create an imminent risk of damage or injury to any Person or any Person's property, Seller shall take prompt, reasonable action to prevent such damage or injury and shall give Buyer's emergency contact identified on Exhibit K Notice of such condition. Such action may include disconnecting and removing all or a portion of the Facility, or suspending the supply of Energy to Buyer.

6.3 **Shared Facilities**. The Parties acknowledge and agree that certain of the Interconnection Facilities, Seller's rights and obligations under the Interconnection Agreement and Seller's rights and obligations under transmission service agreements with a Transmission Provider, may be subject to certain shared facilities and/or co-tenancy agreements ("**Shared Facilities Agreements**", and any such facilities, rights or obligations subject thereto, "**Shared**

Facilities") to be entered into among two or more of Seller, the Participating Transmission Owner, Seller's Affiliates, and/or third parties pursuant to which certain Interconnection Facilities, interconnection service and/or transmission service may be subject to joint ownership and/or shared maintenance and operation arrangements. Seller agrees that the Shared Facilities Agreements (i) shall not preclude Seller from performing or satisfying, and shall not purport to limit, Seller's obligations hereunder, (ii) shall provide for separate metering of the Installed Capacity, (iii) shall provide that any other generating or energy storage facilities not included in the Facility but using Shared Facilities shall not be included within the Facility's CAISO Resource IDs; and (iv) shall provide that any curtailment of the full capacity of Shared Facilities that is ordered by Transmission Provider that Seller and its Affiliates have discretion to allocate across generating or energy storage facilities using the Shared Facilities shall not be allocated to the Facility more than its pro rata portion of the total capacity of all generating or energy storage facilities using the Shared Facilities, except to the extent such curtailment is caused by the Facility or Seller's actions or inactions with respect to the Facility. Seller shall not, and shall not permit any Affiliate in respect of the Facility to, allocate to other parties a share of the total interconnection capacity under the Interconnection Agreement in excess of an amount equal to the total interconnection capacity under the Interconnection Agreement *minus* 1,495 MW; provided, Seller may share the interconnection capacity to which Seller is entitled under Seller's Interconnection Agreement with one or more of Seller's Affiliates or with third parties in excess of such amount, solely if and to the extent that, and solely for the period of time that, the amount of Energy that the Facility is capable of generating is less than 1,495 MW.

6.4 **CAISO Tariff Requirements**. Throughout the Delivery Term, Seller shall comply with all CAISO Tariff requirements applicable to the Facility throughout the Delivery Term.

ARTICLE 7
METERING

7.1 **Metering**. Seller shall measure the amount of Delivered Energy produced by the Facility using an Approved Meter. The Approved Meter shall be installed at the switching station adjacent to the SunZia East Converter Station and maintained at Seller's cost. If the Approved Meter is inaccurate, Seller will cause such meter to be promptly corrected in accordance with Prudent Operating Practice and CAISO requirements, as applicable. Seller will be responsible for any costs, fines or penalties, including imbalance charges as a result of the inaccurate meter. The meter shall be kept under seal, such seals to be broken only when the meters are to be tested, adjusted, modified or relocated. In the event Seller breaks a seal, Seller shall notify Buyer as soon as practicable. In addition, Seller hereby agrees to provide all Approved Meter data to Buyer in a form reasonably acceptable to Buyer, and consents to Buyer obtaining from CAISO the meter data directly relating to the Facility and all inspection, testing and calibration data and reports. Buyer and Seller, or Seller's Scheduling Coordinator, shall cooperate to allow both Parties to retrieve the meter reads from the CAISO Market Results Interface – Settlements (MRIS-S) (or its successor) or directly from the Approved Meter at the Facility.

7.2 **Meter Verification**. Annually, if Seller has reason to believe there may be a meter malfunction, or upon Buyer's reasonable request, Seller shall test the meter. The tests shall be conducted by independent third parties qualified to conduct such tests. Buyer shall be notified seven (7) days in advance of such tests and have a right to be present during such tests. If a meter

is inaccurate it shall be promptly repaired or replaced. If a meter is inaccurate by more than one percent (1%) and it is not known when the meter inaccuracy commenced (if such evidence exists such date will be used to adjust prior invoices), then the invoices covering the period of time since the last meter test shall be adjusted for the amount of the inaccuracy on the assumption that the inaccuracy persisted during the second half of such period.

ARTICLE 8
INVOICING AND PAYMENT; CREDIT

8.1 **Invoicing**. Seller shall make good faith efforts to deliver an invoice to Buyer no sooner than fifteen (15) days after the end of the prior monthly delivery period. Each invoice shall provide Buyer (a) records of metered data, including metering and CAISO transaction data sufficient to document and verify the amount of Delivered Energy for each Settlement Period during the preceding month, the applicable Contract Price, the LMP in the Day-Ahead Market at the Delivery Point for each Settlement Period; (b) information supporting the amount of Deemed Delivered Energy, and the amounts determined pursuant to Section 4.6(e), if applicable, and Adjusted Energy Production, (c) a reconciliation of hourly meter data, E-Tag data (to the extent required under the CAISO Tariff) and associated calculations, including the lesser of each by hour, plus any additional data as may be reasonably required by Buyer for compliance with CPUC reporting obligations, including pursuant to the CPUC's Energy Division Portfolio Content Category Classification Review Handbook (or successor publication); (d) a statement of the quantity of WREGIS Certificates transferred during the prior month that have been matched with E-Tags associated with the Delivered Energy (only if Seller is required to generate E-Tags associated with Delivered Energy pursuant to the CAISO Tariff, and if matching E-Tags to Delivered Energy is required by WREGIS, the CPUC, the CEC, or other applicable Law); (e) access to any records, including invoices or settlement data from the CAISO, necessary to verify the accuracy of any amount; (f) information as reasonably necessary to verify Contract Revenues from third-party sales pursuant to Section 4.5(b), if any; and (g) be in a reasonable format covering the services provided in the preceding month determined in accordance with the applicable provisions of this Agreement.

8.2 **Payment**. Buyer shall make payment to Seller by wire transfer or ACH payment to the bank account provided on each monthly invoice. Buyer shall pay undisputed invoice amounts within twenty five (25) days after the end of the prior monthly delivery period; *provided*, if Seller delivers an invoice to Seller after the fifteenth (15^{th}) day following the end of the prior monthly delivery period, Buyer shall pay undisputed invoice amounts no later than the tenth (10^{th}) day following delivery of such invoice. If such due date falls on a weekend or legal holiday, such due date shall be the next Business Day. Payments made after the due date will be considered late and will bear interest on the unpaid balance. If the amount due is not paid on or before the due date or if any other payment that is due and owing from one party to another is not paid on or before its applicable due date, a late payment charge shall be applied to the unpaid balance and shall be added to the next billing statement. Such late payment charge shall be calculated based on an annual Interest Rate equal to the prime rate published on the date of the invoice in The Wall Street Journal (or, if The Wall Street Journal is not published on that day, the next succeeding date of publication), [redacted] (the "**Interest Rate**"). If the due date occurs on a day that is not a Business Day, the late payment charge shall begin to accrue on the next succeeding Business Day.

8.3 **Books and Records**. To facilitate payment and verification, each Party shall maintain all books and records necessary for billing and payments, including copies of all invoices under this Agreement, for a period of at least two (2) years or as otherwise required by Law. Upon fifteen (15) days' prior Notice to the other Party, either Party shall be granted reasonable access to the accounting books and records within the possession or control of the other Party (subject to the two (2) year retention requirement of the preceding sentence) pertaining to all invoices generated pursuant to this Agreement, subject to redaction by Seller with respect to Confidential Information. Seller acknowledges that in accordance with California Government Code Section 8546.7, Seller may be subject to audit by the California State Auditor with regard to Seller's performance of this Agreement, for a period of three (3) years after final payment hereunder, because the compensation under this Agreement exceeds $10,000.

8.4 **Payment Adjustments; Billing Errors**. Payment adjustments shall be made if Buyer or Seller discovers there have been good faith inaccuracies in invoicing that are not otherwise disputed under Section 8.5, there is determined to have been a meter inaccuracy sufficient to require a payment adjustment, or if CAISO recalculates amounts due or owing in respect of prior periods. If the required adjustment is in favor of Buyer, Buyer's monthly payment shall be credited in an amount equal to the adjustment. If the required adjustment is in favor of Seller, Seller shall add the adjustment amount to Buyer's next monthly invoice. Adjustments in favor of either Buyer or Seller shall bear interest, until settled in full, in accordance with Section 8.2, accruing from the date on which the non-erring Party received Notice thereof.

8.5 **Billing Disputes**. A Party may, in good faith, dispute the correctness of any invoice or any adjustment to an invoice rendered under this Agreement or adjust any invoice for any arithmetic or computational error within twelve (12) months of the date the invoice, or adjustment to an invoice, was rendered. In the event an invoice or portion thereof, or any other claim or adjustment arising hereunder, is disputed, payment of the undisputed portion of the invoice shall be required to be made when due. Any invoice dispute or invoice adjustment shall be in writing and shall state the basis for the dispute or adjustment. Payment of the disputed amount shall not be required until the dispute is resolved. Upon resolution of the dispute, any required payment shall be made within ten (10) Business Days of such resolution along with interest accrued at the Interest Rate from and including the original due date to but excluding the date paid. Inadvertent overpayments shall be returned upon request or deducted by the Party receiving such overpayment from subsequent payments, with interest accrued at the Interest Rate from and including the date of such overpayment but excluding the date repaid or deducted by the Party receiving such overpayment. Any dispute with respect to an invoice is waived if the other Party is not notified in accordance with this Section 8.5 within twelve (12) months after the invoice is rendered or subsequently adjusted, except to the extent any misinformation was from a third party not affiliated with any Party and such third party corrects its information after the twelve-month period. If an invoice is not rendered within twelve (12) months after the close of the month during which performance occurred, the right to payment for such performance is waived.

8.6 **Netting of Payments**. The Parties hereby agree that they shall discharge mutual debts and payment obligations due and owing to each other on the same date through netting, in which case all undisputed amounts owed by each Party to the other Party for the purchase and sale of Product during the monthly billing period under this Agreement or otherwise arising out of this Agreement, including any related damages calculated pursuant to Exhibits B and E, interest, and

payments or credits, including pursuant to Section 4.3(c), shall be netted so that only the excess amount remaining due shall be paid by the Party who owes it.

8.7 **Seller's Development Security**. To secure its obligations under this Agreement, Seller shall deliver the Development Security to Buyer within thirty (30) days after the Effective Date. Seller shall maintain the Development Security in full force and effect. Upon the earlier of (A) Seller's delivery of the Performance Security, or (B) sixty (60) days after termination of this Agreement, Buyer shall return the Development Security to Seller, less the amounts drawn in accordance with this Agreement. If and to the extent that any portion of the Development Security is a Letter of Credit and the issuer of such Letter of Credit (i) fails to maintain a Credit Rating of at least "A-" by S&P or "A3" by Moody's, (ii) indicates its intent not to renew such Letter of Credit and such Letter of Credit expires prior to the Commercial Operation Date, (iii) fails to honor Buyer's properly documented request to draw on such Letter of Credit, or (iv) becomes Bankrupt, Seller shall have ten (10) Business Days to post substitute collateral that meets the requirements set forth in the definition of Development Security. If and to the extent that any portion of the Development Security is a Guaranty, Seller shall (i) provide prompt Notice to Buyer if Guarantor becomes Bankrupt or otherwise fails to meet the criteria for an acceptable Guarantor as set forth in clauses (c) and (d) of the definition of Guarantor, but not later than ten (10) Business Days after Seller becomes aware of such development and (ii) post substitute collateral that meets the requirements set forth in the definition of Development Security within ten (10) Business Days. Seller shall have no obligation to replenish the Development Security following any draws thereon by Buyer. Seller's maximum liability for an Event of Default or failure to perform its obligations hereunder prior to the Commercial Operation Date shall be capped at the amount of the Development Security, less any amounts collected by Buyer prior to such Event of Default or failure to perform.

8.8 **Seller's Performance Security**. To secure its obligations under this Agreement, Seller shall deliver Performance Security to Buyer on or before the Commercial Operation Date. Seller shall maintain the Performance Security in full force and effect until the following have occurred: (A) the Delivery Term has expired or terminated early; and (B) all payment obligations of the Seller arising under this Agreement, including compensation for penalties, Termination Payment, indemnification payments or other damages are paid in full (whether directly or indirectly such as through set-off or netting). Following the occurrence of both events, Buyer shall promptly return to Seller the unused portion of the Performance Security. Within ten (10) Business Days following any draw by Buyer on the Performance Security, Seller shall replenish the amount drawn such that Performance Security is restored to the amount on Cover Sheet. If and to the extent that any portion of the Performance Security is a Letter of Credit and the issuer of such Letter of Credit (i) fails to maintain a Credit Rating of at least "A-" by S&P or "A3" by Moody's, (ii) fails to honor Buyer's properly documented request to draw on such Letter of Credit, or (iii) becomes Bankrupt, Seller shall have ten (10) Business Days to post substitute collateral that meets the requirements set forth in the definition of Performance Security. If and to the extent that any portion of the Performance Security is a Guaranty, Seller shall (i) provide prompt Notice to Buyer if Guarantor becomes Bankrupt or otherwise fails to meet the criteria for an acceptable Guarantor as set forth in clauses (c) and (d) of the definition of Guarantor, but not later than ten (10) Business Days after Seller becomes aware of such development and (ii) post substitute collateral that meets the requirements set forth in the definition of Performance Security within ten (10) Business Days.



8.10 **Buyer's First Priority Security Interest in Cash or Cash Equivalent Collateral**. To secure its obligations under this Agreement, and until released as provided herein, Seller hereby grants to Buyer a present and continuing first-priority security interest in, and lien on (and right to net against), and assignment of the Development Security or Performance Security, any other cash collateral and cash equivalent collateral posted by Seller and any and all interest thereon or proceeds resulting therefrom or from the liquidation thereof, whether now or hereafter held by, on behalf of, or for the benefit of Buyer, and Seller agrees to take all action as Buyer reasonably requires in order to perfect Buyer's first-priority security interest in, and lien on (and right to net against), such collateral and any and all proceeds resulting therefrom or from the liquidation thereof.

Upon or any time after the occurrence of an Event of Default caused by Seller, an Early Termination Date resulting from an Event of Default caused by Seller, or an occasion provided for in this Agreement where Buyer is authorized to retain all or a portion of the Development Security or Performance Security, Buyer may do any one or more of the following (in each case subject to the final sentence of this Section 8.10, the final sentence of Section 11.2 and the provisions of Article 12):

(a) Exercise any of its rights and remedies with respect to the Development Security or Performance Security, as applicable, including any such rights and remedies under Law then in effect;

(b) Draw on any outstanding Letter of Credit issued for its benefit and retain any cash held by Buyer as Development Security or Performance Security, as applicable; and

(c) Liquidate all Development Security or Performance Security, as applicable then held by or for the benefit of Buyer free from any claim or right of any nature whatsoever of Seller, including any equity or right of purchase or redemption by Seller.

Buyer shall apply the proceeds of the collateral realized upon the exercise of any such rights or remedies to reduce Seller's obligations under this Agreement (Seller remains liable for any amounts owing to Buyer after such application), subject to Buyer's obligation to return any surplus proceeds remaining after these obligations are satisfied in full.

8.11 **Buyer Financial Statements**. Buyer shall provide to Seller, both upon request and as indicated below: (a) within ninety (90) days following the end of each fiscal quarter, an unaudited quarterly financial statement of Buyer (including a balance sheet and statements of income and cash flows) prepared in accordance with generally accepted accounting principles as promulgated by the Government Accounting Standards Board in the United States, consistently applied; (b) within one hundred and eighty (180) days following the end of each fiscal year, annual

financial statements of Buyer (including a balance sheet and statements of income and cash flows) prepared in accordance with the requirements of California law applicable to Joint Powers Authorities; (c) as available, Buyer's annual report; (d) reserve levels; (e) subscription and opt out rates; and (f) other financial and operational information as may be reasonably requested by the Seller's financing parties from time to time; *provided* that nothing in this Section 8.11 shall require Buyer to provide information that is not generally available to Buyer as part of its normal accounting and financing reporting processes. Notwithstanding anything to the contrary herein, the provisions of this Section 8.11 shall not apply so long as Buyer obtains and maintains a publicly available Investment Grade Credit Rating.

8.12 **Buyer Lockbox Arrangement**.

(a) To secure Buyer's obligations under this Agreement, Seller shall have the right to execute a Joinder, which shall allow Seller to become a PPA Provider and Secured Creditor under the Intercreditor and Collateral Agency Agreement for so long as Buyer is subject to the Security Agreement and Lockbox Account (or any successor arrangement generally available to Buyer's creditors) (the current arrangement and any successor arrangement generally available to Buyer's creditors is the "**Buyer Lockbox Arrangement**"); *provided*, *however*, that if Buyer (i) has an Investment Grade Credit Rating, or (ii) provides Buyer Performance Security, then so long as Buyer is not in default under this Agreement or the Buyer Lockbox Arrangement, Buyer may, at the direction of its Board, request the dissolution of the Buyer Lockbox Arrangement and Seller hereby agrees that (x) its security interest under the Buyer Lockbox Arrangement shall terminate, without further action, effective upon the termination of the security interests of all other PPA Providers under the Buyer Lockbox Arrangement and (y) if requested by Buyer, Seller would promptly execute a written termination statement confirming such termination in accordance with the Buyer Lockbox Arrangement. If the Buyer Lockbox Arrangement is dissolved as a result of Buyer obtaining a privately issued Investment Grade Credit Rating, Buyer shall provide to Seller, within ten (10) Business Days of its receipt or sending by Buyer from time to time, for so long as Buyer does not maintain a Buyer Lockbox Arrangement, all correspondence with the rating agency(ies) providing a Credit Rating to Buyer. If, subsequent to the dissolution and termination of the Buyer Lockbox Arrangement, Buyer has obtained a privately issued Investment Grade Credit Rating and Seller has reasonable grounds to believe that Buyer's Credit Rating is no longer an Investment Grade Credit Rating, Buyer will make commercially reasonable efforts, within thirty (30) days of Seller's request, to obtain an update of its Credit Rating. If, subsequent to the dissolution and termination of the Buyer Lockbox Arrangement, Buyer ceases to maintain the Investment Grade Credit Rating under clause (i) of this Section 8.12(a) or fails to maintain the Buyer Performance Security required under clause (ii) of this Section 8.12(a), then Buyer shall within five (5) Business Days either post replacement Buyer Performance Security or enter into a substantially similar successor Buyer Lockbox Arrangement under which Seller is allowed to become a PPA Provider and Secured Creditor.

(b) Under the Buyer Lockbox Arrangement:

(i) Buyer shall provide Notice to Seller of the termination of all security interests under the Security Agreement at least five (5) Business Days prior to such termination.

(ii) Buyer further agrees it will not create any additional security interests (i) under the Security Agreement on terms more favorable than those currently offered to Seller, or (ii) under any arrangement similar to the Security Agreement that is generally available to Buyer's creditors unless Seller is offered the right to participate in such arrangement on terms no less favorable than those offered to the other participants.

(iii) In addition, so long as Buyer is not in default under this Agreement, the Intercreditor and Collateral Agency Agreement and the Security Agreement, Buyer may request the dissolution of the current Buyer Lockbox Arrangement in order to enter into a substantially similar successor Buyer Lockbox Arrangement and, provided that Seller is allowed to become a PPA Provider and Secured Creditor under the successor Buyer Lockbox Arrangement, Seller hereby agrees that (x) its security interest under the Security Agreement shall terminate, without further action, effective upon the termination of the security interests of all other PPA Providers under the Security Agreement, and (y) if requested by Buyer, Seller would promptly execute a written termination statement confirming such termination in accordance with Section 7.12 of the Security Agreement.

ARTICLE 9
NOTICES

9.1 **Addresses for the Delivery of Notices**. Any Notice required, permitted, or contemplated hereunder shall be in writing, shall be addressed to the Party to be notified at the physical or electronic addresses set forth on Exhibit K or at such other address or addresses as a Party may designate for itself from time to time by Notice hereunder.

9.2 **Acceptable Means of Delivering Notice**. Each Notice required, permitted, or contemplated hereunder shall be deemed to have been validly served, given or delivered as follows: (a) if sent by United States mail with proper first class postage prepaid, three (3) Business Days following the date of the postmark on the envelope in which such Notice was deposited in the United States mail; (b) if sent by a regularly scheduled overnight delivery carrier with delivery fees either prepaid or an arrangement with such carrier made for the payment of such fees, the next Business Day after the same is delivered by the sending Party to such carrier; (c) if sent by electronic communication (including email or other electronic means), at the time indicated by the time stamp upon delivery; or (d) if delivered in person, upon receipt by the Receiving Party. Notwithstanding the foregoing, Notices of outages or other scheduling or dispatch information or requests may be sent by electronic communication and shall be considered delivered upon successful completion of such transmission. In addition, for any Notice sent pursuant to (a), (b) or (d) above, the Party sending such Notice shall send a courtesy copy by email to the email address provided in Exhibit K.

ARTICLE 10
FORCE MAJEURE

10.1 **Definition**.

(a) "**Force Majeure Event**" means any act or event that delays or prevents a Party from timely performing all or a portion of its obligations under this Agreement or from

complying with all or a portion of the conditions under this Agreement if such act or event, which event or circumstance was not anticipated as of the Effective Date and despite the exercise of reasonable efforts, cannot be avoided by and is beyond the reasonable control (whether direct or indirect) of and without the fault or negligence of the Party relying thereon as justification for such delay, nonperformance, or noncompliance.

(b) Without limiting the generality of the foregoing, so long as the following events, despite the exercise of reasonable efforts, cannot be avoided by, and are beyond the reasonable control (whether direct or indirect) of and without the fault or negligence of the Party relying thereon as justification for such delay, nonperformance or noncompliance, a Force Majeure Event may include an act of God or the elements, such as flooding, lightning, hurricanes, tornadoes, or ice storms; explosion; fire; volcanic eruption; flood; epidemic, or pandemic, including COVID-19 (but only to the extent that new governmental rules or mandates related to COVID-19 are implemented that were not in place as of the Effective Date); landslide; mudslide; sabotage; terrorism; earthquake; or other cataclysmic events; an act of public enemy; acts or failure to act by a Governmental Authority; war; blockade; civil insurrection; riot; civil disturbance; serial defect; or strikes or other labor difficulties caused or suffered by a Party or any third party except as set forth below.

(c) Notwithstanding the foregoing, the term "Force Majeure Event" does not include (i) economic conditions that render a Party's performance of this Agreement at the Contract Price unprofitable or otherwise uneconomic (including Buyer's ability to buy Energy at a lower price, or Seller's ability to sell Energy generated by the Facility at a higher price, than the Contract Price); (ii) Seller's inability to obtain permits or approvals of any type for the construction, operation, or maintenance of the Facility, except to the extent such inability is caused by a Force Majeure Event; (iii) the inability of a Party to make payments when due under this Agreement, unless the cause of such inability is a disruption of payment systems caused by a Force Majeure Event; (iv) a Curtailment Order, except to the extent that a Curtailment Order is caused by an event that otherwise qualifies as a Force Majeure Event; (v) Seller's inability to obtain sufficient labor, equipment, materials, or other resources to build or operate the Facility except to the extent such inability is caused by a Force Majeure Event; (vi) a strike, work stoppage or labor dispute limited only to any one or more of Seller, Seller's Affiliates, Seller's contractors, their subcontractors thereof or any other third party employed by Seller to work on the Facility; (vii) any equipment failure except if such equipment failure is caused by a Force Majeure Event; or (viii) except as the Guaranteed Commercial Operation Date may be extended as a result of a Development Cure Period, Seller's inability to achieve Commercial Operation following the Guaranteed Commercial Operation Date; or (ix) any action or inaction by any third party, including Transmission Provider, that delays or prevents the approval, construction or placement in service of any Interconnection Facilities or Network Upgrades, except to the extent caused by a Force Majeure Event.

10.2 **No Liability If a Force Majeure Event Occurs**. Neither Seller nor Buyer shall be liable to the other Party in the event it is prevented from performing its obligations hereunder in whole or in part due to a Force Majeure Event. The Party rendered unable to fulfill any obligation by reason of a Force Majeure Event shall take reasonable actions necessary to remove such inability with due speed and diligence. Nothing herein shall be construed as permitting that Party to continue to fail to perform after said cause has been removed. The obligation to use due

speed and diligence shall not be interpreted to require resolution of labor disputes by acceding to demands of the opposition when such course is inadvisable in the discretion of the Party having such difficulty. Neither Party shall be considered in breach or default of this Agreement if and to the extent that any failure or delay in the Party's performance of one or more of its obligations hereunder is caused by a Force Majeure Event. The occurrence and continuation of a Force Majeure Event shall not (a) suspend or excuse the obligation of a Party to make any payments due hereunder, except as provided above, (b) [redacted] or (c) limit Buyer's right to declare an Event of Default pursuant to Section 11.1(b)(iv) after all applicable extensions of the Guaranteed Commercial Operation Date, and receive a Damage Payment upon exercise of Buyer's remedies pursuant to Section 11.2. Any delays caused by a Force Majeure Event will not serve to increase the Contract Term of this Agreement.

10.3 **Notice**. In the event of any delay or nonperformance resulting from a Force Majeure Event, the Party suffering the Force Majeure Event shall (a) as soon as practicable, notify the other Party in writing of the nature, cause, estimated date of commencement thereof, the anticipated extent of any delay or interruption in performance, and, to the extent reasonably practicable, a mitigation plan for limiting or overcoming the impacts of the Force Majeure Event and (b) notify the other Party in writing of the cessation or termination of such Force Majeure Event, all as known or estimated in good faith by the affected Party; *provided*, *however*, that a Party's failure to give timely Notice shall not affect such Party's ability to assert that a Force Majeure Event has occurred unless the delay in giving Notice materially prejudices the other Party. Upon written request from the non-claiming Party, the Party claiming that a Force Majeure Event has delayed or interrupted its performance shall provide documentation demonstrating that the claimed delay or interruption was the result of a Force Majeure Event and the delay or interruption did not result from the affected Party's actions or failure to take reasonable actions to mitigate the impacts of the Force Majeure Event.

10.4 **Termination Following Force Majeure Event**. If a Force Majeure Event has occurred after the Commercial Operation Date that has caused either Party to be unable to perform its material obligations hereunder, and has continued for a consecutive twelve (12) month period, then the non-claiming Party may terminate this Agreement upon Notice to the other Party experiencing the Force Majeure Event; *provided* that if Seller is the Party claiming such Force Majeure Event and such Force Majeure Event cannot reasonably be cured within such twelve (12) month period, then Seller may provide a plan to Buyer, which must be acceptable to Buyer in its reasonable discretion, to cure such Force Majeure Event within an additional six (6) month period and Buyer may not terminate this Agreement due to such Force Majeure Event unless Seller has not resumed performance of its material obligations hereunder upon the expiration of such additional six (6) month period. Upon any such termination, the non-claiming Party shall have no liability to the Party claiming Force Majeure Event, save and except for those obligations specified in Section 2.1(b).

ARTICLE 11
DEFAULTS; REMEDIES; TERMINATION

11.1 **Events of Default**. An "**Event of Default**" shall mean,

(a) with respect to a Party (the "**Defaulting Party**") that is subject to the Event of Default the occurrence of any of the following:

(i) the failure by such Party to make, when due, any payment required pursuant to this Agreement and such failure is not remedied within [redacted] after Notice thereof;

(ii) any representation or warranty made by such Party herein is false or misleading in any material respect when made or when deemed made or repeated, and such representation or warranty is not corrected within [redacted] after Notice thereof; *provided*, that this [redacted] period shall be extended by up to an additional [redacted] if (a) the breach cannot reasonably be cured within the [redacted] period despite diligent efforts, (b) the default is capable of being cured within the additional [redacted] period, and (c) the Defaulting Party commences the cure within the original [redacted] period and is at all times thereafter diligently and continuously proceeding to cure the breach;

(iii) the failure by such Party to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default) and such failure is not remedied within [redacted] after Notice thereof; *provided*, that this [redacted] period shall be extended by an additional [redacted] if (a) the breach cannot reasonably be cured within the [redacted] period despite diligent efforts, (b) the default is capable of being cured within the additional [redacted] period, and (c) the Defaulting Party commences the cure within the original [redacted] period and is at all times thereafter diligently and continuously proceeding to cure the breach;

(iv) failure by such Party to satisfy the collateral requirements pursuant to Sections 8.7, 8.8 or 8.11, as applicable;

(v) such Party becomes Bankrupt;

(vi) such Party assigns this Agreement or any of its rights hereunder other than in compliance with Sections 14.1, 14.2 or 14.3, as appropriate; or

(vii) such Party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting, surviving or transferee entity fails to assume all the obligations of such Party under this Agreement by operation of Law or pursuant to an agreement reasonably satisfactory to the other Party.

(b) with respect to Seller as the Defaulting Party, the occurrence of any of the following:

(i) except as otherwise provided herein, if at any time, Seller delivers or attempts to deliver Energy to the Delivery Point for sale under this Agreement that was not generated by the Facility;

(ii) with respect to any Guaranty provided for the benefit of Buyer, the failure by Seller to provide for the benefit of Buyer either (1) cash, (2) a replacement Guaranty from a different Guarantor meeting the criteria set forth in the definition of Guarantor, or (3) a replacement Letter of Credit from an issuer meeting the criteria set forth in the definition of Letter of Credit, in each case, in the amount required hereunder within [redacted] after Seller receives Notice of the occurrence of any of the following events:

(A) if any representation or warranty made by the Guarantor in connection with this Agreement is false or misleading in any material respect when made or when deemed made or repeated, and such representation or warranty is not remedied within [redacted] after Notice thereof;

(B) the failure of the Guarantor to make any payment required or to perform any other material covenant or obligation in any Guaranty;

(C) the Guarantor becomes Bankrupt;

(D) the Guarantor shall fail to meet the criteria for an acceptable Guarantor as set forth in the definition of Guarantor;

(E) the failure of the Guaranty to be in full force and effect (other than in accordance with its terms) prior to the indefeasible satisfaction of all obligations of Seller hereunder; or

(F) the Guarantor shall repudiate, disaffirm, disclaim, or reject, in whole or in part, or challenge the validity of any Guaranty; or

(iii) with respect to any outstanding Letter of Credit provided for the benefit of Buyer that is not then required under this Agreement to be canceled or returned, the failure by Seller to provide for the benefit of Buyer either (1) cash, or (2) a replacement Guaranty from a Guarantor meeting the criteria set forth in the definition of Guarantor, or (3) a substitute Letter of Credit from a different issuer meeting the criteria set forth in the definition of Letter of Credit, in each case, in the amount required hereunder within [redacted] after Seller receives Notice of the occurrence of any of the following events:

(A) the issuer of the outstanding Letter of Credit shall fail to maintain a Credit Rating of at least "A-" by S&P or "A3" by Moody's;

(B) the issuer of such Letter of Credit becomes Bankrupt;

(C) the issuer of the outstanding Letter of Credit shall fail to comply with or perform its obligations under such Letter of Credit and such failure shall be continuing after the lapse of any applicable grace period permitted under such Letter of Credit;

(D) the issuer of the outstanding Letter of Credit shall fail to honor a properly documented request to draw on such Letter of Credit;

(E) the issuer of the outstanding Letter of Credit shall disaffirm, disclaim, repudiate or reject, in whole or in part, or challenge the validity of, such Letter of Credit;

(F) such Letter of Credit fails or ceases to be in full force and effect at any time; or

(G) Seller shall fail to renew or cause the renewal of each outstanding Letter of Credit on a timely basis as provided in the relevant Letter of Credit and as provided in accordance with this Agreement, and in no event less than [redacted] prior to the expiration of the outstanding Letter of Credit.

[redacted]

[redacted]

(c) with respect to Buyer as the Defaulting Party, the failure of Buyer to comply with the requirements of Section 8.12.

11.2 **Remedies; Declaration of Early Termination Date**. If an Event of Default with respect to a Defaulting Party shall have occurred and be continuing, the other Party ("**Non-Defaulting Party**") shall have the following rights:

(a) to send Notice, designating a day, no earlier than the day such Notice is deemed to be received and no later than twenty (20) days after such Notice is deemed to be received, as an early termination date of this Agreement ("**Early Termination Date**") that terminates this Agreement (the "**Terminated Transaction**") and ends the Contract Term effective as of the Early Termination Date;

(b) to accelerate all amounts owing between the Parties, and to collect as liquidated damages (i) the Damage Payment (in the case of an Event of Default occurring before the Commercial Operation Date) or (ii) the Termination Payment calculated in accordance with Section 11.3 below (in the case of an Event of Default occurring on or after the Commercial Operation Date);

(c) to withhold any payments due to the Defaulting Party under this Agreement;

(d) to suspend performance; and

(e) to exercise any other right or remedy available at Law or in equity, including specific performance or injunctive relief, except to the extent such remedies are expressly limited under this Agreement;

provided, that payment by the Defaulting Party of the Damage Payment or Termination Payment, as applicable, shall constitute liquidated damages and the Non-Defaulting Party's sole and exclusive remedy for the Terminated Transaction and the Event of Default related thereto.

11.3 **Damage Payment; Termination Payment**.

(a) Damage Payment Prior to Commercial Operation Date. If the Early Termination Date occurs before the Commercial Operation Date, then the Damage Payment shall be calculated in accordance with this Section 11.3(a):

(i) If Seller is the Defaulting Party, then the Damage Payment shall be owed to Buyer and shall be a dollar amount that equals the amount of the Development Security as set forth on the Cover Sheet plus, if the Development Security is posted as cash, any interest accrued thereon. Buyer shall be entitled to immediately retain for its own benefit any Delay Damages paid by Seller, plus those funds held as Development Security and any interest accrued thereon if the Development Security is posted as cash, and any amount of Development Security that Seller has not yet posted with Buyer shall be

immediately due and payable by Seller to Buyer. There will be no amounts owed to Seller. The Parties agree that Buyer's damages in the event of an Early Termination Date prior to the Commercial Operation Date caused by Seller's default would be difficult or impossible to determine and that the damages set forth in this Section 11.3(a)(i) are a reasonable approximation of Buyer's harm or loss.

(ii) If Buyer is the Defaulting Party, then the Damage Payment shall equal to the Termination Payment as set forth in Section 11.3(b) below, calculated as of the Early Termination Date. The Parties agree that Seller's damages in the event of an Early Termination Date prior to the Commercial Operation Date caused by Buyer's default would be difficult or impossible to determine and that the damages set forth in this Section 11.3(a)(ii) are a reasonable approximation of Seller's harm or loss.

(b) Termination Payment On or After the Commercial Operation Date. The Termination Payment for a Terminated Transaction occurring after the Commercial Operation Date ("**Termination Payment**") shall be the aggregate of all Settlement Amounts plus any or all other amounts due to the Non-Defaulting Party netted into a single amount. The Non-Defaulting Party shall calculate, in a commercially reasonable manner, a Settlement Amount for the Terminated Transaction as of the Early Termination Date. Third parties (which shall not include Affiliates of the Non-Defaulting Party) supplying information for purposes of the calculation of Gains or Losses may include, without limitation, dealers in the relevant markets, end-users of the relevant product, information vendors and other sources of market information. The Settlement Amount shall not include consequential, incidental, punitive, exemplary, indirect or business interruption damages; *provided*, *however*, that any lost Green Attributes shall be deemed direct damages covered by this Agreement. Without prejudice to the Non-Defaulting Party's duty to mitigate, the Non-Defaulting Party shall not have to enter into replacement transactions to establish a Settlement Amount. Each Party agrees and acknowledges that (a) the actual damages that the Non-Defaulting Party would incur in connection with a Terminated Transaction would be difficult or impossible to predict with certainty, (b) the Termination Payment described in this Section is a reasonable and appropriate approximation of such damages, and (c) the Termination Payment described in this Section is the exclusive remedy of the Non-Defaulting Party in connection with a Terminated Transaction but shall not otherwise act to limit any of the Non-Defaulting Party's rights or remedies if the Non-Defaulting Party does not elect a Terminated Transaction as its remedy for an Event of Default by the Defaulting Party.

11.4 **Notice of Payment of Termination Payment**. As soon as practicable after a Terminated Transaction, Notice shall be given by the Non-Defaulting Party to the Defaulting Party of the amount of the Termination Payment and whether the Termination Payment is due to the Non-Defaulting Party. The Notice shall include a written statement explaining in reasonable detail the calculation of such amount and the sources for such calculation. The Termination Payment shall be made to the Non-Defaulting Party, as applicable, within ten (10) Business Days after such Notice is effective.

11.5 **Disputes With Respect to Termination Payment**. If the Defaulting Party disputes the Non-Defaulting Party's calculation of the Termination Payment, in whole or in part, the Defaulting Party shall, within five (5) Business Days of receipt of the Non-Defaulting Party's calculation of the Termination Payment, provide to the Non-Defaulting Party a detailed written

explanation of the basis for such dispute. Disputes regarding the Termination Payment shall be determined in accordance with Article 15.

11.6 **Rights And Remedies Are Cumulative**. Except where liquidated damages are provided as the exclusive remedy, the rights and remedies of a Party pursuant to this Article 11 shall be cumulative and in addition to the rights of the Parties otherwise provided in this Agreement.

11.7 **Mitigation**. Any Non-Defaulting Party shall use commercially reasonable efforts to mitigate its Costs, Losses and damages resulting from any Event of Default of the other Party under this Agreement.



ARTICLE 12
LIMITATION OF LIABILITY AND EXCLUSION OF WARRANTIES

12.1 **No Consequential Damages**. EXCEPT TO THE EXTENT PART OF AN EXPRESS REMEDY OR MEASURE OF DAMAGES HEREIN OR AN INDEMNITY CLAIM UNDER ARTICLE 16, NEITHER PARTY SHALL BE LIABLE TO THE OTHER OR ITS INDEMNIFIED PERSONS FOR ANY SPECIAL, PUNITIVE, EXEMPLARY, INDIRECT, OR CONSEQUENTIAL DAMAGES, OR LOSSES OR DAMAGES FOR LOST REVENUE OR LOST PROFITS, WHETHER FORESEEABLE OR NOT, ARISING OUT OF, OR IN CONNECTION WITH THIS AGREEMENT, BY STATUTE, IN TORT OR CONTRACT, OR OTHERWISE.

12.2 **Waiver and Exclusion of Other Damages**. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. ALL LIMITATIONS OF LIABILITY CONTAINED IN THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THOSE PERTAINING TO THE PARTIES' LIMITATION OF LIABILITY AND THE PARTIES' WAIVER OF CONSEQUENTIAL DAMAGES, SHALL APPLY EVEN IF THE

REMEDIES FOR BREACH OF WARRANTY PROVIDED IN THIS AGREEMENT ARE DEEMED TO "FAIL OF THEIR ESSENTIAL PURPOSE" OR ARE OTHERWISE HELD TO BE INVALID OR UNENFORCEABLE.

NOTWITHSTANDING ANYTHING ELSE HEREIN TO THE CONTRARY, PRIOR TO THE COMMERCIAL OPERATION DATE, SELLER'S AGGREGATE LIABILITY ARISING UNDER OR RELATED TO THIS AGREEMENT FOR ANY AND ALL REASONS SHALL NOT EXCEED THE SUM OF (A) THE AMOUNT OWING OR PAID BY SELLER IN RESPECT OF DELAY DAMAGES, IF ANY, AND (B) THE AMOUNT OF THE DAMAGE PAYMENT OWED BY SELLER, IF ANY.

FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS AND EXCLUSIVE REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED.

IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN, THE OBLIGOR'S LIABILITY SHALL BE LIMITED TO DIRECT DAMAGES ONLY. THE VALUE OF ANY RENEWABLE ENERGY INCENTIVES (INCLUDING ANY TAX CREDITS) NOT GENERATED OR OBTAINED DUE TO BUYER'S DEFAULT (WHICH SELLER HAS NOT BEEN ABLE TO MITIGATE AFTER USE OF REASONABLE EFFORTS) AND AMOUNTS DUE IN CONNECTION WITH THE RECAPTURE OR REPAYMENT OF ANY RENEWABLE ENERGY INCENTIVES DUE TO OR RESULTING FROM BUYER'S DEFAULT, IF ANY, SHALL BE DEEMED TO BE DIRECT DAMAGES.

TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, INCLUDING UNDER SECTIONS 4.7, 11.2 AND 11.3, AND AS PROVIDED IN EXHIBIT B AND EXHIBIT E, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, THAT OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT, AND THAT THE LIQUIDATED DAMAGES CONSTITUTE A REASONABLE APPROXIMATION OF THE ANTICIPATED HARM OR LOSS. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. THE PARTIES HEREBY WAIVE ANY RIGHT TO CONTEST SUCH PAYMENTS AS AN UNREASONABLE PENALTY.

THE PARTIES ACKNOWLEDGE AND AGREE THAT MONEY DAMAGES AND THE EXPRESS REMEDIES PROVIDED FOR HEREIN ARE AN ADEQUATE REMEDY FOR THE BREACH BY THE OTHER OF THE TERMS OF THIS AGREEMENT, AND EACH PARTY WAIVES ANY RIGHT IT MAY HAVE TO SPECIFIC PERFORMANCE WITH RESPECT TO ANY OBLIGATION OF THE OTHER PARTY UNDER THIS AGREEMENT.

ARTICLE 13
REPRESENTATIONS AND WARRANTIES; AUTHORITY

13.1 **Seller's Representations and Warranties**. As of the Effective Date, Seller represents and warrants as follows:

(a) Seller is a limited liability company, duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation, and is qualified to conduct business in each jurisdiction where the failure to so qualify would have a material adverse effect on the business or financial condition of Seller.

(b) Seller has the power and authority to enter into and perform this Agreement and is not prohibited from entering into this Agreement or discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement, except where such failure does not have a material adverse effect on Seller's performance under this Agreement. The execution, delivery and performance of this Agreement by Seller has been duly authorized by all necessary corporate action on the part of Seller and does not and will not require the consent of any trustee or holder of any indebtedness or other obligation of Seller or any other party to any other agreement with Seller.

(c) The execution and delivery of this Agreement, consummation of the transactions contemplated herein, and fulfillment of and compliance by Seller with the provisions of this Agreement will not conflict with or constitute a breach of or a default under any Law presently in effect having applicability to Seller, subject to any permits that have not yet been obtained by Seller, the documents of formation of Seller or any outstanding trust indenture, deed of trust, mortgage, loan agreement or other evidence of indebtedness or any other agreement or instrument to which Seller is a party or by which any of its property is bound.

(d) This Agreement has been duly executed and delivered by Seller. This Agreement is a legal, valid and binding obligation of Seller enforceable in accordance with its terms, except as limited by Laws of general applicability limiting the enforcement of creditors' rights or by the exercise of judicial discretion in accordance with general principles of equity.

13.2 **Buyer's Representations and Warranties.** As of the Effective Date, Buyer represents and warrants as follows:

(a) Buyer is a California Joint Powers Authority, duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation, and is qualified to conduct business in each jurisdiction where the failure to so qualify would have a material adverse effect on the business or financial condition of Buyer.

(b) Buyer has the power and authority to enter into and perform this Agreement and is not prohibited from entering into this Agreement or discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement, except where such failure does not have a material adverse effect on Buyer's performance under this Agreement. The execution, delivery and performance of this Agreement by Buyer has been duly authorized by all necessary action on the part of Buyer and does not and will not require the consent

of any trustee or holder of any indebtedness or other obligation of Buyer or any other party to any other agreement with Buyer.

(c) The execution and delivery of this Agreement, consummation of the transactions contemplated herein, and fulfillment of and compliance by Buyer with the provisions of this Agreement will not conflict with or constitute a breach of or a default under any Law presently in effect having applicability to Buyer, including but not limited to community choice aggregation, competitive bidding, public notice, open meetings, election, referendum, or prior appropriation requirements, the documents of formation of Buyer or any outstanding trust indenture, deed of trust, mortgage, loan agreement or other evidence of indebtedness or any other agreement or instrument to which Buyer is a party or by which any of its property is bound.

(d) This Agreement has been duly executed and delivered by Buyer. This Agreement is a legal, valid and binding obligation of Buyer enforceable in accordance with its terms, except as limited by Laws of general applicability limiting the enforcement of creditors' rights or by the exercise of judicial discretion in accordance with general principles of equity.

13.3 **General Covenants**. Each Party covenants that commencing on the Effective Date and continuing throughout the Contract Term:

(a) It shall continue to be duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation and to be qualified to conduct business in each jurisdiction where the failure to so qualify would have a material adverse effect on its business or financial condition;

(b) It shall maintain (or obtain from time to time as required) all regulatory authorizations necessary for it to legally perform its obligations under this Agreement; and

(c) It shall perform its obligations under this Agreement in compliance with all terms and conditions in its governing documents and any contracts to which it is a party and in material compliance with any Law.

ARTICLE 14
ASSIGNMENT

14.1 **General Prohibition on Assignments**. Except as provided below, neither Party may voluntarily assign this Agreement or its rights or obligations under this Agreement, without the written consent of the other Party, which consent shall not be unreasonably withheld. Any direct or indirect Change of Control of a Party (whether voluntary or by operation of Law) will be deemed an assignment and will require the prior written consent of the other Party, except as provided in Section 14.3. Any assignment made without required written consent, or in violation of the conditions to assignment set out below, shall be null and void. The assigning Party shall be responsible for the other Party's costs associated with the preparation, review, execution and delivery of documents in connection with any assignment of this Agreement, including without limitation reasonable attorneys' fees.

14.2 **Collateral Assignment**. Subject to the provisions of this Section 14.2, Seller has the right to assign this Agreement as collateral for any financing or refinancing of the Facility

without the consent of Buyer. In connection with any financing or refinancing of the Facility by Seller, Buyer shall work in good faith with Seller (and its Affiliate(s)) and Lender to agree upon a consent to collateral assignment of this Agreement ("Collateral Assignment Agreement") in a form mutually agreeable to Buyer, Seller and Lender; *provided*, *however*, that Buyer shall be under no obligation to ultimately enter into a Collateral Assignment Agreement to the extent the form thereof cannot be agreed.

14.3 **Permitted Assignment**. Notwithstanding Section 14.1, and in addition to its rights set forth in Section 14.2, Seller may at any time, without the prior written consent of Buyer, transfer or assign this Agreement (including by a Change of Control) (i) to an Affiliate of Seller, or (ii) in connection with a tax equity financing (regardless of whether a Change of Control results from such tax equity financing). Seller may also, without the prior written consent of Buyer, transfer or assign this Agreement (including by a Change of Control) to a Person that is, individually, or to Persons that collectively qualify as, a Permitted Transferee.

14.4 **Permitted Buyer Assignment**. Without the prior written consent of Seller, Buyer may make a limited assignment in connection with a municipal prepayment transaction to an entity that has [redacted] ("**Limited Assignee**") of Buyer's right to receive Product and Buyer's obligation to make payments to Seller, subject to execution of an assignment agreement, in a form substantially similar to that set forth in Exhibit M ("**Limited Assignment Agreement**"), between and among Seller, Buyer, and Limited Assignee, provided that the limited assignment shall be expressly subject to Limited Assignee's timely payment of amounts due under this Agreement and that Buyer remains liable for Buyer's obligations under this Agreement notwithstanding the limited assignment. Buyer may make such assignment by delivering Notice upon not less than thirty (30) days prior to such proposed assignment. Subject to the foregoing, Seller agrees to (i) comply with Limited Assignee's reasonable requests for know-your-customer and similar account opening information and documentation with respect to Seller, including but not limited to information related to forecasted generation, credit rating, and compliance with anti-money laundering rules, the Dodd-Frank Act, the Commodity Exchange Act, the Patriot Act and similar rules, regulations, requirements and corresponding policies; and (ii) promptly execute such Limited Assignment Agreement and implement such assignment as contemplated thereby, subject only to the countersignature of Limited Assignee and Buyer, the requirements of this Section 14.4, and Lender consent.

ARTICLE 15
DISPUTE RESOLUTION

15.1 **Venue**. The Parties agree that any suit, action or other legal proceeding by or against any party (or its affiliates or designees) with respect to or arising out of this Agreement shall be brought in the federal courts of the United States or, if such federal courts refuse jurisdiction notwithstanding the Parties' agreement, then in the courts of the State of California, in either case sitting in County of Los Angeles, California.

15.2 **Dispute Resolution**. In the event of any dispute arising under this Agreement, within ten (10) days following the receipt of a Notice from either Party identifying such dispute, the Parties shall meet, negotiate and attempt, in good faith, to resolve the dispute quickly,

informally and inexpensively. If the Parties are unable to resolve a dispute arising hereunder within the earlier of either thirty (30) days of initiating such discussions, or within forty (40) days after Notice of the dispute, either Party may seek any and all remedies available to it at Law or in equity, subject to the limitations set forth in this Agreement.

ARTICLE 16
INDEMNIFICATION

16.1 **Indemnification.**

(a) Each Party (the "**Indemnifying Party**") agrees to indemnify, defend and hold harmless the other Party and its Affiliates, directors, officers, employees, attorneys, representatives and agents (collectively, the "**Indemnified Party**") from and against all third-party claims, demands, losses, liabilities, penalties, and expenses and expert witness fees (collectively "**Indemnifiable Event**"), to the extent such Indemnifiable Event arises out of, results from, or is caused by any of the following: (a) the negligent act or omission, recklessness or willful misconduct of the Indemnifying Party, its Affiliates, its or their directors, officers, employees, agents, subcontractors, and anyone directly or indirectly employed by the Indemnifying Party or any of its subcontractors or anyone that they control; (b) any violation of applicable Law by the Indemnifying Party, in each case in connection with this Agreement; or (c) third-party claims resulting from the Indemnifying Party's material breach (including inaccuracy of any representation of warranty made hereunder)or non-performance of its material obligations under this Agreement. Upon the Indemnified Party's written request, the Indemnifying Party, at its own expense, must defend any suit or action that is subject to the Indemnifying Party's indemnity obligations. The Parties' indemnification obligations survive the expiration or termination of this Agreement until the relevant statute of limitations.

(b) Nothing in this Section 16.1 shall enlarge or relieve Seller or Buyer of any liability to the other for any breach of this Agreement. Neither Party shall be indemnified for its damages resulting to the extent of its own negligence, intentional acts or willful misconduct. These indemnity provisions shall not be construed to relieve any insurer of its obligation to pay claims consistent with the provisions of a valid insurance policy.

16.2 **Claims**. Promptly after receipt by a Party of any claim or Notice of the commencement of any action, administrative, or legal proceeding, or investigation as to which the indemnity provided for in this Article 16 may apply, the Indemnified Party shall notify the Indemnifying Party in writing of such fact. The Indemnifying Party shall assume the defense thereof with counsel designated by such Party and reasonably satisfactory to the Indemnified Party, *provided*, *however*, that if the defendants in any such action include both the Indemnified Party and the Indemnifying Party and the Indemnified Party shall have reasonably concluded that there may be legal defenses available to it which are different from or additional to, or inconsistent with, those available to the Indemnifying Party, the Indemnified Party shall have the right to select and be represented by separate counsel, at the Indemnifying Party's expense, unless a liability insurer is willing to pay such costs. If the Indemnifying Party fails to assume the defense of a claim meriting indemnification, the Indemnified Party may at the expense of the Indemnifying Party contest, settle, or pay such claim, *provided* that settlement or full payment of any such claim may be made only following consent of the Indemnifying Party or, absent such consent, written opinion

of the Indemnified Party's counsel that such claim is meritorious or warrants settlement. Notwithstanding the preceding sentence if the settlement consists solely of a monetary payment by the Indemnifying Party, such settlement shall not require the consent of the Indemnifying Party. Except as otherwise provided in this Article 16, in the event that a Party is obligated to indemnify and hold the other Party and its successors and assigns harmless under this Article 16, the amount owing to the Indemnified Party will be the amount of the Indemnified Party's damages net of any insurance proceeds received by the Indemnified Party following a reasonable effort by the Indemnified Party to obtain such insurance proceeds.

ARTICLE 17
INSURANCE

17.1 **Insurance**.

(a) General Liability. Seller shall maintain, or cause to be maintained at its sole expense, (i) commercial general liability insurance against claims for personal injury (including bodily injury and death) and property damage with a limit of liability of [redacted] per occurrence, and a general aggregate of not less than [redacted] for combined bodily injury and property damage; and (ii) an umbrella insurance policy in a minimum limit of liability of [redacted] The amounts of liability insurance described in this Article 17 may be satisfied by primary insurance or by any combination of primary and excess/umbrella insurance. Such insurance shall contain standard cross-liability and severability of interest provisions such that each person is protected in the same manner as though a separate policy has been issued to each but nothing therein shall operate to increase the insurance company's liability beyond the amount the insurance company would have been liable if only one Person or interest had been named as insured. The liability insurance policies referenced in this Article 17 shall (x) provide an endorsement waiving rights of subrogation against Buyer, (y) name Buyer as additional insured on all required liability insurance (except workers compensation), and (z) be primary to any insurance of Buyer that may apply to such occurrence, accident or claim and no "other insurance" provision shall be applicable to Buyer or any additional insureds, by virtue of having been named an additional insured under any policy of insurance.

(b) Workers Compensation and Employer's Liability Insurance. Employers' Liability insurance shall not be less than [redacted] providing statutory benefits as required by Law (if any exposure exists) for injury, sickness, disability or death of the employees.

(c) Business Auto Liability Insurance. Seller shall maintain at all times during the Contract Term business auto insurance for bodily injury and property damage with limits of [redacted] combined single limit. Such insurance shall cover liability arising out of Seller's use of all owned (if any), non-owned and hired motor vehicles in the performance of the Agreement.

(d) Property Insurance. Seller shall maintain or cause to be maintained property insurance covering the Facility against physical loss or damage, including coverage for natural perils including but not limited to flood, earthquake, windstorm, severe convective storm and

wildfire, all with limits in accordance with industry standard recognizing that natural perils may be subject to a lower sublimit. Coverage will be on an "all-risk" basis including mechanical and electrical breakdown.

ARTICLE 18
CONFIDENTIAL INFORMATION

18.1 **Definition of Confidential Information**. The following constitutes "**Confidential Information**," whether oral or written which is delivered by Seller to Buyer or by Buyer to Seller: (a) pricing and other commercially-sensitive or proprietary information provided to or from Buyer in connection with the terms and conditions of, and proposals and negotiations related to, this Agreement, and (b) information that either Seller or Buyer stamps or otherwise identifies as "confidential" or "proprietary" before disclosing it to the other. Confidential Information does not include (i) information that was publicly available at the time of the disclosure, other than as a result of a disclosure in breach of this Agreement; (ii) information that becomes publicly available through no fault of the recipient after the time of the delivery; (iii) information that was rightfully in the possession of the recipient (without confidential or proprietary restriction) at the time of delivery or that becomes available to the recipient from a source not subject to any restriction against disclosing such information to the recipient; and (iv) information that the recipient independently developed without a violation of this Agreement.

18.2 **Duty to Maintain Confidentiality**. Except as permitted in this Article 18, neither Party shall disclose Confidential Information to a third party, except upon the written consent of the Disclosing Party. Confidential Information will retain its character as Confidential Information but may be disclosed by the recipient (the "**Receiving Party**") if and to the extent such disclosure is required (a) to be made by any requirements of Law, including the California Public Records Act, (b) pursuant to an order of a court or (c) in order to enforce or implement this Agreement. If the Receiving Party becomes legally compelled (by interrogatories, requests for information or documents, subpoenas, summons, civil investigative demands, or similar processes or otherwise in connection with any litigation or to comply with any applicable Law, order, regulation, ruling, regulatory request, accounting disclosure rule or standard or any exchange, control area or independent system operator rule) to disclose any Confidential Information of the disclosing Party (the "**Disclosing Party**"), Receiving Party shall provide Disclosing Party with prompt notice so that Disclosing Party, at its sole expense, may seek an appropriate protective order or other appropriate remedy. If the Disclosing Party takes no such action within five (5) Business Days after receiving the foregoing notice from the Receiving Party, the Receiving Party is not required to defend against such request and shall be permitted to disclose such Confidential Information of the Disclosing Party to the extent required under applicable Law, with no liability for any damages that arise from such disclosure. Each Party hereto acknowledges and agrees that information and documentation provided in connection with this Agreement may be subject to the California Records Act (Government Code Section 6250 et seq.).

18.3 **Irreparable Injury; Remedies**. Receiving Party acknowledges that its obligations hereunder are necessary and reasonable in order to protect Disclosing Party and the business of Disclosing Party, and expressly acknowledges that monetary damages may be inadequate to compensate Disclosing Party for any breach or threatened breach by Receiving Party of any covenants and agreements set forth herein. Accordingly, Receiving Party acknowledges that any

such breach or threatened breach may cause irreparable injury to Disclosing Party and that, in addition to any other remedies that may be available, in Law, in equity or otherwise, Disclosing Party will be entitled to seek injunctive relief against the threatened breach of this Agreement or the continuation of any such breach, without the necessity of proving actual damages.

18.4 **Permitted Disclosures**. Notwithstanding anything to the contrary in this Article 18, Confidential Information may be disclosed by either Party to such Party's counsel, accountants, auditors, advisors, other professional consultants, credit rating agencies, Affiliates or actual or prospective owners, investors, lenders, directors, underwriters, contractors, suppliers or others involved in the construction, operation and financing transactions and arrangements for a Party or its affiliates, or any of its or their agents, consultants or trustees, so long as the Person to whom Confidential Information is disclosed agrees in writing to be bound by the confidentiality provisions of this Article 18 to the same extent as if it were a Party, or is bound by substantially similar confidentiality requirements.

18.5 **Press Releases**. Neither Party shall issue (or cause its Affiliates to issue) a press release regarding the transactions contemplated by this Agreement unless both Parties have agreed upon the contents of any such public statement.

ARTICLE 19
MISCELLANEOUS

19.1 **Entire Agreement; Integration; Exhibits**. This Agreement, together with the Cover Sheet and Exhibits attached hereto, constitutes the entire agreement and understanding between Seller and Buyer with respect to the subject matter hereof and supersedes all prior agreements relating to the subject matter hereof, which are of no further force or effect. The Exhibits attached hereto are integral parts hereof and are made a part of this Agreement by reference. The headings used herein are for convenience and reference purposes only. In the event of a conflict between the provisions of this Agreement and those of the Cover Sheet or any Exhibit, the provisions of first the Cover Sheet, and then this Agreement shall prevail, and such Exhibit shall be corrected accordingly. This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof.

19.2 **Amendments**. This Agreement may only be amended, modified or supplemented by an instrument in writing executed by duly authorized representatives of Seller and Buyer; *provided*, that, for the avoidance of doubt, this Agreement may not be amended by electronic mail communications.

19.3 **No Waiver**. Waiver by a Party of any default by the other Party shall not be construed as a waiver of any other default.

19.4 **No Agency, Partnership, Joint Venture or Lease**. Seller and the agents and employees of Seller shall, in the performance of this Agreement, act in an independent capacity and not as officers or employees or agents of Buyer. Under this Agreement, Seller and Buyer intend to act as energy seller and energy purchaser, respectively, and do not intend to be treated

as, and shall not act as, partners in, co-venturers in or lessor/lessee with respect to the Facility or any business related to the Facility. This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement).

19.5 **Severability**. In the event that any provision of this Agreement is unenforceable or held to be unenforceable, the Parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby. The Parties shall, however, use their best endeavors to agree on the replacement of the void, illegal or unenforceable provision(s) with legally acceptable clauses which correspond as closely as possible to the sense and purpose of the affected provision and this Agreement as a whole.

19.6 **Mobile-Sierra**. Notwithstanding any other provision of this Agreement, neither Party shall seek, nor shall they support, any third party seeking to prospectively or retroactively revise the rates, terms or conditions of service of this Agreement through application or complaint to FERC pursuant to the provisions of Section 205, 206 or 306 of the Federal Power Act, or any other provisions of the Federal Power Act, absent prior written agreement of the Parties. Further, absent the prior written agreement in writing by both Parties, the standard of review for changes to the rates, terms or conditions of service of this Agreement proposed by a Party shall be the "public interest" standard of review set forth in United Gas Pipe Line Co. v. Mobile Gas Service Corp., 350 U.S. 332 (1956) and Federal Power Commission v. Sierra Pacific Power Co., 350 U.S. 348 (1956). Changes proposed by a non-Party or FERC acting *sua sponte* shall be subject to the most stringent standard permissible under applicable Law.

19.7 **Counterparts**. This Agreement may be executed in one or more counterparts, including electronic signatures, all of which taken together shall constitute one and the same instrument and each of which shall be deemed an original.

19.8 **Electronic Delivery**. This Agreement may be duly executed and delivered by a Party by execution and electronic format (including portable document format (.pdf)) delivery of the signature page of a counterpart to the other Party.

19.9 **Binding Effect**. This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

19.10 **Change in Electric Market Design**.

(a) If a change in the CAISO Tariff renders this Agreement or any provisions hereof incapable of being performed or administered, then any Party may request that Buyer and Seller enter into negotiations to make the minimum changes to this Agreement necessary to make this Agreement capable of being performed and administered, while attempting to preserve to the maximum extent possible the benefits, burdens, and obligations set forth in this Agreement as of the Effective Date. Upon delivery of such a request, Buyer and Seller shall engage in such negotiations in good faith. If Buyer and Seller are unable, within sixty (60) days after delivery of such request, to agree upon changes to this Agreement or to resolve issues relating to changes to this Agreement, then any Party may submit issues pertaining to changes to this Agreement to the dispute resolution process set forth in Article 15. Notwithstanding the foregoing, (i) a change in cost shall not in and of itself be deemed to render this Agreement or any of the provisions hereof

incapable of being performed or administered, or constitute, or form the basis of, a Force Majeure Event, and (ii) all of unaffected provisions of this Agreement shall remain in full force and effect during any period of such negotiation or dispute resolution.

(b) If the Interconnection Point and/or any of the Transmission Systems utilized to deliver Product to the Delivery Point under this Agreement (i) are integrated into a new or existing regional transmission organization or independent system operator (other than the CAISO Balancing Authority), or (ii) leave a regional transmission organization or independent system operator, and such integration or departure has a material and adverse impact on either Party's performance under this Agreement, including the costs of either Party to perform, then the affected Party may request that Buyer and Seller enter into negotiations to make the minimum changes to this Agreement necessary to restore the balance of benefits, burdens, and obligations set forth in this Agreement as of the Effective Date. Upon delivery of such a request, Buyer and Seller shall engage in such negotiations in good faith; *provided*, that neither Party shall be obligated to amend this Agreement if such amendment(s) would materially adversely affect, or could reasonably be expected to have or result in a material adverse effect on, any of such Party's rights, benefits, risks and/or obligations under this Agreement.

19.11 **No Recourse to Members of Buyer**. Buyer is organized as a Joint Powers Authorities in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) pursuant to its Joint Powers Agreement and is a public entity separate from its constituent members. Buyer shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Seller shall have no rights and shall not make any claims, take any actions or assert any remedies against any of Buyer's constituent members or the employees, directors, officers, consultants or advisors of Buyer or its constituent members, in connection with the PPA.

19.12 **Forward Contract**. The Parties acknowledge and agree that this Agreement constitutes a "forward contract" within the meaning of the U.S. Bankruptcy Code, and Buyer and Seller are "forward contract merchants" within the meaning of the U.S. Bankruptcy Code. Each Party further agrees that, for all purposes of this Agreement, each Party waives and agrees not to assert the applicability of the provisions of 11 U.S.C. § 366 in any bankruptcy proceeding wherein such Party is a debtor. In any such proceeding, each Party further waives the right to assert that the other Party is a provider of last resort to the extent such term relates to 11 U.S.C. §366 or another provision of 11 U.S.C. § 101-1532.

19.13 **Further Assurances**. Each of the Parties hereto agree to use commercially reasonable efforts to provide such information, execute and deliver any instruments and documents and to take such other actions as may be necessary or reasonably requested by the other Party which are not inconsistent with the provisions of this Agreement and which do not involve the assumptions of obligations other than those provided for in this Agreement, to give full effect to this Agreement and to carry out the intent of this Agreement.

[Signatures on following page]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the Effective Date.

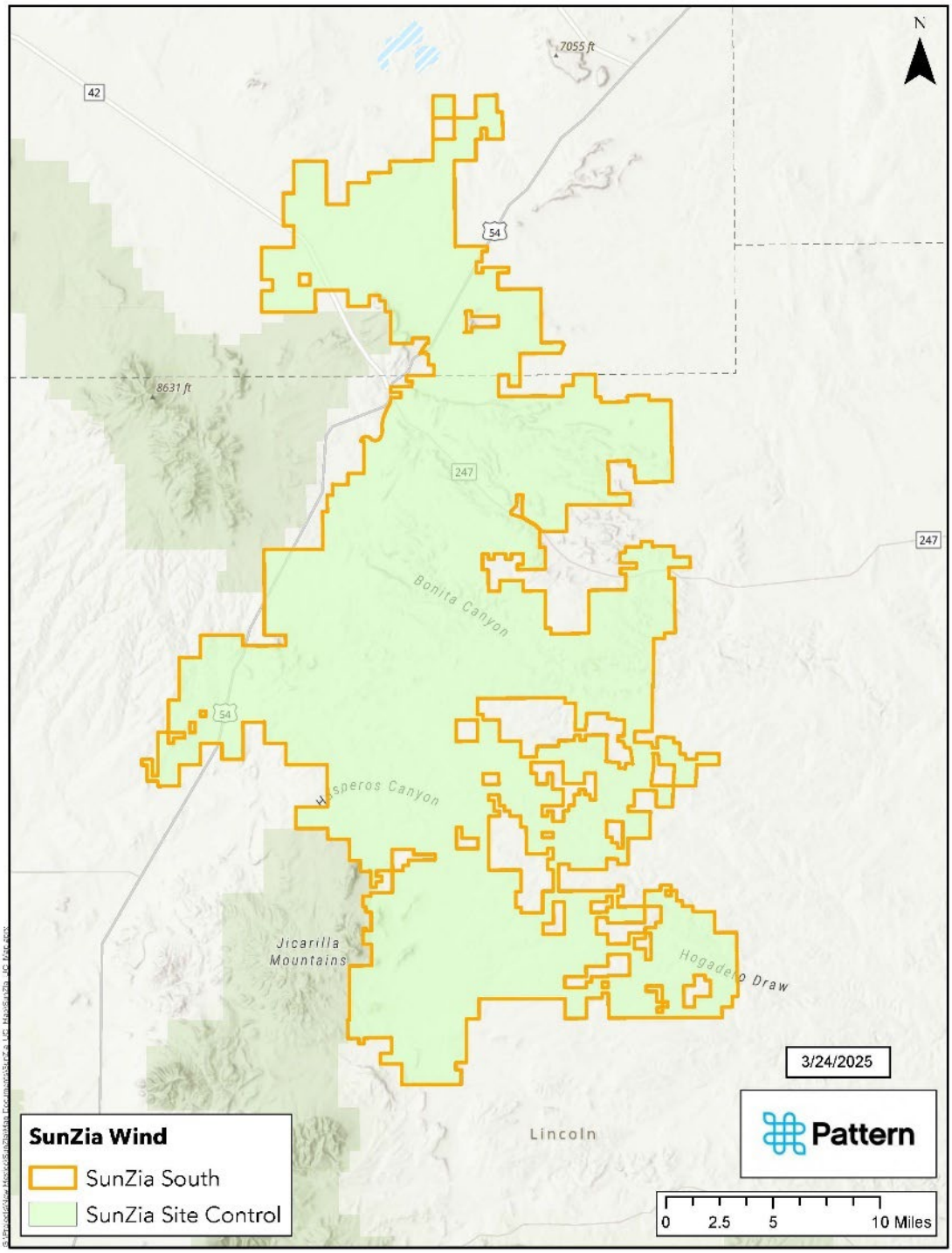
SunZia Wind South LLC	**San Diego Community Power**
By:_____	By:_____
Name:	Name:
Title:	Title:

EXHIBIT A
FACILITY DESCRIPTION

The Facility Description provided herein reflects Seller's expectation for the Facility and the Site as of the Effective Date. Except as otherwise provided in the Agreement, Seller shall not make any alteration or modification to the Facility which results in a change to the Guaranteed Capacity or the anticipated output of the Facility without Buyer's prior written consent; *provided* that Seller shall be permitted to repower the Facility after the tenth (10th) Contract Year so long as Seller continues to be obligated to deliver Guaranteed Energy Production during such repower; upon any such repower that changes the Installed Capacity, Seller shall deliver an updated Installed Capacity Certificate in the form of Exhibit G.

Site Name: SunZia Wind South

Site Map: [See next page]



Site Location: Lincoln and Torrance Counties, New Mexico

Technology: Utility Scale Wind Technology

Guaranteed Capacity: 17.54 MW

Delivery Point: CAISO Scheduling Point-Intertie combination at PALOVRDE_ASR-APND and PVWEST, or an Alternative Delivery Point as mutually agreed by the Parties

Participating Transmission Owner: SunZia Transmission, LLC

EXHIBIT B
FACILITY CONSTRUCTION AND COMMERCIAL OPERATION

1. **Construction of the Facility**. "**Construction Start**" will occur upon Seller's issuance of a full notice to proceed with the construction of the Facility following Seller's execution of an EPC Contract related to the Facility. The Parties agree that Construction Start of the Facility has been completed.

2. **Commercial Operation of the Facility**. "**Commercial Operation**" means the condition existing when (i) Seller has fulfilled all of the conditions in Section 2.3 of the Agreement and (ii) Seller has confirmed to Buyer in writing that Commercial Operation has been achieved.

   The "**Commercial Operation Date**" shall be the later of (x) [redacted] and (y) date on which Commercial Operation is achieved.

   a. Seller shall cause Commercial Operation for the Facility to occur by the Guaranteed Commercial Operation Date. Seller shall notify Buyer at least sixty (60) days before the anticipated Commercial Operation Date. For the avoidance of doubt, Seller may continue to increase the Installed Capacity of the Facility after the Commercial Operation Date and will notify Buyer from time to time of such increases by delivering a certificate from a Licensed Professional Engineer substantially in the form attached as Exhibit G hereto; when the Installed Capacity is complete, Seller shall include a statement to that effect in a Notice accompanying the final such certificate.

[redacted]

[redacted]

3. **Termination for Failure to Achieve Commercial Operation**. [redacted]

4. **Extension of the Guaranteed Dates**. The Guaranteed Commercial Operation Date shall, subject to notice and documentation requirements set forth below, be automatically extended on a day-for-day basis (the "**Development Cure Period**") for the following delays:

   a. Up to [redacted] days if a Force Majeure Event occurs;

   b. Up to [redacted] days due to delays caused by a Transmission Provider that are outside of the reasonable control of Seller;

   c. Up to [redacted] days due to a delay in the completion of the Interconnection Facilities or the commercial operation date of the SunZia Transmission Line (for reasons that are outside the reasonable control of Seller); or

   d. a delay caused by Buyer breach or default of its obligations under this Agreement.

   The cumulative extensions granted under clauses 4(a), 4(b) and 4(c) of the Development Cure Period shall not exceed [redacted] days for any reason. The permitted extension granted under clause 4(d) shall be unlimited in duration. No extension shall be given if (i) the delay was the result of Seller's failure to take all commercially reasonable actions to meet its requirements and deadlines, (ii) Seller failed to provide requested documentation as provided below, or (iii) Seller failed to provide Notice to Buyer as required in the next sentence. Seller shall provide prompt Notice to Buyer of a delay, but in no case more than thirty (30) days after Seller becomes aware of such delay, except that in the case of a delay occurring within sixty (60) days of the Guaranteed Commercial Operation Date, or after such date, Seller must provide Notice within five (5) Business Days of Seller becoming aware of such delay. Upon request from Buyer, Seller shall provide documentation demonstrating to Buyer's reasonable satisfaction that the delays described above did not result from Seller's actions or failure to take commercially reasonable actions. Notwithstanding the foregoing, the Parties may mutually agree upon an additional extension of the Outside Commercial Operation Date of up to sixty (60) days beyond the maximum extensions set forth in this Exhibit B with the payment of Delay Damages by Seller.

5. **Failure to Reach Guaranteed Capacity**. If, at Commercial Operation, [redacted] of the Guaranteed Capacity has not been completed and is not ready to produce and deliver Product to Buyer, Seller shall have [redacted] days after

the Commercial Operation Date to install additional capacity and/or network upgrades such that the Installed Capacity is equal to at least the Guaranteed Capacity. In the event that Seller fails to construct the Guaranteed Capacity by such date [redacted]

[redacted]

EXHIBIT C
PROGRESS REPORTING FORM

Each Progress Report must include the following items:

1. Executive summary.

2. Facility description.

3. Site plan of the Facility.

4. Description of any planned changes to the Facility or the site.

5. Schedule showing progress on achieving each of the Milestones.

6. Summary of activities during the previous calendar month/quarter.

7. Forecast of activities scheduled for the current calendar month/quarter.

8. Written description about the progress relative to Seller's Milestones, including whether Seller has met or is on target to meet the Milestones, and evidence of completion of Milestones, upon reasonable request from Buyer.

9. List of issues that could reasonably foreseeably affect Seller's Milestones.

10. A status report of start-up activities including a forecast of activities ongoing and after start-up, a report on Facility performance including performance projections for the next twelve (12) months.

11. Progress and schedule of all major agreements, contracts, permits, approvals, technical studies, financing agreements and major equipment purchase orders showing the start dates, completion dates, and completion percentages.

12. Pictures, in sufficient quantity and of appropriate detail, in order to document construction and startup progress of the Facility, the interconnection into the PTO's Transmission System and all other interconnection utility services.

13. Any other documentation, including copies of the Interconnection Agreement, transmission agreements and permits, as reasonably requested by Buyer, as such documentation may be redacted by Seller as necessary.

EXHIBIT D
FORM OF AVERAGE FORECAST OF ENERGY (MWh)

	1:00	2:00	3:00	4:00	5:00	6:00	7:00	8:00	9:00	10:00	11:00	12:00	13:00	14:00	15:00	16:00	17:00	18:00	19:00	20:00	21:00	22:00	23:00	24:00
JAN																								
FEB																								
MAR																								
APR																								
MAY																								
JUN																								
JUL																								
AUG																								
SEP																								
OCT																								
NOV																								
DEC																								

The foregoing table (i) is provided for informational purposes only, and it shall not constitute, or be deemed to constitute, an obligation of any of the Parties to this Agreement, and (ii) reflects expected P50 delivered volumes taking into account estimated X% physical losses from the Facility to the Delivery Point.

EXHIBIT E
ENERGY REPLACEMENT DAMAGES CALCULATION

In accordance with Section 4.7, if Seller fails to achieve the Guaranteed Energy Production during any Performance Measurement Period, and Seller elects to not provide Replacement Product, a liquidated damages ("**Energy Replacement Damages**") payment shall be due from Seller to Buyer, calculated as follows:



"**Adjusted Energy Production**" shall mean the sum of the Delivered Energy *plus* Lost Output *plus* Deemed Delivered Energy in the first Contract Year of the current Performance Measurement Period, *plus* (ii) Delivered Energy *plus* Lost Output *plus* Deemed Delivered Energy in the second Contract Year of the Performance Measurement Period.

"**Lost Output**" means the sum of electric energy in MWh that would have been generated and delivered, but was not, on account of Force Majeure Event, Buyer default, System Emergency, POI Curtailment, and Curtailment Order. The additional MWh comprising Lost Output shall be calculated in the same manner as Deemed Delivered Energy.

No payment shall be due if the calculation of (A - B) or (C - D) yields a negative number.

Within sixty (60) days after each Contract Year, Buyer will send Seller Notice of the amount of damages owing, if any, which shall be payable to Buyer before the later of (a) thirty (30) days of such Notice and (b) ninety (90) days after each Contract Year.

EXHIBIT F
FORM OF COMMERCIAL OPERATION DATE CERTIFICATE

This certification ("**Certification**") of Commercial Operation is delivered by the undersigned, a licensed professional engineer and duly authorized representative of _____ in its capacity as independent engineer ("**Engineer**") for purposes of this certification, to [____] **(**"**Buyer**"), pursuant to the [agreement between Seller and Engineer] and in connection with that certain Renewable Power Purchase and Sale Agreement (SunZia South) dated _____ ("**Agreement**") by and between [Pattern Entity] ("**Seller**") and Buyer. All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

Engineer hereby certifies and represents to Buyer the following:

(1) Wind turbines with a nameplate capacity at least equal to [redacted] of the Guaranteed Capacity have been installed at the Facility.

(2) Testing and commissioning of each wind turbine referred to in paragraph (1) above has been completed in accordance with the turbine supply agreement and each such wind turbine has delivered electricity to the Point of Interconnection specified in the Interconnection Agreement.

(3) Authorization to parallel the Facility was obtained by the Participating Transmission Owner on _____[DATE]_____.

EXECUTED on this _____ day of _____, 20__.

Sincerely,

By:_____
[NAME], P.E.
[TITLE]
New Mexico License No. [##]

EXHIBIT G
FORM OF INSTALLED CAPACITY CERTIFICATE

This certification ("**Certification**") of Installed Capacity is delivered by the undersigned, a licensed professional engineer and duly authorized representative of _____ in its capacity as independent engineer ("**Engineer**") for purposes of this certification, to [____] ("**Buyer**"), pursuant to the [agreement between Seller and Engineer] and in connection with that certain Renewable Power Purchase and Sale Agreement (SunZia South) dated _____ ("**Agreement**") by and between [Pattern Entity] ("Seller") and Buyer. All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

As of the date set forth below, [___] wind turbines with an aggregate nameplate capacity of [__], which is the Installed Capacity as of the date hereof, have been installed at the Facility, and testing and commissioning of each such wind turbines has been completed in accordance with the turbine supply agreement and each such wind turbine has delivered electricity to the Point of Interconnection specified in the Interconnection Agreement.

EXECUTED on this _____ day of _____, 20__.

Sincerely,

By:_____
[NAME], P.E.
[TITLE]
New Mexico License No. [##]
Exp. [DATE]

EXHIBIT H

RESERVED

EXHIBIT I
FORM OF LETTER OF CREDIT

[Seller to provide prior to PPA execution]

EXHIBIT J
FORM OF GUARANTY

This Guaranty (this "Guaranty") is entered into as of [_____] (the "Effective Date") by and between [_____], a [_____] ("Guarantor"), and [____] (together with its successors and permitted assigns, "Buyer" and together with Guarantor, the "Parties" and each a "Party").

Recitals

A. Buyer and _____, a _____ ("Seller"), entered into that certain Renewable Power Purchase and Sale Agreement (SunZia South) (as amended, restated or otherwise modified from time to time, the "PPA") dated as of [____], 20___.

B. Guarantor is entering into this Guaranty as Performance Security to secure Seller's obligations under the PPA, as required by Sections 8.7 and/or 8.8 of the PPA.

C. It is in the best interest of Guarantor to execute this Guaranty inasmuch as Guarantor will derive substantial direct and indirect benefits from the execution and delivery of the PPA.

D. Initially capitalized terms used but not defined herein have the meaning set forth in the PPA.

Agreement

1. Guaranty. For value received, Guarantor does hereby unconditionally, absolutely and irrevocably guarantee, as primary obligor and not as a surety, to Buyer the full, complete and prompt payment by Seller of any and all amounts and payment obligations now or hereafter owing from Seller to Buyer under the PPA, including, without limitation, compensation for penalties, the Termination Payment, indemnification payments or other damages, as and when required pursuant to the terms of the PPA (the "Guaranteed Amount"), provided, that Guarantor's aggregate liability under or arising out of this Guaranty shall not exceed the sum of Dollars ($) [redacted] The Parties understand and agree that any payment by Guarantor shall thereafter reduce the Guarantee Limit hereunder on a dollar-for-dollar basis. This Guaranty is an irrevocable, absolute, unconditional and continuing guarantee of the full and punctual payment and performance, and not of collection, of the Guaranteed Amount and, except as otherwise expressly addressed herein, is in no way conditioned upon any requirement that Buyer first attempt to collect the payment of the Guaranteed Amount from Seller, any other guarantor of the Guaranteed Amount or any other person or entity or resort to any other means of obtaining payment of the Guaranteed Amount. In the event Seller shall fail to duly, completely or punctually pay any Guaranteed Amount as required pursuant to the PPA, Guarantor shall promptly pay such amount as required herein.

2. Demand Notice. For avoidance of doubt, a payment shall be due for purposes of this Guaranty only when and if a payment is due and payable by Seller to Buyer under the terms

and conditions of the Agreement. If Seller fails to pay any Guaranteed Amount as required pursuant to the PPA for five (5) Business Days following Seller's receipt of Buyer's written notice of such failure (the "Demand Notice"), then Buyer may elect to exercise its rights under this Guaranty and may make a demand upon Guarantor (a "Payment Demand") for such unpaid Guaranteed Amount. A Payment Demand shall be in writing and shall reasonably specify in what manner and what amount Seller has failed to pay and an explanation of why such payment is due and owing, with a specific statement that Buyer is requesting that Guarantor pay under this Guaranty. Guarantor shall, within five (5) Business Days following its receipt of the Payment Demand, pay the Guaranteed Amount to Buyer.

3. Scope and Duration of Guaranty. This Guaranty applies only to the Guaranteed Amount. This Guaranty shall continue in full force and effect from the Effective Date until the earlier of the following: (x) all Guaranteed Amounts have been paid in full (whether directly or indirectly through set-off or netting of amounts owed by Buyer to Seller), or (y) replacement Performance Security is provided in an amount and form required by the terms of the PPA. Further, this Guaranty (a) shall remain in full force and effect without regard to, and shall not be affected or impaired by any invalidity, irregularity or unenforceability in whole or in part of this Guaranty, and (b) subject to the preceding sentence, shall be discharged only by complete performance of the undertakings herein. Without limiting the generality of the foregoing, the obligations of the Guarantor hereunder shall not be released, discharged, or otherwise affected and this Guaranty shall not be invalidated or impaired or otherwise affected for the following reasons:

(i) the extension of time for the payment of any Guaranteed Amount, or

(ii) any amendment, modification or other alteration of the PPA, or

(iii) any indemnity agreement Seller may have from any party, or

(iv) any insurance that may be available to cover any loss, except to the extent insurance proceeds are used to satisfy the Guaranteed Amount, or

(v) any voluntary or involuntary liquidation, dissolution, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition or readjustment of, or other similar proceeding affecting, Seller or any of its assets, including but not limited to any rejection or other discharge of Seller's obligations under the PPA imposed by any court, trustee or custodian or any similar official or imposed by any law, statue or regulation, in each such event in any such proceeding, or

(vi) the release, modification, waiver or failure to pursue or seek relief with respect to any other guaranty, pledge or security device whatsoever, or

(vii) any payment to Buyer by Seller that Buyer subsequently returns to Seller pursuant to court order in any bankruptcy or other debtor-relief proceeding, or

(viii) those defenses based upon (A) the legal incapacity or lack of power or authority of any person, including Seller and any representative of Seller to enter into the PPA or perform its obligations thereunder, (B) lack of due execution, delivery, validity or enforceability,

including of the PPA, or (C) Seller's inability to pay any Guaranteed Amount or perform its obligations under the PPA, or

(ix) any other event or circumstance that may now or hereafter constitute a defense to payment of the Guaranteed Amount, including, without limitation, statute of frauds and accord and satisfaction;

provided that Guarantor reserves the right to assert for itself any defenses, setoffs or counterclaims that Seller is or may be entitled to assert against Buyer (except for such defenses, setoffs or counterclaims that may be asserted by Seller with respect to the PPA, but that are expressly waived under any provision of this Guaranty).

4. Waivers by Guarantor. Guarantor hereby unconditionally waives as a condition precedent to the performance of its obligations hereunder, with the exception of the requirements in Paragraph 2, (a) notice of acceptance, presentment or protest with respect to the Guaranteed Amounts and this Guaranty, (b) notice of any action taken or omitted to be taken by Buyer in reliance hereon, (c) any requirement that Buyer exhaust any right, power or remedy or proceed against Seller under the PPA, and (d) any event, occurrence or other circumstance which might otherwise constitute a legal or equitable discharge of a surety. Without limiting the generality of the foregoing waiver of surety defenses, it is agreed that the occurrence of any one or more of the following shall not affect the liability of Guarantor hereunder:

(i) at any time or from time to time, without notice to Guarantor, the time for payment of any Guaranteed Amount shall be extended, or such performance or compliance shall be waived;

(ii) the obligation to pay any Guaranteed Amount shall be modified, supplemented or amended in any respect in accordance with the terms of the PPA;

(iii) (a) sale, transfer or consolidation of Seller into or with any other entity, (b) sale of substantial assets by, or restructuring of the corporate existence of, Seller or (c) change in ownership of any membership interests of, or other ownership interests in, Seller; or

(iv) the failure by Buyer or any other person to create, preserve, validate, perfect or protect any security interest granted to, or in favor of, Buyer or any person.

5. Subrogation. Notwithstanding any payments that may be made hereunder by the Guarantor, Guarantor hereby agrees that until the earlier of payment in full of all Guaranteed Amounts or expiration of the Guaranty in accordance with Section 3, it shall not be entitled to, nor shall it seek to, exercise any right or remedy arising by reason of its payment of any Guaranteed Amount under this Guaranty, whether by subrogation or otherwise, against Seller or seek contribution or reimbursement of such payments from Seller.

6. Representations and Warranties. Guarantor hereby represents and warrants that (a) it has all necessary and appropriate limited liability company powers and authority and the legal right to execute and deliver, and perform its obligations under, this Guaranty, (b) this Guaranty constitutes its legal, valid and binding obligations enforceable against it in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, moratorium and

other similar laws affecting enforcement of creditors' rights or general principles of equity, (c) the execution, delivery and performance of this Guaranty does not and will not contravene Guarantor's organizational documents, any applicable law or any contractual provisions binding on or affecting Guarantor, (d) there are no actions, suits or proceedings pending before any court, governmental agency or arbitrator, or, to the knowledge of the Guarantor, threatened, against or affecting Guarantor or any of its properties or revenues which may, in any one case or in the aggregate, adversely affect the ability of Guarantor to enter into or perform its obligations under this Guaranty, and (e) no consent or authorization of, filing with, or other act by or in respect of, any arbitrator or governmental authority, and no consent of any other Person (including, any stockholder or creditor of the Guarantor), that has not heretofore been obtained is required in connection with the execution, delivery, performance, validity or enforceability of this Guaranty by Guarantor.

7. Notices. Notices under this Guaranty shall be deemed received if sent to the address specified below: (i) on the day received if served by overnight express delivery, and (ii) four business days after mailing if sent by certified, first class mail, return receipt requested. If transmitted by facsimile, such notice shall be deemed received when the confirmation of transmission thereof is received by the Party giving the notice. Any Party may change its address or facsimile to which notice is given hereunder by providing notice of the same in accordance with this Paragraph 8.

If delivered to Buyer, to it at [____]
Attn: [____]
Fax: [____]

If delivered to Guarantor, to it at [____]
Attn: [____]
Fax: [____]

8. **Governing Law and Forum Selection; WAIVER OF JURY TRIAL**. This Guaranty shall be governed by, and interpreted and construed in accordance with, the laws of the United States and the State of California, excluding choice of law rules. The Parties agree that any suit, action or other legal proceeding by or against any party (or its affiliates or designees) with respect to or arising out of this Guaranty shall be brought in the federal courts of the United States sitting in the County of Los Angeles, California. 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 GUARANTY.

9. Miscellaneous. This Guaranty shall be binding upon Guarantor and its successors and assigns and shall inure to the benefit of Buyer and its successors and permitted assigns pursuant to the PPA. No provision of this Guaranty may be amended or waived except by a written instrument executed by Guarantor and Buyer. This Guaranty is not assignable by Guarantor without the prior written consent of Buyer. No provision of this Guaranty confers, nor is any provision intended to confer, upon any third party (other than Buyer's successors and permitted assigns) any benefit or right enforceable at the option of that third party. This Guaranty embodies the entire agreement and understanding of the Parties with respect to the subject matter hereof and supersedes all prior or

contemporaneous agreements and understandings of the Parties, verbal or written, relating to the subject matter hereof. If any provision of this Guaranty is determined to be illegal or unenforceable (i) such provision shall be deemed restated in accordance with applicable Laws to reflect, as nearly as possible, the original intention of the Parties and (ii) such determination shall not affect any other provision of this Guaranty and all other provisions shall remain in full force and effect. This Guaranty may be executed in any number of separate counterparts, each of which when so executed shall be deemed an original, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. This Guaranty may be executed and delivered by electronic means with the same force and effect as if the same was a fully executed and delivered original manual counterpart.

10. DISPUTE RESOLUTION.

In the event of any dispute arising under this Guaranty, within ten (10) days following the receipt of a notice from either Party identifying such dispute, the Parties shall meet, negotiate and attempt, in good faith, to resolve the dispute quickly, informally and inexpensively. If the Parties are unable to resolve a dispute arising hereunder within the earlier of either thirty (30) days of initiating such discussions, or within forty (40) days after notice of the dispute, either Party may seek any and all remedies available to it at law or in equity, subject to the limitations set forth in this Guaranty.

IN WITNESS WHEREOF, the undersigned has caused this Guaranty to be duly executed and delivered by its duly authorized representative on the date first above written.

GUARANTOR:

[_____]

By:_____
Printed Name:
Title:

BUYER:

[_____]

By:_____
Printed Name:
Title:

By:_____
Printed Name:
Title:

EXHIBIT K
NOTICES

SUNZIA WIND SOUTH LLC ("Seller")	**SAN DIEGO COMMUNITY POWER** ("Buyer")
All Notices: Street: 1088 Sansome St. City: San Francisco, CA Attn: General Counsel Phone: (415) 283-4000 Email: generalcounsel@patternenergy.com	**All Notices:** PO Box 12716 San Diego, CA 92112 Attn: Chief Commercial Officer Phone: (619) 657-0422 Email: powercontracts@sdcommunitypower.org
Reference Numbers: [redacted]	**Reference Numbers:** [redacted]
Invoices: Attn: Pattern Energy Settlements Phone: (713) 308-4200 Email: AccountingSettlements@patternenergy.com	**Invoices:** Attn: SDCP Settlements Phone: (619) 880-6545 Email: settlements@sdcommunitypower.org
Scheduling: Attn: Manager 24/7 Operations Control Center 888 Westheimer Road, Suite 213 Houston, TX 77006 Email: patternocc@patternenergy.com Realtimeoperations@patternenergy.com Phone: (713) 308-4242 Facsimile: (281) 694-2848	**Scheduling:** Tenaska Power Services Co. Attn: Kara Whillock Phone: (972) 333-6122 Email: kwhillock@tnsk.com Day Ahead: (817) 303-1115 Real Time: (817) 303-1852 Facsimile: (817) 303-1104
Confirmations: Attn: Pattern Energy Settlements Phone: (713) 308-4200 Email: AccountingSettlements@patternenergy.com	**Confirmations:** Attn: SDCP Settlements Phone: (619) 880-6545 Email: settlements@sdcommunitypower.org
Payments: Attn: Pattern Energy Settlements Phone: (713) 308-4200 Email: AccountingSettlements@patternenergy.com	**Payments:** Attn: SDCP Settlements Phone: (619) 880-6545 Email: settlements@sdcommunitypower.org
Wire Transfer: [redacted]	**Wire Transfer:** [redacted]

Emergency Contact: Attn: 24/7 Operations Control Center Phone: (713) 308-4242 Email: patternocc@patternenergy.com	**With additional Notices of an Event of Default to:** PO Box 12716 San Diego, CA 92112 Attn: SDCP General Counsel Email: legal@sdcommunitypower.org
	Emergency Contact: Attn: Chief Commercial Officer Phone: (619) 657-0422 Email: powercontracts@sdcommunitypower.org

EXHIBIT L
OPERATING RESTRICTIONS

Operating restrictions of the Facility for Market Curtailment Periods are as follows:

- Interconnection Capacity (Maximum Injection Amount): 2,561.2 MW[1]
- Minimum operating capacity: 0.0 MW
- Maximum number of start-ups per calendar day (if any such operational limitations exist): N/A
- Ramp Rate: To be provided by Seller upon Notice to Buyer prior to Commercial Operation
- Minimum Down Time: N/A

[1] Under certain circumstances, as set forth in the Interconnection Agreement, the Interconnection Capacity available to the Facility will be 2,119.72 MW.

EXHIBIT M

FORM OF LIMITED ASSIGNMENT AGREEMENT

This Limited Assignment Agreement (this "**Agreement**") is entered into as of [____] (the "**Assignment Agreement Effective Date**") by and among [____], a [____] ("**PPA Seller**"), San Diego Community Power, a California joint powers authority ("**PPA Buyer**"), and Morgan Stanley Capital Group Inc., a Delaware corporation ("**MSCG**").

RECITALS

WHEREAS, PPA Buyer and PPA Seller are parties to that certain PPA identified on Appendix 1 hereto;

WHEREAS, in connection with one or more prepaid energy transactions entered into between the Issuer and a Prepay Seller, and with effect from and including the Assignment Period Start Date, PPA Buyer wishes to transfer by limited assignment to MSCG, and MSCG wishes to accept the transfer by limited assignment of, the Assigned Rights and Obligations (as defined below) with respect to any and all Assignment Appendices in effect (as defined below) during the Assignment Period (as defined below);

WHEREAS, pursuant to this Agreement, during the Assignment Period, MSCG will receive the Assigned Product specified in any and all Assignment Appendices in effect from time to time and MSCG will deliver such Assigned Product to Prepay Seller(s), which will redeliver such Assigned Product to Issuer for ultimate redelivery to PPA Buyer; and

WHEREAS, pursuant to this Agreement, during the Assignment Period, MSCG will assume responsibility for the Delivered Product Payment Obligation with respect to any and all Assignment Appendices then in effect.

THEREFORE, in consideration of the premises above and the mutual covenants and agreements herein set forth, PPA Seller, PPA Buyer and MSCG (the "**Parties**" hereto; each is a "**Party**") agree as follows:

AGREEMENT

1. Definitions.

Unless the context otherwise specifies or requires, or defined below, capitalized terms used but not defined in this Agreement have the meanings set forth in the PPA. The following terms, when used in this Agreement and identified by the capitalization of the first letter thereof, have the respective meanings set forth below, unless the context otherwise requires:

"**Agreement**" has the meaning specified in the first paragraph above.

"**Assigned Product**" means [____].

"**Assigned Rights and Obligations**" means (i) the rights of PPA Buyer under the PPA to receive the Assigned Product in each Month as specified in any and all Assignment Appendices then in effect during the Assignment Period, as such rights may be limited or further described in the "Further Information" section on Appendix 1, and (ii) the Delivered Product Payment Obligation, which right and obligation are transferred and conveyed to MSCG hereunder, but which shall not relieve PPA Buyer of its obligations under the PPA in any respects.

"**Assignment Agreement Effective Date**" has the meaning set forth in the first paragraph above.

"**Assignment Appendix**" means each Assignment Appendix in the form attached hereto as Appendix 2 and delivered by MSCG hereunder pursuant to Section 11(f).

"**Assignment Appendix End Date**" has, with respect to each Assignment Appendix, the meaning specified therein.

"**Assignment Appendix Period**" means, with respect to each Assignment Appendix, the period from the Assignment Appendix Start Date to the Assignment Appendix End Date; provided that no Assignment Appendix Period may commence prior to the Assignment Period Start Date and no Assignment Appendix Period may extend beyond the Assignment Period End Date.

"**Assignment Appendix Start Date**" has, with respect to each Assignment Appendix, the meaning specified therein.

"**Assignment Early Termination Date**" has the meaning specified in Section 5(b).

"**Assignment Period**" has the meaning specified in Section 5(a).

"**Assignment Period End Date**" means 11:59:59 p.m. pacific prevailing time on [____].

"**Assignment Period Start Date**" means [_____].

"**Claims**" means all claims or actions, threatened or filed, and the resulting losses, damages, expenses, attorneys' fees, experts' fees, and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement, in each case arising under, in respect of or related in any way to the PPA or any transaction thereunder, except for the Delivered Product Payment Obligation.

"**Custodian**" has, with respect to each Assignment Appendix, the meaning specified therein.

"**Custody Agreement**" has, with respect to each Assignment Appendix, the meaning specified therein.

"**Delivered Product Payment Obligation**" has the meaning specified in Section 3(a).

"**Issuer**" has, with respect to each Assignment Appendix, the meaning specified therein.

"**Month**" means a calendar month.

"**Monthly Gross Amount**" has the meaning specified in Section 3(c).

"**MSCG**" has the meaning specified in the first paragraph of this Agreement.

"**PPA Buyer**" has the meaning specified in the first paragraph of this Agreement.

"**PPA Seller**" has the meaning specified in the first paragraph of this Agreement.

"**Prepaid Agreement**" has, with respect to each Assignment Appendix, the meaning specified therein.

"**Prepay Power Supply Contract**" has, with respect to each Assignment Appendix, the meaning specified therein.

"**Prepay Seller**" has, with respect to each Assignment Appendix, the meaning specified therein.

"**Receivables**" has the meaning given to such term in Section 3(f).

"**Retained Rights and Obligations**" has the meaning specified in Section 3.

2. Transfer and Undertakings.

(a) PPA Buyer hereby assigns, transfers and conveys to MSCG all right, title and interest in and to the rights of PPA Buyer under the PPA to receive delivery of the Assigned Product specified in any and all Assignment Appendices then in effect during the Assignment Period. In connection with this assignment, PPA Buyer hereby delegates to MSCG the Assigned Rights and Obligations during the Assignment Period.

(b) PPA Seller hereby consents and agrees to PPA Buyer's assignment, transfer and conveyance of all right, title and interest in and to the Assigned Product specified in any and all Assignment Appendices then in effect and, subject to Section 3, the delegation of the Assigned Rights and Obligations to MSCG and the exercise and performance by MSCG of the Assigned Rights and Obligations during the Assignment Period.

(c) MSCG hereby accepts such assignment, transfer and conveyance of PPA Buyer's right, title and interest in and to the Assigned Product specified in any and all Assignment Appendices then in effect during the Assignment Period, and PPA Buyer's delegation of the Assigned Rights and Obligations during the Assignment Period and agrees to perform any such Assigned Rights and Obligations due from it during the Assignment Period to the extent expressly set forth in this Agreement.

3. Limited Assignment.

The Parties acknowledge and agree that (i) the Assigned Rights and Obligations include only a portion of PPA Buyer's and PPA Seller's rights and obligations under the PPA, and that all rights and obligations (including without limitation obligations with respect to payment for any Product not included in the Assigned Product and any other amounts owed under the PPA, including payment of the Contract price by PPA Buyer to PPA Seller) arising under the PPA that are not expressly included in the Assigned Rights and Obligations shall be "**Retained Rights and Obligations**" that are retained solely by PPA Buyer, and (ii) the Retained Rights and Obligations include all rights and obligations of PPA Buyer and PPA Seller arising during the Assignment Period except the rights and obligations expressly included in the Assigned Rights and Obligations. In this regard:

(a) **Limited to Delivered Product Payment Obligation**. MSCG's sole payment obligation hereunder will be to pay the Floating Price Payments into the Custodial Account as such terms are defined in and described on Appendix 1 (the "**Delivered Product Payment Obligation**"). MSCG and PPA Buyer each agree to instruct the Custodian in accordance with Section 3(c) hereof to pay PPA Seller for the Assigned Product delivered during each Month of the Assignment Period specified in any and all Assignment Appendices then in effect on each applicable payment date under Section 8.2 of the PPA. PPA Buyer shall remain responsible for all payment obligations and performance obligations of PPA Buyer under the PPA during the Assignment Period, and shall remain so responsible to make such payments and complete such performance by the times and on the terms set out in the PPA, including in the event that either (i) MSCG does not make the payments into the Custodial Account as described above or (ii) the Custodian does not make the payments to PPA Seller from the Custodial Account as described above. Any payment adjustments or subsequent reconciliations occurring or to occur after payment by MSCG as described in this Section 3(a) will be resolved exclusively between PPA Buyer and PPA Seller consistent with the applicable provisions of the PPA. Without limiting a Party's obligations under this Agreement, the Parties agree that the assignment, transfer and/or conveyance of all or any portion of the Assigned Products in accordance with this Agreement and the Parties' performance of any obligation in accordance with this Agreement shall not constitute a failure to meet the requirements of the PPA, or a breach of any covenant, representation or warranty under the PPA (and in no event shall PPA Seller be responsible for any failure of any portion of the Assigned Products to satisfy the requirements of the PPA, to the extent such failure results from the assignment, transfer and/or conveyance of such Assigned Products in accordance with this Agreement).

(b) **Retained Rights and Obligations**. Any Claims (other than the Delivered Product Payment Obligation or a failure to perform the same) arising or existing in connection with or related to the PPA, whether related to performance by PPA Seller, PPA Buyer or MSCG, and whether arising before, during or after the Assignment Period, in each case excluding the Delivered Product Payment Obligation (provided, however, that PPA Buyer still remains liable for any failure in timely payment of all amounts due and owing under the PPA), will be included in the Retained Rights and Obligations, and any such Claims will be resolved exclusively between PPA Seller and PPA Buyer in accordance with the PPA.

(c) **Invoicing**. During the Assignment Period specified in any and all Assignment Appendices then in effect, PPA Seller shall continue to provide PPA Buyer a monthly invoice of

amounts owing under the PPA in accordance with the requirements thereof, which invoice shall show the total amount due to PPA Seller under the PPA for such Month (the "**Monthly Gross Amount**"). Promptly following PPA Buyer's receipt of each monthly invoice from PPA Seller during the Assignment Period specified in any and all Assignment Appendices then in effect and, in any event, no later than [redacted] thereafter, PPA Buyer shall deliver (i) a copy of such monthly invoice and the related supporting data to MSCG and (ii) a statement to each of MSCG and the Custodian indicating (A) the Monthly Gross Amount; (B) the Delivered Product Payment Obligation; and (C) the "**Retained Payment Obligation**", which shall be an amount equal to the Monthly Gross Amount minus the Delivered Product Payment Obligation. PPA Buyer and MSCG covenant and agree to instruct the Custodian to pay the Monthly Gross Amount to PPA Seller on or before the applicable payment date in the PPA; provided that (x) the liability of MSCG hereunder to PPA Seller is limited as described on Appendix 1 and (y) the Monthly Gross Amount payable to PPA Seller shall be reduced to the extent that PPA Buyer disputes any of the invoiced amounts pursuant to Section 8.5 of the PPA. PPA Buyer and MSCG may agree in a separate writing as to the allocation of the Monthly Gross Amount between PPA Buyer and MSCG of amounts paid by the Custodian to PPA Seller hereunder. At all times, PPA Buyer remains liable to PPA Seller for all amounts due and owing under the PPA. [If the monthly invoice of amounts owing under the PPA results in a settlement amount due from PPA Seller to PPA Buyer, PPA Seller will make such payments directly to PPA Buyer's existing bank account, without settlement with MSCG or through the Custodial Account.][2] For the avoidance of doubt, the Parties acknowledge and agree that any invoice adjustments or reconciliations occurring after the initial settlement of amounts due under a monthly invoice shall be resolved exclusively between PPA Seller and PPA Buyer pursuant to the terms of the PPA.

(d) **Scheduling**. All scheduling of Assigned Product and other communications related to the PPA shall take place between PPA Buyer and PPA Seller pursuant to the terms of the PPA; provided that during any Assignment Period specified in any and all Assignment Appendices then in effect (i) title to Assigned Product specified in any and all Assignment Appendices then in effect will pass to MSCG upon delivery by PPA Seller at the Delivery Point in accordance with the PPA; (ii) immediately thereafter, title to such Assigned Product will pass to one or more Prepay Sellers (as set forth in the applicable Assignment Appendix), Issuer (as set forth in the applicable Assignment Appendix) and then to PPA Buyer upon delivery by MSCG at the same point where title is passed to MSCG pursuant to clause (i) above; (iii) PPA Buyer will be deemed to be acting as MSCG's agent with regard to scheduling Assigned Product; and (iv) PPA Buyer will provide copies to MSCG of (A) any notice of a Force Majeure Event delivered under the PPA, (B) any notice of a default or of a breach or other event that, if not cured within an applicable grace period, could result in an Event of Default, (C) annual forecasts and monthly forecasts with respect to the Assigned Product delivered by PPA Seller under the PPA, if any, (D) invoices delivered by PPA Seller under Section 8.1 of the PPA (with a copy to the Custodian if and to the extent retained by PPA Buyer and MSCG), and (E) any other information reasonably requested by MSCG relating to Assigned Product. For the avoidance of doubt, in accordance with Section 5.1 of the PPA, PPA Buyer shall continue to pay or cause to be paid all Taxes on or with respect to the delivery to and

[2] What would these payments be for? / Is there an expectation that there will be payments from time to time by PPA Seller to PPA Buyer and the PPA? Or is this text to account for something such as an indemnity payment?

purchase by PPA Buyer, MSCG, Issuer, and/or Prepay Seller(s), as applicable, of Product that are imposed on Product at and after its delivery to PPA Buyer, MSCG, Issuer, and/or Prepay Seller(s), as applicable, at the time and place contemplated under the PPA or hereunder (other than withholding or other Taxes imposed on PPA Seller's income, revenue, receipts or employees), if any.

(e) **Amendments**. PPA Buyer will provide written notice (including copies thereof) of any proposed or actual amendment, waiver, supplement, modification, or other changes to the PPA to MSCG relating to the Assigned Rights and Obligations, and the Parties hereby acknowledge and agree that an amendment, waiver, supplement, modification or other change will not have any effect on MSCG's rights or obligations under this Agreement unless MSCG receives prior written notice thereof. No amendment, modification, or waiver in respect of this Agreement will be effective unless in writing (including a writing evidenced by a facsimile or electronic transmission) and executed by each of the Parties hereto.

(f) **Setoff of Receivables**. Pursuant to the applicable Prepaid Agreement(s), Prepay Seller(s) may purchase the rights to payment of the net amounts owed by PPA Buyer under the applicable Prepay Power Supply Contract ("**Receivables**") in the case of non-payment by PPA Buyer. To the extent any such Receivables relate to Assigned Product purchased by MSCG pursuant to the Assigned Rights and Obligations, the applicable Prepay Seller may sell such Receivables to MSCG and, provided that MSCG has notified PPA Seller in writing (with a copy to PPA Buyer) (a "**Receivables Setoff Notice**") that the amount of any such Receivables is, to its knowledge, true and accurate, MSCG may transfer such Receivables (excluding any penalties, late payment fees, late payment interest or other fees, costs or interest included in such Receivables) to PPA Seller and apply the face amount of such Receivables (excluding any penalties, late payment fees, late payment interest or other fees, costs or interest included in such Receivables) as a reduction to any Delivered Product Payment Obligations; provided, however, that (1) at no time shall PPA Seller be required to pay MSCG for any amounts by which such Receivables exceed any Delivered Product Payment Obligations, and (2) at all times, PPA Buyer remains liable to PPA Seller for all amounts due and owing under the PPA including the Monthly Gross Amount under each invoice. The amount of any Receivables set forth in a Receivables Setoff Notice shall be final and binding unless PPA Buyer shall have provided PPA Seller and MSCG a written notice within [redacted] of its receipt of a Receivables Setoff Notice containing conclusive evidence that such amount is incorrect and asserting what PPA Buyer has determined is the correct amount of Receivables. If any dispute arises therefrom, MSCG shall still be entitled to set-off the amount of Receivables set forth in its Receivables Setoff Notice as provided above, and any such dispute as to the correct amount of Receivables shall be settled exclusively between PPA Buyer and PPA Seller with no liability to MSCG, provided that at all times, PPA Buyer remains liable to PPA Seller for all amounts due and owing under the PPA including the Monthly Gross Amount under each invoice. To effect such transfer, MSCG shall deliver to PPA Seller a Receivables Setoff Notice not later than the payment due date for the Delivered Electricity Payment Obligations and shall deliver to PPA Seller a bill of sale signed by MSCG not later than [redacted] thereafter.

4. Forward Contract.

The Parties acknowledge and agree that this Agreement constitutes a "forward contract" and that the Parties shall constitute "forward contract merchants" within the meaning of the United States Bankruptcy Code.

5. Assignment Period; Assignment Early Termination.

(a) **Assignment Period**. The "**Assignment Period**" under an Assignment Appendix shall begin on the Assignment Appendix Start Date and extend until the Assignment Appendix End Date; provided that in no event shall the Assignment Period extend past an Assignment Early Termination Date with respect to such Assignment Appendix; provided further that the Assignment Period under each Assignment Appendix will automatically terminate upon the expiration or early termination of either the Delivery Term (as defined in the PPA) or the PPA.

(b) **Early Termination**. An "**Assignment Early Termination Date**" will occur under the following circumstances and as of the dates and for the applicable Assignment Appendices specified below:

i. delivery of a written notice of termination by either MSCG or PPA Buyer to each of the other Parties hereto, which Assignment Early Termination Date shall occur under the Assignment Appendices specified in such written notice and on the date set forth in a written notice of such election delivered by either MSCG or PPA Buyer to each of the other Parties hereto; or

ii. delivery of a written notice of termination by PPA Seller in its sole discretion to each of the other Parties hereto, if MSCG fails to pay when due any amounts owed to PPA Seller in respect of any Delivered Product Payment Obligation and such failure continues for [redacted] following receipt by MSCG of written notice thereof, which Assignment Early Termination Date shall occur under all Assignment Appendices then in effect upon the date set forth in a written notice of such election delivered by PPA Seller to MSCG and PPA Buyer; or

iii. the election of PPA Seller in its sole discretion to declare an Assignment Early Termination Date if any of the events described in the definition of "Bankrupt" set forth in the PPA occurs with respect to MSCG, which Assignment Early Termination Date shall occur under all Assignment Appendices then in effect immediately on the date of PPA Seller's delivery of notice of its election to MSCG and PPA Buyer.

(c) **Reversion of Assigned Rights and Obligations**. The applicable Assignment Period(s) will end at the end of the last delivery hour on the date specified in any termination notice provided pursuant to Section 5(b). The Parties acknowledge and agree that upon the occurrence of an Assignment Early Termination Date, upon the automatic termination referred to in Section 5(a), and at the expiration of any Assignment Period, the Assigned Rights and Obligations under each applicable Assignment Appendix will revert from MSCG to PPA Buyer. Any Assigned Rights and Obligations under an Assignment Appendix that would become due for payment or performance on or after such Assignment Early Termination Date or on or after the automatic

termination referred to in Section 5(a) in either case with respect to such Assignment Appendix shall immediately and automatically revert from MSCG to PPA Buyer; provided that (i) MSCG shall remain jointly (with PPA Buyer) responsible for the Delivered Product Payment Obligation with respect to any Assigned Product delivered to MSCG prior to the Assignment Early Termination Date or prior to the expiration of an Assignment Period, and (ii) any legal restrictions on the effectiveness of such reversion (whether arising under bankruptcy law or otherwise) shall not affect the occurrence of the Assignment Early Termination Date or expiration of the Assignment Period.

(d) **Notice of Assignment Early Termination Date**. Within [redacted] of the occurrence of an Assignment Early Termination Date, PPA Buyer shall provide written notice thereof to PPA Seller.

6. Representations and Warranties.

(a) **Copy of PPA**. As of the Assignment Agreement Effective Date, PPA Seller and PPA Buyer represent and warrant to MSCG that a true, complete, and correct copy of the PPA as of such date is attached hereto as Appendix 3.

(b) **No Default**. As of the Assignment Agreement Effective Date, PPA Seller and PPA Buyer represent and warrant to MSCG that to its knowledge no event or circumstance exists (or would exist with the passage of time or the giving of notice) that would give either of them the right to terminate the PPA or suspend performance thereunder.

(c) **Other**. As of the Assignment Agreement Effective Date, each of PPA Buyer and PPA Seller represents and warrants to each other and to MSCG that:

i. It has made no prior transfer (whether by way of security or otherwise) of any interest in the Assigned Rights and Obligations; and

ii. All obligations of PPA Buyer and PPA Seller under the PPA required to be performed on or before the Assignment Period Start Date have been fulfilled.

(d) **Representations**. Each Party represents to each of the other Parties as of the Assignment Agreement Effective Date:

i. **Status**. It is duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation and, if relevant under such laws, in good standing.

ii. **Powers**. It has the power to execute, this Agreement and any other documentation relating to this Agreement to which it is a party, to deliver this Agreement and any other documentation relating to this Agreement that it is required by this Agreement to deliver and to perform its obligations under this Agreement and has taken all necessary action to authorize such execution, delivery and performance.

iii. **No Violation or Conflict**. Such execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby, including

the incurrence by such Party of its obligations under this Agreement, will not result in any violation of, or conflict with: (i) any term of any material contract or agreement applicable to it; (ii) any of its charter, bylaws, or other constitutional documents; (iii) any determination or award of any arbitrator applicable to it; or (iv) any license, permit, franchise, judgment, writ, injunction or regulation, decree, order, charter, law, ordinance, rule or regulation of any Government Agency in effect, applicable to it or any of its assets or properties or to any obligations incurred by it or by which it or any of its assets or properties or obligations are bound or affected, and shall not cause a breach of, or default under, any such term or result in the creation of any lien upon any of its properties or assets.

iv. **Consents**. All consents, approvals, orders or authorizations of, registrations, declarations, filings or giving of notice to, obtaining of any licenses or permits from, or taking of any other action with respect to, any Person or Government Agency that are required to have been obtained by such Party with respect to this Agreement and the transactions contemplated hereby, including the due authorization of such Party and its governing body and any approval or consent of any security holder of such Party or any holder (or any trustee for any holder) of any indebtedness or other obligation of such Party, have been obtained and are in full force and effect and all conditions of any such consents have been complied with.

v. **Obligations Binding**. Its obligations under this Agreement constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

vi. **Non-Reliance**. It is acting for its own account, and it has made its own independent decisions to enter into this Agreement and as to whether this Agreement is appropriate or proper for it based upon its own judgment and upon advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) of the other Parties as investment advice or as a recommendation to enter into this Agreement; it being understood that information and explanations related to the terms and conditions of this Agreement shall not be considered investment advice or a recommendation to enter into this Agreement. It is entering into this Agreement as a bona-fide, arm's-length transaction involving the mutual exchange of consideration and, once executed by all Parties, considers this Agreement a legally enforceable contract. No communication (written or oral) received from any of the other Parties shall be deemed to be an assurance or guarantee as to the expected results of this Agreement.

vii. **Assessment and Understanding**. It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks of this Agreement. It is also capable of assuming, and assumes, the risks of this Agreement.

viii. **Status of Parties**. None of the other Parties is acting as a fiduciary for or an adviser to it in respect of this Agreement.

7. Miscellaneous.

Article [__] (Confidential Information), [__] (No Consequential Damages), [__] (No Agency, Partnership, Joint Venture or Lease), Sections [__] (Severability), [__] (Electronic Delivery), [__] (Counterparts), and Section [__] (Binding Effect) of the PPA are incorporated by reference into this Agreement, *mutatis mutandis*, as if fully set forth herein.

8. Amendments.

Except as provided in Section 11(c), no amendment, modification, or waiver in respect of this Agreement will be effective unless in writing and executed by each of the Parties.

9. Costs and Expenses.

The Parties shall each pay their own costs and expenses (including legal fees) incurred in connection with this Agreement and as a result of the negotiation, preparation, and execution of this Agreement.

10. Notices.

Any notice, demand, statement, or request required or authorized by this Agreement to be given by one Party to another Party shall be delivered in accordance with Article 9 of the PPA and to the addresses of each of PPA Seller and PPA Buyer specified in the PPA. PPA Buyer agrees to notify MSCG of any updates to such notice information, including any updates provided by PPA Seller to PPA Buyer. Notices to MSCG shall be provided to the address set forth in Appendix 3. Each Party may update its address from time to time by notice to the other Parties.

11. Governing Law; Dispute Resolution.

(a) Governing Law. This Agreement and the rights and duties of the Parties under this Agreement will be governed by and construed, enforced and performed in accordance with the laws of the state of New York, without reference to any conflicts of laws provisions that would direct the application of another jurisdiction's laws; *provided*, however, that the authority of PPA Buyer to enter into and perform its obligations under this agreement shall be determined in accordance with the laws of the state of California.

(b) Arbitration. Any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope of this Agreement to arbitrate, shall be determined by final, non-appealable binding arbitration in San Francisco, California before three (3) arbitrators. The arbitration shall be administered by Judicial Arbitration and Mediation Services, Inc. ("**JAMS**") pursuant to its Comprehensive Arbitration Rules and Procedures. Within [redacted] after

the commencement of arbitration, each of MSCG and PPA Buyer, on the one hand, and PPA Seller, on the other hand, shall select one person to act as arbitrator, and JAMS shall appoint one (1) person to act as an arbitrator (for such an arbitration, MSCG, PPA Buyer and PPA Seller are the "**Arbitration Parties**"), provided that if the arbitration pertains to matters and disputes solely as between PPA Buyer and MSCG, and PPA Seller is neither asserting nor defending a claim in relation thereto, then each of MSCG and PPA Buyer shall select one person to act as arbitrator, and JAMS shall appoint one (1) person to act as an arbitrator (for such an arbitration, only MSCG and PPA Buyer are the "**Arbitration Parties**"). The JAMS appointed arbitrator shall serve as the chairperson (the "**chairperson**"). If any of the Arbitration Parties is unable or fails to select one person to act as arbitrator, such arbitrator shall be appointed by JAMS. The chairperson shall be a person who has experience in renewable energy-related transactions, and none of the arbitrators shall have been previously employed by any Arbitration Party or have any direct pecuniary interest in any Arbitration Party or the subject matter of the arbitration, unless such conflict is expressly acknowledged and waived in writing by all of the Arbitration Parties. The Arbitration Parties shall maintain the confidential nature of the arbitration proceeding and any award, including any hearing(s), except as may be necessary to prepare for or conduct the arbitration hearing on the merits, or except as necessary in connection with a court application for a preliminary remedy, a judicial challenge to an award or its enforcement, or unless otherwise required by law or judicial decision. Any arbitration proceedings, decision or award rendered hereunder and the validity, effect and interpretation of this arbitration provision shall be governed by the Federal Arbitration Act. The arbitrator(s) shall have no authority to award consequential, treble, exemplary, or punitive damages of any type or kind regardless of whether such damages may be available under any law or right, with the Arbitration Parties hereby affirmatively waiving their rights, if any, to recover or claim such damages. The responsibility for compensation and expenses of the three arbitrators and all other expenses charged by JAMS shall be shared equally between or among the Arbitration Parties, as the case may be. In any arbitration arising out of or related to this Agreement, the arbitrators shall award to the prevailing Arbitration Party or Arbitration Parties, if any, the costs and attorney's fees reasonably incurred in seeking to enforce the application of this Section 11(b) by the prevailing party in connection with the arbitration, and the non-prevailing Arbitration Party or Arbitration Parties shall also be liable to the prevailing Arbitration Party or Arbitration Parties for the compensation and expenses of the three arbitrators and all costs and charges of JAMS in connection with the arbitration. Notwithstanding the foregoing provisions of this Section 11(b), any costs incurred by an Arbitration Party in seeking judicial enforcement of any written decision of the arbitrators shall be chargeable to and borne exclusively by the Arbitration Party against whom such court order is obtained. The award shall be final and binding on the Arbitration Parties and judgment upon any award may be entered in any court of competent jurisdiction.

(c) Judicial Reference. Without limiting the provisions in Section 11(b), if Section 11(b) is deemed ineffective or unenforceable in any respect, any dispute between the Parties arising out of or in connection with this Agreement or its performance, breach, or termination (including the existence, validity and interpretation of this Agreement and the applicability of any statute of limitation period) (each, a "**Dispute**") shall be resolved by a reference proceeding in California in accordance with the provisions of Sections 638 et seq. of the California Code of Civil Procedure ("**CCP**"), or their successor sections (a "**Reference Proceeding**"), which shall constitute the exclusive remedy for the resolution of any Dispute. As a condition precedent to initiating a

Reference Proceeding with respect to any Dispute, the Parties shall comply with the provisions of Section 11(c)(i).

i. Notice of Dispute. Prior to initiating the Reference Proceeding, a Party (the "**Disputing Party**") shall provide the other Parties (the "**Responding Parties**"; and together with the Disputing Party, the "**Dispute Parties**") with a written notice of each issue in dispute, a proposed means for resolving each such issue, and support for such position (the "**Notice of Dispute**"). Within [redacted] after receiving the Notice of Dispute, the Responding Parties shall provide the Disputing Party with a written Notice of each additional issue (if any) with respect to the dispute raised by the Notice of Dispute, a proposed means for resolving every issue in dispute, and support for such position (the "**Dispute Response**"). If the Notice of Dispute makes no claim or assertion against one of the Responding Parties, and such Responding Party, in making its Dispute Response does not make or assert a claim against either the Disputing Party or the other Responding Party and states that it has no interest in the Dispute, then such Responding Party shall not participate in the resolution of the Dispute and shall not be a "**Dispute Party**" for purposes of this Section 11(c). Thereafter, the Dispute Parties shall meet to discuss the matter and attempt in good faith to reach a negotiated resolution of the dispute. If the Dispute Parties do not resolve the dispute by unanimous agreement within [redacted] after receipt of the Dispute Response, (the "**Negotiation Period**"), then any Dispute Party may provide to the other Dispute Party(ies) written notice of intent for judicial reference (the "**Impasse Notice**") in accordance with the further provisions of this Section 11(c).

ii. Applicability; Selection of Referees. Within [redacted] of the delivery of an Impasse Notice, each of MSCG and PPA Buyer, on the one hand, and PPA Seller, on the other hand, shall nominate one (1) referee, provided that if PPA Seller is not a Dispute Party, then each of MSCG and PPA Buyer shall nominate (1) referee, and PPA Seller will not nominate a referee. The two (2) referees (the "**Party-Appointed Referees**") shall unanimously appoint one additional referee (the "**Additional Referee**", together with the Party-Appointed Referees, the "**Referees**"). The Party-Appointed Referees shall be competent and experienced in matters involving the electric energy business in the United States, with at least ten (10) years of electric industry experience as a practicing attorney. The Additional Referee shall be an active or retired California state or federal judge (the "**Head Referee**"). Each of the Party-Appointed Referees and the Additional Referee shall be impartial and independent of each of the Dispute Parties and of the other referees and not employed by any of the Dispute Parties in any prior matter.

iii. Inability to Agree upon Third Referee. If the Party-Appointed Referees are unable to agree on the Additional Referee within [redacted] from delivery of the Impasse Notice, then the Additional Referee shall be appointed pursuant to CCP Section 640(b) in an action filed in the Superior Court of California, County of San Francisco (the "Court"), and with due regard given to the selection criteria above. A request for appointment of a referee may be heard on an ex parte or expedited basis, and the Dispute Parties agree that irreparable harm would result if ex parte relief is not granted. Pursuant to CCP Section 170.6, each of PPA Buyer and MSCG, on the one hand, and PPA Seller, on the other hand, shall have one (1) peremptory challenge to the referee selected by the Court, provided that

if PPA Seller is not a Dispute Party, then each of MSCG and PPA Buyer shall have one (1) peremptory challenge to the referee selected by the Court.

iv. Discovery; Proceedings.

(A) The Dispute Parties agree that time is of the essence in conducting the Reference Proceeding. Accordingly, the Referees shall be requested, subject to change in the time periods specified herein for good cause shown, to (i) set the matter for a status and trial-setting conference within [redacted] after the date of selection of the Head Referee, (ii) if practicable, try all issues of law or fact within [redacted] after the date of the conference, and (iii) report a statement of decision within [redacted] after the matter has been submitted for decision.

(B) Discovery and other pre-hearing procedures shall be conducted as agreed to by the Dispute Parties, or if they cannot agree, as determined by the Head Referee after discussion with the Dispute Parties regarding the need for discovery and other pre-hearing procedures.

(C) Except as expressly set forth herein, the Head Referee shall determine the manner in which the Reference Proceeding is conducted, including the time and place of hearings, the order of presentation of evidence, and all other questions that arise with respect to the course of the Reference Proceeding. The Reference Proceeding, including the trial, shall be conducted at a neutral location selected by the Dispute Parties, or if not agreed by the Dispute Parties, by the Head Referee, in San Francisco, California.

(D) All proceedings and hearings conducted before the Referees, except for trial, shall be conducted without a court reporter, except that when any Dispute Party so requests, a court reporter will be used at any hearing conducted before the Referees, and the Referees will be provided a courtesy copy of the transcript. The Dispute Party making such a request shall have the obligation to arrange for and pay the court reporter.

v. Decision. The Referees shall render a written statement of decision setting forth findings of fact and conclusions of law. The Referees shall have no authority to award consequential, treble, exemplary, or punitive damages of any type or kind regardless of whether such damages may be available under any law or right, with the Parties hereby affirmatively waiving their rights, if any, to recover or claim such damages. The decision shall be entered as a judgment in the court in accordance with the provisions of CCP Sections 644 and 645. The decision shall be appealable to the same extent and in the same manner that such decision would be appealable if rendered by a judge of the Court. The Parties intend this general reference agreement to be specifically enforceable in accordance with the CCP.

vi. Expenses. The Dispute Parties shall bear the compensation and expenses of its respective own counsel, witnesses, consultants and employees. The responsibility

for compensation and expenses of the Referees and all other expenses of judicial reference shall be shared equally between or among the Dispute Parties.

(d) **Assignment Appendix Prepaid Transaction Details**. From time to time, MSCG may deliver one or more completed Assignment Appendices to the other Parties hereto completing the terms that are currently bracketed therein, and each such Assignment Appendix shall be binding upon each of the Parties hereto; provided that the aggregate sum of the Assigned Product under all Assignment Appendices then in effect will not exceed the Guaranteed Capacity under and as defined in the PPA. As set forth in Appendix 1 hereto, MSCG's payment obligations are limited to the Assigned Product delivered pursuant to the Assignment Appendices then in effect. Each Assignment Appendix will set forth certain details relating to the commodity prepayment transaction pursuant to which all or a portion of the Assigned Product shall be delivered; provided that MSCG may, at any time with the prior consent of PPA Buyer but without the consent of PPA Seller, by written notice to PPA Seller and PPA Buyer, (i) rescind any Assignment Appendix, provided that such rescission shall be on a prospective basis only and shall not affect obligations accrued prior to such rescission or (ii) update or amend any Assignment Appendix to change any or all of the following terms specified therein, provided that any and all such changes shall be consistent with MSCG's, PPA Seller's and PPA Buyer's rights and obligations, and the limitations provided, under this Agreement:: (A) an increase or decrease of the volume of Assigned Product to be delivered into the applicable commodity prepayment transaction (including without limitation a change thereto to reflect that all MWh of Assigned Product delivered in accordance with the PPA by PPA Seller shall be delivered into one commodity prepayment transaction, subject only the aggregate quantity limit specified above); (B) a change in the relevant commodity prepayment transaction (i.e., the "Prepaid Agreement") pursuant to which the Assigned Product shall be delivered; (C) a change in the identity of the Prepay Seller; or (D) a change to the Assignment Appendix Start Date and/or the Assignment Appendix End Date. For the avoidance of doubt, (I) more than one Assignment Appendix may be in effect at any time, and (II) at any given time, less than one hundred percent (100%) of the Guaranteed Capacity under and as defined in the PPA may be assigned pursuant to the Assignment Appendices then in effect.

11. **U.S. Resolution Stay Protocol.**[3] The Parties agree that the terms of Section 1 and Section 2 and the related defined terms (together, the "**Bilateral Terms**") of the form of bilateral template entitled "Full-Length Omnibus (for use between U.S. G-SIBs and Corporate Groups)," published by ISDA on November 2, 2018 (currently available on the 2018 ISDA U.S. Resolution Stay Protocol page at www.isda.org)), the effect of which is to amend the qualified financial contracts between the Parties thereto to conform with the requirements of the QFC Stay Rules, are hereby incorporated into and form a part of this Agreement, and for such purposes this Agreement shall be deemed a "Covered Agreement", MSCG shall be deemed a "Covered Entity" and the Counterparty shall be deemed a "Counterparty Entity." In the event that, after the date of this Agreement, all Parties hereto become adhering Parties to the 2018 ISDA U.S. Resolution Stay Protocol (the "**Protocol**"), the terms of the Protocol will replace the terms of this section. In the event of any inconsistencies between this Agreement and the terms of the Protocol or the Bilateral Terms (each, the "**QFC Stay Terms**"), as applicable, the QFC Stay Terms will govern.

[3] NTD: PPA Sellers are not currently adherents to the ISDA Stay Protocol.

Terms used in this paragraph without definition shall have the meanings assigned to them under the QFC Stay Rules. For purposes of this paragraph, references to "this Agreement" include any related credit enhancements entered into between the Parties, directly or indirectly through an agent, or provided by one to the other.

"**QFC Stay Rules**" means the regulations codified at 12 C.F.R. 252.2, 252.81–8, 12 C.F.R. 382.1-7 and 12 C.F.R. 47.1-8, which, subject to limited exceptions, require an express recognition of the stay-and-transfer powers of the FDIC under the Federal Deposit Insurance Act and the Orderly Liquidation Authority under Title II of the Dodd Frank Wall Street Reform and Consumer Protection Act and the override of default rights related directly or indirectly to the entry of an affiliate into certain insolvency proceedings and any restrictions on the transfer of any covered affiliate credit enhancements.

IN WITNESS WHEREOF, the Parties have executed this Agreement effective as of the date first set forth above.

[PPA SELLER]

By: _____
Name:_____
Title:_____

SAN DIEGO COMMUNITY POWER

By: _____
Name:_____
Title:_____

MORGAN STANLEY CAPITAL GROUP INC.

By: _____
Name:_____
Title:_____

Appendix 1
Assigned Rights and Obligations

PPA: [____]

Delivery Point: The Delivery Point (as defined in the PPA)

Further Information: [____]

Limitation of MSCG Liability. MSCG has separately agreed with PPA Buyer and Custodian pursuant to the Custody Agreement to pay the "Day-Ahead Average Price" as defined below into the custodial account specified in the Custody Agreement (the "**Custodial Account**") for a specified portion of the Assigned Product delivered to the Delivery Point during each Month of the Assignment Period pursuant to all Assignment Appendices then in effect (the "**Floating Price Payments**"). MSCG agrees for the benefit of PPA Seller to pay the Floating Price Payments into the Custodial Account, and MSCG's payment obligations under this Agreement are limited to making such payments into the Custodial Account, for application as provided in the Custody Agreement. PPA Buyer and PPA Seller each acknowledge and agree that the making of Floating Price Payments into the Custodial Account by MSCG shall not entitle (i) PPA Seller to receive payments in excess of the Contract Price as defined in the PPA for Assigned Product delivered hereunder or (ii) PPA Buyer to pay less than the Contract Price as defined in the PPA for Assigned Product delivered hereunder. PPA Buyer and MSCG each acknowledge and agree that the making of Floating Price Payments into the Custodial Account by MSCG shall not entitle (i) MSCG to any payments from PPA Seller or (ii) affect the Custodian's obligation to pay the Monthly Gross Amount to PPA Seller on or before the applicable payment date in the PPA. At all times PPA Buyer shall remain obligated for the payment of all amounts owing under the terms of the PPA including the Monthly Gross Amount under each invoice provided by PPA Seller to PPA Buyer pursuant to the PPA. At all times, PPA Buyer remains liable to PPA Seller for all amounts due and owing under the PPA. For the avoidance of doubt, MSCG's obligations hereunder are limited to only the Assignment Appendices then in effect.

"Day-Ahead Average Price" means the result of (i) (x) the sum of the Day-Ahead Market Prices for each Pricing Interval in a Month divided by (y) the number of Pricing Intervals in such Month plus (ii) the Index Adder (as set forth in the table immediately below) for the relevant Month. As used in this definition, "Pricing Interval" means the unit of time for which [_____] establishes a separate price. As used in this definition "Day-Ahead Market Price" means the Day Ahead Market or Locational Marginal Price for [_____] for each applicable hour as published by [_____], or as such price may be corrected or revised from time to time by [_____] in accordance with its rules. For the avoidance of doubt, the Day-Ahead Average Price can be a negative number.

Month	Index Adder ($/MWh)
[____]	[____]
[____]	[____]
[____]	[____]
[____]	[____]

Month	Index Adder ($/MWh)
[____]	[____]
[____]	[____]
[____]	[____]
[____]	[____]
[____]	[____]
[____]	[____]

Appendix 2

Assignment Appendix - [A][B][C]

Date: [____]

"**Assignment Appendix End Date**" means 11:59:59 p.m. pacific prevailing time on [____], 20[_].

"**Assignment Appendix Start Date**" means [____] 1, 20[_].

"**Custodian**" means U.S. Bank Trust Company, National Association a national banking association.

"**Custody Agreement**" means the [Amended & Restated Custodial Agreement] dated as of [____], among the Issuer, PPA Buyer, MSCG, each applicable Prepay Seller and the Custodian, as from time to time amended, restated, supplemented or otherwise modified.

"**Issuer**" means California Community Choice Financing Authority, a joint powers authority and a public entity of the State of California established pursuant to the provisions of the Joint Exercise of Powers Act (Article 1, Chapter 5, Division 7, Title 1, Section 6500 *et seq*. of the California Government Code, as amended).

"**Prepaid Agreement**" means that certain Prepaid Energy Sales Agreement, dated as of [____], 20[_] by and between Prepay Seller and Issuer, as from time to time amended, restated, supplemented or otherwise modified.

"**Prepay Power Supply Contract**" means that certain Power Supply Contract, dated as of [____], 20[_] by and between Prepay Seller and Issuer, as from time to time amended, restated, supplemented or otherwise modified.

"**Prepay Seller**" means [_____], a [_____], or any other Person that is the prepay seller under the terms of the Prepaid Agreement from time to time.

Assigned Product subject to this Assignment Appendix: As set forth immediately below, [the percentage of Assigned Product]/[the monthly quantities of Assigned Product] delivered to the Delivery Point: [____]

Appendix 3

MSCG Notice Information

[To be completed before signing.]

Appendix 4

Copy of PPA

[To be attached.]

SAN DIEGO COMMUNITY POWER
Staff Report – Item 15

To:	Board of Directors
From:	Gordon Samuel, Chief Commercial Officer Andrea Torres, Director of Origination
Via:	Jack Clark, Acting Chief Executive Officer
Subject:	Approve the proposed 9-Year Renewable Power Purchase Agreement ("PPA") with Kumeyaay Wind LLC for 50 MWs of wind product in substantially final form and authorize the Acting Chief Executive Officer to execute the agreement
Date:	June 25, 2026

Recommendation

Approve the proposed Renewable Power Purchase Agreement ("PPA") with Kumeyaay Wind LLC in substantially final form and authorize the Acting Chief Executive Officer to execute the agreement.

Background

As San Diego Community Power (Community Power) strives to meet its environmental, financial, and regulatory compliance goals and requirements, long-term power purchase agreements (PPAs) are integral components of its energy supply portfolio. Long-term PPAs provide renewable generation facility developers with a certain revenue stream against which they can finance up-front capital requirements, so each long-term PPA that Community Power signs with a developing facility will underpin a new, incremental renewable energy project, while locking in renewable energy supply and capacity for Community Power's portfolio.

The proposed PPA is for capacity and renewable energy benefits from a 50 MW wind facility (referred to as "Kumeyaay" or "Project") with Kumeyaay Wind LLC, a subsidiary of Leeward Renewable Energy ("Leeward"). The PPA originated from an offer Community Power received in 2026 via its Local Renewable Energy and Energy Storage Request for Information ("Local RFI"). Community

Power engaged with Leeward after shortlisting the project and has reached terms mutually agreeable to both parties.

Analysis and Discussion

In recent months, staff have received several offers on a bilateral basis for products from operational wind projects that are seeking additional long-term contracts after existing PPAs expire. Staff believe this is due to a particularly constrained market for 24/7 renewable resources for the foreseeable future. The vast majority of active projects in the CAISO queue are solar and/or battery storage. Given the termination of tax credits available to wind and solar projects, as well as permitting headwinds for new-build wind resources both within California and out of state, a number of wind developers have chosen to pause their pipeline of new wind development. Further, while geothermal development retains the opportunity to capture tax credits beyond 2035, transmission and permitting constraints as well as high capital expenditure requirements constrain development.

Resources that can provide 24/7 renewable energy are particularly valuable to diversify a portfolio like Community Power's that is dominated by solar photovoltaic and 4-hr battery energy storage resources. In addition to delivering power during evening ramp periods, starting in 2028, load serving entities like Community Power will have to begin reporting on the hourly green-house gas emissions ("GHG") from generation serving Community Power's load in its Power Source Disclosure report. Further, the CPUC and California's Air Resources Board have adopted an aggressive 8 million metric ton ("MMT") target for the electricity sector by 2045. 24/7 resources like wind provide renewable power during those overnight hours that would otherwise be provided by system power.

Staff evaluated the Kumeyaay Wind project along with several other wind proposals and determined that a long-term contract for the Project is a good fit for Community Power for the following reasons:

- The Project is competitively priced compared to the other wind offers received or anticipated to receive in any near-term solicitations.
- The Project will provide 24/7 renewable energy.
- The Project will provide critical local resource adequacy ("RA"), which is a highly constrained market due to the limited available capacity for both transmission and distribution interconnection projects in SDG&E's service territory. Unlike other CCAs, SDG&E, as the representative investor-owned utility ("IOU") does not procure local capacity RA on behalf of CCA LSEs in its former power supply service territory.
- The Project is under a lease agreement with the Campo Kumeyaay Nation, which entitles the tribe to 5% of PPA revenues, resulting in a direct financial benefit for the tribal community.

Staff negotiated the attached redacted PPA for the purchase of renewable energy and resource adequacy from the Kumeyaay Wind project, which is an operational wind project in San Diego County, California.

Below is additional information regarding Leeward Renewable Energy, the Project and the PPA.

Background on Leeward Renewable Energy:

- Founded in 2003, Leeward Renewable Energy has developed 34 renewable energy facilities across 12 states, totaling upwards of 3.9 GW of installed capacity. Of that, 88 MW of wind, 274 MW of PV, and 234 MWh of storage are successfully operating in California.
- Leeward Renewable Energy has over 20GW of projects under development in the US over the next five years, overseen by approximately 400 full-time employees. The Leeward Leadership team consists of industry veterans who led operations at several major development and load serving entities including Duke Energy Corporation, Enbridge, Orsted, and more.
- Leeward implements a multistep stakeholder engagement process across their portfolio designed to facilitate direct dialogue with the community to foster collaboration.

Project Overview:

- Project: 50 MW operational wind
- Project location: San Diego County, California, located on the Campo Kumeyaay Nation reservation near Boulevard.
- Contract term: ~9 years (9/1/2026 – 2/7/2035)
- Expected annual energy production: 140,000 to 160,000 MWhs depending on the contract year
- Operational project with no development risk
- Guaranteed energy production: 75% of projected annual deliveries
- Community Power would receive financial compensation in the event of seller's failure to meet the guaranteed energy production
- The PPA includes right-of-first-refusal ("ROFR") for Community Power in the event of any continued operations beyond the PPA term.
- Community Power is not exposed to any tax credit losses via price adjustments due to the fact that it is an operational resource for which prior tax credits have already been monetized.

Workforce development:

- This project is already constructed, therefore no new jobs are associated with the Project. The PPA does employ union labor for any maintenance required at the substation or the use of cranes.

Community Benefits:

- The Project is under an existing lease agreement with the Campo Kumeyaay Nation , which entitles the tribe to 5% of PPA revenues, resulting in a direct financial benefit for the tribal government.
- Leeward will contribute to the Community Power's Community Benefits Fund.

Fiscal Impact

The competitive energy and capacity pricing of the PPA are confidential, but the long-term purchase of renewable energy and capacity will provide Community Power with significant value and cost certainty over the term of this PPA.

Committee Review

Key terms of the PPA were reviewed with the Energy Contract Working Group (ECWG) on June 8, 2026, and the ECWG approved staff's recommendation to move forward on the recommendation for Board approval.

Strategic Plan

This Project ties to two of the strategic plan goals for the Power Services team:

1. Develop a clean energy portfolio with renewable content of 100% no later than 2035, with interim targets of 75% by 2027 and 85% by 2030; and

2. Ensure cost-effective compliance with RA and RPS requirements and all other regulatory obligations.

Attachments

A: Renewable Power Purchase Agreement with Kumeyaay Wind LLC (redacted version for commercially sensitive information)

ITEM 15
ATTACHMENT A

RENEWABLE POWER PURCHASE AGREEMENT

COVER SHEET

Seller: Kumeyaay Wind LLC, a Delaware limited liability company ("**Seller**")

Buyer: San Diego Community Power, a California joint powers authority ("**Buyer**")

Description of Facility: A 52 MW wind electricity generating facility located in San Diego County, in the State of California, as further described in Exhibit A.

Delivery Term: Nine (9) Contract Years.

Guaranteed Delivery Term Start Date: September 1, 2026

Expected Energy:

Contract Year	Expected Energy (MWh)
1	[redacted]
2	[redacted]
3	[redacted]
4	[redacted]
5	[redacted]
6	[redacted]
7	[redacted]
8	[redacted]
9	[redacted]

Guaranteed Capacity: 50 MW-AC of Facility capacity

Dedicated Interconnection Capacity: 50 MW

Contract Price

Contract Year	Contract Price
1 – 9	[redacted]

Product:

☒ Energy
☒ Green Attributes (Portfolio Content Category 1)
☒ Ancillary Services
☒ Capacity Attributes (select options below as applicable)
  ☐ Energy Only Status
  ☒ Full Capacity Deliverability Status
☐ Imbalance Reserves
☒ [redacted]

Metering Arrangement: CAISO Metered Entity

Scheduling Coordinator: Buyer/Buyer Third Party

Security:

Development Security: [redacted]
Performance Security: [redacted]

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RENEWABLE POWER PURCHASE AGREEMENT

This Renewable Power Purchase Agreement ("**Agreement**") is entered into as of _____, 2026 (the "**Effective Date**"), between Buyer and Seller. Buyer and Seller are sometimes referred to herein individually as a "**Party**" and jointly as the "**Parties**." All capitalized terms used in this Agreement are used with the meanings ascribed to them in Article 1 to this Agreement.

RECITALS

WHEREAS, Seller intends to develop, design, permit, construct, own, and operate the Facility; and

WHEREAS, Seller desires to sell, and Buyer desires to purchase, on the terms and conditions set forth in this Agreement, the Product;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the sufficiency and adequacy of which are hereby acknowledged, the Parties agree to the following:

ARTICLE 1
DEFINITIONS

1.1 Contract Definitions. The following terms, when used herein with initial capitalization, shall have the meanings set forth below:

"**AC**" means alternating current.

"**Accepted Compliance Costs**" has the meaning set forth in Section 3.12(e).

[redacted]

"**Adjusted Energy Production**" has the meaning set forth in Exhibit G.

"**Administrative NQC Reduction**" means [redacted]

"**Affiliate**" means, with respect to any Person, each Person that directly or indirectly controls, is controlled by, or is under common control with such designated Person. For purposes of this definition and the definition of "Permitted Transferee", "control", "controlled by", and "under common control with", as used with respect to any Person, shall mean (a) the direct or indirect right to cast at least fifty percent (50%) of the votes exercisable at an annual general meeting (or its equivalent) of such Person or, if there are no such rights, ownership of at least fifty

percent (50%) of the equity or other ownership interest in such Person, or (b) the right to direct the policies or operations of such Person.

"**Agreement**" has the meaning set forth in the Preamble and includes the Cover Sheet and any Exhibits, schedules and any written supplements hereto.

"**Ancillary Services**" means all ancillary services (as defined in the CAISO Tariff), if any, associated with the Facility.

"**Approved Forecast Vendor**" means any of (a) the CAISO or (b) any other vendor reasonably acceptable to both Buyer and Seller for the purposes of providing or verifying the forecasts under Section 4.4(d).

"**Attestation**" has the meaning set forth in Section 4.9.

"**Automated Dispatch System**" or "**ADS**" has the meaning set forth in the CAISO Tariff.

"**Automated Dispatches**" has the meaning set forth in Section 6.1(c).

"**Automatic Generation Control**" or "**AGC**" has the meaning set forth in the CAISO Tariff.

"**Availability Standards**" has the meaning set forth in the CAISO Tariff or such other similar term as modified and approved by FERC hereafter to be incorporated in the CAISO Tariff.

"**Available Capacity**" means the capacity of the Facility, expressed in whole MWs, that is mechanically available to generate Energy.

"**Bankrupt" or "Bankruptcy**" means with respect to any entity, such entity that (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, (b) has any such petition filed or commenced against it which remains unstayed or undismissed for a period of ninety (90) days, (c) makes an assignment or any general arrangement for the benefit of creditors, (d) otherwise becomes bankrupt or insolvent (however evidenced), (e) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (f) is generally unable to pay its debts as they fall due.

"**Business Day**" means any day except a Saturday, Sunday, or a Federal Reserve Bank holiday in California. A Business Day begins at 8:00 a.m. and ends at 5:00 p.m. Pacific Prevailing Time (PPT).

"**Buyer**" means San Diego Community Power, a California joint powers authority.

"**Buyer Bid Curtailment**" means the occurrence of both of the following:

(a) the CAISO provides notice to a Party or the Scheduling Coordinator for the Facility, requiring the Party to deliver less Energy than the full amount of Energy forecasted in accordance with Section 4.5 to be produced from the Facility for a period of time;

(b) for the same time period as referenced in (a), the notice referenced in (a) results from the manner in which Buyer or the SC schedules or bids the Facility or Energy, including where Buyer or the SC for the Facility:

(i) did not submit a Self-Schedule or an Energy Supply Bid for the MW subject to the reduction; or

(ii) submitted an Energy Supply Bid and the CAISO notice referenced in (a) is solely a result of CAISO implementing the Energy Supply Bid; or

(iii) submitted a Self-Schedule for less than the full amount of Energy forecasted to be generated by or delivered from the Facility.

If the Facility is subject to a Planned Outage, Forced Facility Outage, Force Majeure Event or a Curtailment Period during the same time period as referenced in (a), then the calculation of Deemed Delivered Energy during such period shall not include any Energy that was not generated due to such Planned Outage, Forced Facility Outage, Force Majeure Event or Curtailment Period.

"**Buyer Curtailment Order**" means (i) the instruction from Buyer to Seller to reduce Delivered Energy by the amount, and for the period of time set forth in such instruction, for reasons unrelated to a Planned Outage, Forced Facility Outage, Force Majeure Event or Curtailment Order, [redacted]

"**Buyer Curtailment Period**" means the period of time, as measured using current Settlement Intervals, during which Seller reduces Delivered Energy pursuant to or as a result of (a) Buyer Bid Curtailment or (b) a Buyer Curtailment Order; provided, that the duration of any Buyer Curtailment Period shall be inclusive of the time required for the Facility to ramp down and ramp up.

"**Buyer Default**" means a failure by Buyer to perform Buyer's obligations hereunder and includes an Event of Default of Buyer.

"**Buyer's WREGIS Account**" has the meaning set forth in Section 4.8(a).

"**CAISO**" means the California Independent System Operator Corporation, or any successor entity performing similar functions.

"**CAISO Approved Meter**" means a CAISO approved revenue quality meter or meters, CAISO approved data processing gateway or remote intelligence gateway, telemetering equipment and data acquisition services sufficient for monitoring, recording and reporting, in real time, all Delivered Energy delivered to or from the Delivery Point.

"**CAISO Certification**" means the approvals, certifications and testing requirements for a generating unit set forth in the CAISO Tariff that are applicable to the Facility, including certification and testing for all applicable Ancillary Services, PMAX, and PMIN.

"**CAISO Charges Invoice**" has the meaning set forth in Exhibit D.

"**CAISO Metered Entity**" has the meaning set forth in the CAISO Tariff.

"**CAISO Operating Order**" means the Operating Instruction or Dispatch Instruction as defined in the CAISO Tariff.

"**CAISO Tariff**" means the California Independent System Operator Corporation Agreement and Tariff, Business Practice Manuals (BPMs), and Operating Procedures, including the rules, protocols, procedures and standards attached thereto, as the same may be amended or modified from time-to-time and approved by FERC.

"**CAISO VER Forecast**" means the forecast of output provided by CAISO pursuant to the CAISO Tariff, as such provisions may be modified or amended from time to time.

"**California Renewables Portfolio Standard**" or "**RPS**" means the renewable energy program and policies established by California State Senate Bills 1038 (2002), 1078 (2002), 107 (2008), X-1 2 (2011), 350 (2015), and 100 (2018) as codified in, *inter alia*, California Public Utilities Code Sections 399.11 through 399.31 and California Public Resources Code Sections 25740 through 25751, as such provisions are amended or supplemented from time to time.

"**Capacity Attribute**" means any current or future defined characteristic, certificate, tag, credit, or accounting construct associated with the amount of power that the Facility is capable of generating or delivering to the Delivery Point at a particular moment and that can be purchased and sold under CAISO or CPUC market rules, including Resource Adequacy Benefits.

"**CEC**" means the California Energy Commission, or any successor agency performing similar statutory functions.

"**CEC Certification and Verification**" means that the CEC has certified that the Facility is an Eligible Renewable Energy Resource for purposes of the California Renewables Portfolio Standard and that all Delivered Energy delivered to the Delivery Point qualifies as generation from an Eligible Renewable Energy Resource.

"**Change of Control**" means, except in connection with public market transactions of equity interests or capital stock of Seller's Ultimate Parent, any circumstance in which Ultimate Parent ceases to own, directly or indirectly through one or more intermediate entities, at least fifty percent (50%) of the outstanding equity interests in Seller; *provided*, in calculating ownership percentages for all purposes of the foregoing:

(a) any ownership interest in Seller held by Ultimate Parent indirectly through one or more intermediate entities shall not be counted towards Ultimate Parent's ownership interest in Seller unless Ultimate Parent directly or indirectly owns more than fifty percent (50%) of the outstanding equity interests in each such intermediate entity; and

(b) ownership interests in Seller owned directly or indirectly by any Lender (including any tax equity provider) shall be excluded from the total outstanding equity interests in Seller.

"**Collateral Assignment Agreement**" has the meaning set forth in Section 14.2.

"**Communications Protocols"** means the protocols developed by the Parties pursuant to Section 4.5(d) that involve procedures, software, equipment, and protocols regarding communication with respect to the operation of the Facility pursuant to this Agreement.

"**Compliance Actions**" has the meaning set forth in Section 3.12(c).

"**Compliance Expenditure Cap**" has the meaning set forth in Section 3.12(b).

"**Confidential Information**" has the meaning set forth in Section 18.1.

"**Contract Price**" has the meaning set forth on the Cover Sheet.

"**Contract Term**" has the meaning set forth in Section 2.1.

"**Contract Year**" means a period of twelve (12) consecutive months, except for the ninth (9^{th}) Contract Year (as set forth at the end of the next sentence). The first Contract Year shall commence on the Delivery Term Start Date, and each subsequent Contract Year shall commence on the anniversary of the Delivery Term Start Date, and the ninth (9^{th}) Contract Year shall commence on the anniversary of the Delivery Term Start Date and end at the end of HE 2400 on February 7, 2035.

"**Costs**" means, with respect to the Non-Defaulting Party, brokerage fees, commissions and other similar third-party transaction costs and expenses reasonably incurred by such Party either in terminating any arrangement pursuant to which it has hedged its obligations or entering into new arrangements which replace this Agreement; and all reasonable attorneys' fees and expenses incurred by the Non-Defaulting Party in connection with terminating this Agreement.

"**Cover Sheet**" means the cover sheet to this Agreement, which is incorporated into this Agreement.

"**CPM Soft Offer Cap**" has the meaning set forth in the CAISO Tariff.

"**CPUC**" means the California Public Utilities Commission or any successor agency performing similar statutory functions.

"**CPUC Master Resource Database**" means the CPUC database of generation, energy storage and other resources qualified to provide Resource Adequacy Benefits capacity to load serving entities.

"**CPUC System RA Penalty**" means the system RAR penalties assessed against load-serving entities by the CPUC for Resource Adequacy Requirement deficiencies that are not replaced or cured, as established in the Resource Adequacy Rulings and subsequently incorporated into the annual "Filing Guide for System, Local and Flexible Resource Adequacy Compliance Filings" that is issued by the CPUC Energy Division, which is expected to be updated annually,

or any replacement or successor documentation established by the CPUC Energy Division to reflect Resource Adequacy Requirement penalties that are established by the CPUC and assessed against load-serving entities for Resource Adequacy Requirement deficiencies.

"**Credit Rating**" means, with respect to any entity, the rating then assigned to such entity's unsecured, senior long-term debt obligations (not supported by third party credit enhancements) or if such entity does not have a rating for its senior unsecured long-term debt, then the rating then assigned to such entity as an issuer rating by S&P or Moody's. If ratings by S&P and Moody's are not equivalent, the lower rating shall apply.

"**CRS**" has the meaning set forth in Section 4.9.

"**Cure Plan**" has the meaning set forth in Section 11.1(b)(vi).

"**Curtailment Order**" means any of the following:

(a) CAISO orders, directs, alerts, or provides notice to a Party, including a CAISO Operating Order (but excluding any curtailment solely arising from or in connection with a Buyer Bid Curtailment), to curtail deliveries of Energy for the following reasons: (i) any System Emergency, or (ii) any warning of an anticipated System Emergency, or warning of an imminent condition or situation, which jeopardizes CAISO's electric system integrity or the integrity of other systems to which CAISO is connected;

(b) a curtailment ordered by the Transmission Provider for reasons including, but not limited to, (i) any situation that affects normal function of the electric system including, but not limited to, any abnormal condition that requires action to prevent circumstances such as equipment damage, loss of load, or abnormal voltage conditions, or (ii) any warning, forecast or anticipation of conditions or situations that jeopardize the Transmission Provider's electric system integrity or the integrity of other systems to which the Transmission Provider is connected;

(c) a curtailment ordered by CAISO or the Transmission Provider due to scheduled or unscheduled maintenance on the Transmission Provider's transmission facilities that prevents (i) Buyer from receiving or (ii) Seller from delivering Delivered Energy to the Delivery Point; or

(d) a curtailment in accordance with Seller's obligations under its Interconnection Agreement with the Transmission Provider or distribution operator.

"**Curtailment Period**" means the period of time, as measured using current Settlement Intervals, during which Energy from the Facility is reduced pursuant to a Curtailment Order; *provided*, the Curtailment Period shall be inclusive of the time required for the Facility to ramp down and ramp up.

"**Damage Payment**" means the amount to be paid by Seller to Buyer for a Seller default prior to the first day of the Delivery Term in a dollar amount as set forth in Section 11.3(a).

"**Day-Ahead Forecast**" has the meaning set forth in Section 4.4(c).

"**Day-Ahead Schedule**" has the meaning set forth in the CAISO Tariff.

"**Dedicated Interconnection Capacity**" means the maximum instantaneous amount of Energy that is permitted to be delivered by the Facility to the Delivery Point under Seller's Interconnection Agreement, in the amount of MWs as set forth on the Cover Sheet.

"**Deemed Delivered Energy**" means the amount of Energy, expressed in MWh, that the Facility would have produced and delivered to the Delivery Point, but that is not produced by the Facility during a Buyer Curtailment Period, which amount shall be calculated [redacted] *provided* that, if the applicable difference is negative, the Deemed Delivered Energy shall be zero (0).

"**Deemed Delivered RA**" means, for the applicable Showing Month, the amount of Net Qualifying Capacity, expressed in MW, that the Facility would have been able to deliver as Resource Adequacy Benefits, but for (a) a Force Majeure Event as provided in Section 10.1, or (b) Planned Outages permitted by the terms of this Agreement to the extent such Planned Outages reduce the Net Qualifying Capacity of the Facility.

"**Defaulting Party**" has the meaning set forth in Section 11.1(a).

"**Deficient Month**" has the meaning set forth in Section 4.8(e).

"**Delivered Energy**" means for each hour, the electric Energy generated by the Facility, net of Electrical Losses and Station Use, and delivered to the Delivery Point, as measured by the Facility Meter.

"**Delivered RA**" means an amount, expressed in MW, calculated for the applicable Showing Month as the sum of [redacted].

"**Delivery Network Upgrades**" has the meaning set forth in the CAISO Tariff.

"**Delivery Point**" has the meaning set forth in Exhibit A.

"**Delivery Term**" shall mean the period of Contract Years set forth on the Cover Sheet beginning on the Delivery Term Start Date, unless terminated earlier in accordance with the terms and conditions of this Agreement.

"**Delivery Term Start Date**" means the first day of the Delivery Term.

"**Development Security**" means (a) cash or (b) a Letter of Credit in the amount

"**Disclosing Party**" has the meaning set forth in Section 18.2(a).

"**Early Termination Date**" has the meaning set forth in Section 11.2(a).

"**Effective Date**" has the meaning set forth in the Preamble.

"**Electrical Losses**" means, subject to meeting any applicable CAISO requirements and in accordance with Section 7.1, all transmission or transformation losses between the Facility Metering Point and the Delivery Point associated with delivery of Delivered Energy.

"**Eligible Renewable Energy Resource**" or "**ERR**" has the meaning set forth in California Public Utilities Code Section 399.12(e) and California Public Resources Code Section 25741(a), as either code provision is amended or supplemented from time to time.

"**Emission Reduction Credits**" or "**ERCs**" means emission reductions that have been authorized by a local air pollution control district pursuant to California Division 26 Air Resources; Health and Safety Code Sections 40709 and 40709.5, whereby a district has established a system by which all reductions in the emission of air contaminants that are to be used to offset certain future increases in the emission of air contaminants shall be banked prior to use to offset future increases in emissions.

"**Energy**" means alternating current electrical energy measured in MWh.

"**Energy Supply Bid**" has the meaning set forth in the CAISO Tariff.

"**Environmental Costs**" means all costs associated with or related to (i) acquiring and maintaining all environmental permits and licenses for the Facility, (ii) the Facility's compliance with all applicable environmental laws, rules and regulations, including capital costs for pollution mitigation or installation of emissions control equipment required to permit or license the Facility, and operation and maintenance of the pollution mitigation or control equipment, (iii) permit maintenance fees and emission fees as applicable including all Emission Reduction Credits or Marketable Emission Trading Credits required by any applicable environmental laws, rules, regulations, and permits to operate the Facility, (iv) the use, release, disposal and clean-up of Hazardous Substances introduced to the Site, and (v) the decontamination or remediation, on or off the Site, necessitated by the use, storage or release of such Hazardous Substances on the Site.

"**Event of Default**" has the meaning set forth in Section 11.1.

"**Excess MWh**" has the meaning set forth in Exhibit C.

"**Exercise Period**" has the meaning set forth in Section 14.6(c).

"**Expected Energy**" means the quantity of Delivered Energy that Seller expects to be able to deliver to Buyer during each Contract Year or other time period in the quantity specified on the Cover Sheet.

"**Facility**" means the generating facility described on the Cover Sheet and in Exhibit A, located at the Site, and including mechanical equipment and associated facilities and equipment required to deliver Energy to the Delivery Point, but excluding any Shared Facilities.

"Facility Meter" means the CAISO Approved Meter, along with a CAISO-approved data processing gateway or remote intelligence gateway, telemetering equipment and data acquisition services sufficient for monitoring, recording and reporting, in real time, the amount of Delivered Energy delivered to the Facility Metering Point for the purpose of invoicing in accordance with Section 8.1. The Facility may contain multiple measurement devices that will make up the Facility Meter, and, unless otherwise indicated, references to the Facility Meter shall mean all such measurement devices and the aggregated data of all such measurement devices, taken together.

"**Facility Metering Point**" means the location or locations of the Facility Meter shown on Exhibit R.

"**FERC**" means the Federal Energy Regulatory Commission, or any successor government agency.

"**Flexible RAR**" means the flexible capacity requirements established for load-serving entities by the CAISO pursuant to the CAISO Tariff, the CPUC pursuant to the Resource Adequacy Rulings, or by any other Governmental Authority.

"**Force Majeure Event**" has the meaning set forth in Section 10.1.

"**Forced Facility Outage**" means an unexpected failure of one or more components of the Facility that prevents Seller from generating Energy or making Delivered Energy available at the Delivery Point and that is not the result of a Force Majeure Event.

"**Forecasting Penalty**" means for each hour in which Seller does not provide the forecast required in Section 4.4(d) and Buyer incurs a loss or penalty resulting from its scheduling activities in such hour with respect to Delivered Energy, the product of (a) the absolute difference (if any) between (i) the Expected Energy for such hour set forth in the Monthly Delivery Forecast, and (ii) the actual Energy produced by the Facility, multiplied by (b) the absolute value of the Real-Time Price for the Facility in such hour.

"**Full Capacity Deliverability Status**" has the meaning set forth in the CAISO Tariff.

"**Future Environmental Attributes**" shall mean any and all generation attributes other than Green Attributes or Renewable Energy Incentives under the RPS regulations or under any and all other international, federal, regional, state or other law, rule, regulation, bylaw, treaty or other intergovernmental compact, decision, administrative decision, program (including any voluntary compliance or membership program), competitive market or business method (including all credits, certificates, benefits, and emission measurements, reductions, offsets and allowances related thereto) that are attributable, now, or in the future, to the generation of electrical energy by the Facility. Future Environmental Attributes do not include investment tax credits or production tax credits associated with the construction or operation of the Facility, or other financial incentives in the form of credits, reductions, or allowances associated with the Facility that are applicable to a state or federal income taxation obligation.

"**Gains**" means, with respect to any Non-Defaulting Party, an amount equal to the present value of the economic benefit to it, if any (exclusive of Costs), resulting from the termination of this Agreement for the remaining Contract Term, determined in a commercially reasonable

manner. Factors used in determining the economic benefit to a Non-Defaulting Party may include, without limitation, reference to information supplied by one or more third parties, which shall exclude Affiliates of the Non-Defaulting Party, 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, comparable transactions, forward price curves based on economic analysis of the relevant markets, settlement prices for comparable transactions at liquid trading hubs (e.g., SP-15), all of which should be calculated for the remaining Contract Term, and include the value of Green Attributes and Capacity Attributes.

"**GEP Damages**" has the meaning set forth in Section 4.7.

"**Governmental Authority**" means any federal, state, provincial, local or municipal government, any political subdivision thereof or any other governmental, congressional or parliamentary, regulatory, or judicial instrumentality, authority, body, agency, department, bureau, or entity with authority to bind a Party at law, including the CPUC, CAISO, and NERC; *provided*, *however*, that "Governmental Authority" shall not in any event include any Party.

"**Green Attributes**" means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Facility and its displacement of conventional energy generation. Green Attributes include but are not limited to Renewable Energy Credits, as well as: (a) any avoided emissions of pollutants to the air, soil or water such as sulfur oxides (SOx), nitrogen oxides (NOx), carbon monoxide (CO) and other pollutants; (b) 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 atmosphere; (c) the reporting rights to these avoided emissions, such as Green Tag Reporting Rights. Green Tags are accumulated on a MWh basis and one Green Tag represents the Green Attributes associated with one (1) MWh of Delivered Energy. Green Attributes do not include (i) any energy, capacity, reliability or other power attributes from the Facility, (ii) production tax credits associated with the construction or operation of the Facility and other financial incentives in the form of credits, reductions, or allowances associated with the Facility 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 Facility for compliance with local, state, or federal operating or air quality permits. If the Facility is a biomass or landfill gas 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 Facility.

"**Green Tag Reporting Rights**" means the right of a purchaser of renewable energy to report ownership of accumulated "green tags" in compliance with and to the extent permitted by applicable Law and include, without limitation, rights under Section 1605(b) of the Energy Policy Act of 1992, and any present or future federal, state or local certification program or emissions trading program, including pursuant to the WREGIS Operating Rules.

"**Guaranteed Capacity**" means the generating capacity of the Facility, as measured in MW AC at the Delivery Point, (i.e., measured at the Facility Meter and adjusted for Electrical Losses to the Delivery Point), that Seller commits to install pursuant to this Agreement, as set forth on the Cover Sheet.

"**Guaranteed Delivery Term Start Date**" means the date set forth on the Cover Sheet.

"**Guaranteed Energy Production**" means an amount of Adjusted Energy Production, as measured in MWh, equal to [redacted] of the total Expected Energy (as set forth on the Cover Sheet) for the applicable Performance Measurement Period.

"**Guaranteed RA Amount**" means [redacted]

"**Hazardous Substance**" means, collectively, (a) any chemical, material or substance that is listed or regulated under applicable Laws as a "hazardous" or "toxic" substance or waste, or as a "contaminant" or "pollutant" or words of similar import, (b) any petroleum or petroleum products, flammable materials, explosives, radioactive materials, asbestos, urea formaldehyde foam insulation, and transformers or other equipment that contain polychlorinated biphenyls, and (c) any other chemical or other material or substance, exposure to which is prohibited, limited or regulated by any Laws.

"**Imbalance Energy**" means the amount of Energy in MWh, in any given Settlement Period or Settlement Interval, by which the amount of Delivered Energy deviates from the amount of Scheduled Energy.

"**Imbalance Reserves**" has the meaning set forth in the CAISO Tariff.

"**Indemnifiable Loss(es)**" has the meaning set forth in Section 16.1(a).

"**Indemnified Party**" has the meaning set forth in Section 16.1(a).

"**Indemnifying Party**" has the meaning set forth in Section 16.1(a).

"**Installed Capacity**" means the actual generating capacity of the Facility, as measured in MW AC at the Delivery Point (i.e., measured at the Facility Meter and adjusted for Electrical Losses to the Delivery Point), up to but not in excess of the Guaranteed Capacity.

"**Inter-SC Trade**" or "**IST**" has the meaning set forth in the CAISO Tariff.

"**Interconnection Agreement**" means the interconnection agreement(s) entered into by Seller or Seller's Affiliate pursuant to which the Facility will be interconnected with the Transmission System, providing for interconnection capacity available or allocable to the Facility at the Interconnection Point that is no less than the Dedicated Interconnection Capacity, and pursuant to which Seller's Interconnection Facilities and any other Interconnection Facilities will be constructed, operated and maintained during the Contract Term.

"**Interconnection Facilities**" means the interconnection facilities, control and protective devices and metering facilities required to connect the Facility with the Transmission System in accordance with the Interconnection Agreement.

"**Interconnection Point**" means the point at which Seller's Interconnection Facilities interconnect with the Transmission System pursuant to the Interconnection Agreement, which point is identified in Exhibit A.

"**Interest Rate**" has the meaning set forth in Section 8.2.

"**Investment Grade Credit Rating**" means a Credit Rating of [redacted] or higher by S&P or [redacted] or higher by Moody's.

"**ITC**" means the investment tax credit established pursuant to Section 48 of the United States Internal Revenue Code of 1986.

"**Joint Powers Act**" means the Joint Exercise of Powers Act of the State of California (California Government Code Section 6500 et seq.).

"**Joint Powers Agreement**" means that certain Joint Powers Agreement dated October 1, 2019, as amended from time to time, under which Buyer is organized as a Joint Powers Authority in accordance with the Joint Powers Act.

"**Law**" means any applicable law, statute, rule, regulation, decision, writ, order, decree or judgment, permit or any interpretation thereof, promulgated or issued by a Governmental Authority.

"**Lender**" means, collectively, any Person (a) providing senior or subordinated construction, interim, back leverage or long-term debt, equity or tax equity financing or refinancing for or in connection with the development, construction, purchase, installation or operation of the Facility, whether that financing or refinancing takes the form of private debt (including back-leverage debt), equity (including tax equity), public debt or any other form (including financing or refinancing provided to a member or other direct or indirect owner of Seller), including any equity or tax equity investor directly or indirectly providing financing or refinancing for the Facility or purchasing equity ownership interests of Seller and/or its Affiliates, and any trustee or agent or similar representative acting on their behalf, (b) providing Interest Rate or commodity protection under an agreement hedging or otherwise mitigating the cost of any of the foregoing obligations and/or (c) participating in a lease financing (including a sale leaseback or leveraged leasing structure) with respect to the Facility.

"**Letter(s) of Credit**" means one or more irrevocable, standby letters of credit issued by a U.S. commercial bank with such bank having a Credit Rating of at least [redacted] in a form substantially similar to the letter of credit set forth in Exhibit K.

"**Licensed Professional Engineer**" means an independent, professional engineer selected by Seller and reasonably acceptable to Buyer, licensed in the State of California.

"**Limited Assignee**" has the meaning set forth in Section 14.5.

"**Local RAR**" means the local Resource Adequacy Requirements established for load-serving entities by the CAISO pursuant to the CAISO Tariff, the CPUC pursuant to the Resource Adequacy Rulings, or by any other Governmental Authority. "Local RAR" may also be known as local area reliability, local resource adequacy, local resource adequacy procurement requirements, or local capacity requirement in other regulatory proceedings or legislative actions.

"**Locational Marginal Price**" or "**LMP**" has the meaning set forth in the CAISO Tariff.

"**Losses**" means, with respect to the Non-Defaulting Party, an amount equal to the present value of the economic loss to it, if any (exclusive of Costs), resulting from termination of this Agreement for the remaining Contract Term, determined in a commercially reasonable manner. Factors used in determining economic loss to a Party may include reference to information supplied by one or more third parties, which shall exclude Affiliates of the Non-Defaulting Party, 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, comparable transactions, forward price curves based on economic analysis of the relevant markets, settlement prices for comparable transactions at liquid trading hubs (e.g., SP-15), all of which should be calculated for the remaining Contract Term and must include the value of Green Attributes, Capacity Attributes, and Renewable Energy Incentives.

"**Lost Output**" means the amount of Energy, expressed in MWh, that the Facility would have produced and delivered to the Delivery Point, but that is not produced by the Facility due to Force Majeure Events, Curtailment Periods, System Emergencies, or Buyer Default. The Lost Output shall be calculated in the same manner as Deemed Delivered Energy is calculated in accordance with the definition thereof.

"**Marketable Emission Trading Credits**" means emissions trading credits or units pursuant to the requirements of California Division 26 Air Resources; Health & Safety Code Section 39616 and Section 40440.2 for market-based incentive programs such as the South Coast Air Quality Management District's Regional Clean Air Incentives Market, also known as RECLAIM, and allowances of sulfur dioxide trading credits as required under Title IV of the Federal Clean Air Act (42 U.S.C. § 7651b (a) to (f)).

"**Master File**" has the meaning set forth in the CAISO Tariff.

"**Material Terms**" has the meaning set forth in Section 14.6(b).

"**Meter Service Agreement**" means "Meter Service Agreement for CAISO Metered Entities" or "Meter Service Agreement for Scheduling Coordinators", as applicable, as each are defined in the CAISO Tariff.

"**Monthly Delivery Forecast**" has the meaning set forth in Section 4.4(b).

"**Monthly Product Payment**" means the payment required to be made by Buyer to Seller each month of the Delivery Term as compensation for delivered Product, as calculated in accordance with Exhibit C.

"**Moody's**" means Moody's Investors Service, Inc.

"**MW**" means megawatts in alternating current, unless expressly stated in terms of direct current.

"**MWh**" means megawatt-hour measured in alternating current, unless expressly stated in terms of direct current.

"**Negative LMP**" means, in any Settlement Interval, the LMP at the Facility's PNode in the Real-Time Market is less than Zero dollars ($0).

"**Negative LMP Costs**" has the meaning set forth in Exhibit C.

"**NERC**" means the North American Electric Reliability Corporation or any successor entity performing similar functions.

"**Net Qualifying Capacity**" has the meaning set forth in the CAISO Tariff.

"**Network Upgrades**" means collectively Delivery Network Upgrades and Reliability Network Upgrades.

"**Non-Defaulting Party**" has the meaning set forth in Section 11.2.

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

"**Outage Schedule**" has the meaning set forth in Section 4.6(a)(i).

"**Party**" or "**Parties**" has the meaning set forth in the Preamble.

"**Performance Measurement Period**" means [redacted]

"**Performance Security**" means (a) cash or (b) a Letter of Credit in the amount set forth on the Cover Sheet.

"**Permitted Transferee**" means (a) any Affiliate of Seller or (b) any entity that has, or is controlled by another Person that satisfies the following requirements:

(i) A Tangible Net Worth of not less than [redacted] or a Credit Rating of at least [redacted]; and

(ii) At least [redacted] of experience in the ownership and operations of facilities similar to the Facility or has retained a third-party with such experience to operate the Facility.

"**Person**" means any individual, sole proprietorship, corporation, limited liability company, limited or general partnership, joint venture, association, joint-stock company, trust, incorporated organization, institution, public benefit corporation, unincorporated organization, government entity or other entity.

"**Planned Outage**" means a period during which the Facility is either in whole or in part not capable of providing service due to planned maintenance that has been scheduled in advance in accordance with Section 4.6(a).

"**PMAX**" means the applicable CAISO-certified maximum operating level of the Facility.

"**PNode**" has the meaning set forth in the CAISO Tariff.

"**Portfolio**" means the portfolio of electrical energy generating, electrical energy storage, or other assets and entities, including the Facility (or the interests of Seller or Seller's Affiliates or the interests of their respective direct or indirect parent companies), that is pledged as collateral security in connection with a Portfolio Financing.

"**Portfolio Content Category 1**" or "**PCC1**" means any Renewable Energy Credit associated with the generation of electricity from an Eligible Renewable Energy Resource consisting of the portfolio content set forth in California Public Utilities Code Section 399.16(b)(1), as may be amended from time to time or as further defined or supplemented by Law.

"**Portfolio Financing**" means any debt incurred by an Affiliate of Seller that is secured only by a Portfolio.

"**Portfolio Financing Entity**" means any Affiliate of Seller that incurs debt in connection with any Portfolio Financing.

"**Post-Delivery Term Project**" has the meaning set forth in Section 14.6(a).

"**Product**" has the meaning set forth on the Cover Sheet.

"**Project PPA**" has the meaning set forth in Section 14.6(b).

"**Prudent Operating Practice**" means (a) the applicable practices, methods and acts required by or consistent with applicable Laws and reliability criteria, and otherwise engaged in or approved by a significant portion of the electric industry during the relevant time period with respect to grid-interconnected, utility-scale generating facilities in the Western United States, or (b) any of the practices, methods and acts which, in the exercise of reasonable judgement in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Prudent Operating Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to acceptable practices, methods or acts

generally accepted in the industry with respect to grid-interconnected, utility-scale generating facilities in the Western United States. Prudent Operating Practice includes compliance with applicable Laws, applicable safety and reliability criteria, and the applicable criteria, rules and standards promulgated in the National Electric Safety Code and the National Electrical Code, as they may be amended or superseded from time to time, including the criteria, rules and standards of any successor organizations.

"**PTC**" means the production tax credit established pursuant to Section 45 of the United States Internal Revenue Code of 1986.

"**Qualifying Capacity**" has the meaning set forth in the CAISO Tariff.

"**RA Compliance Showing**" means the (a) Local RAR compliance or advisory showings (or similar or successor showings), (b) RAR compliance or advisory showings (or similar or successor showings), and (c) Flexible RAR compliance or advisory showings (or similar successor showings), in each case, an entity is required to make to the CAISO pursuant to the CAISO Tariff, to the CPUC (and, to the extent authorized by the CPUC, to the CAISO) pursuant to the Resource Adequacy Rulings, or to any Governmental Authority.

"**RA Deficiency Amount**" means the liquidated damages payment that Seller shall pay to Buyer for an applicable RA Shortfall Month as calculated in accordance with Section 3.8(b).

"**RA Guarantee Date**" means the first day of the Delivery Term.

"**RA Shortfall Amount**" means, for a given Showing Month, the difference, expressed in MW, of (a) the Guaranteed RA Amount minus (b) the Delivered RA. If the result of the calculation is a negative number, the RA Shortfall Amount shall be deemed to be zero MW for such Showing Month.

"**RA Shortfall Month**" means, for purposes of calculating an RA Deficiency Amount under Section 3.8(b), any Showing Month during the Delivery Term, commencing with the Showing Month that contains the RA Guarantee Date, during which there is an RA Shortfall Amount.

"**RA Substitute Capacity**" has the meaning set forth in the CAISO Tariff.

"**Real-Time Forecast**" means any Notice of any change to the Available Capacity or hourly expected Energy delivered by or on behalf of Seller pursuant to Section 4.4(d).

"**Real-Time Market**" has the meaning set forth in the CAISO Tariff.

"**Real-Time Price**" means the Resource-Specific Settlement Interval LMP as defined in the CAISO Tariff. If there is more than one applicable Real-Time Price for the same period of time, Real-Time Price shall mean the price associated with the smallest time interval.

"**Receiving Party**" has the meaning set forth in Section 18.2.

"**Recurring Certificate Transfers**" has the meaning set forth in Section 4.8(a).

"**Reliability Network Upgrades**" has the meaning set forth in the CAISO Tariff.

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

"**Renewable Energy Incentives**" means: (a) all federal, state, or local Tax Credits or other Tax benefits associated with the construction, ownership, or production of Product from the Facility (including credits under Sections 38, 45, 46 and 48 of the Internal Revenue Code of 1986, as amended); (b) any federal, state, or local grants, subsidies or other like benefits relating in any way to ownership or operation of the Facility; and (c) any other form of incentive relating in any way to the Facility that is not a Green Attribute or a Future Environmental Attribute.

"**Replacement Energy**" has the meaning set forth in Exhibit G.

"**Replacement Green Attributes**" means Renewable Energy Credits of the same Portfolio Content Category (i.e., PCC1) as the Green Attributes portion of the Product and of the same year of production as the Renewable Energy Credits that would have been generated by the Facility.

"**Replacement Product**" has the meaning set forth in Exhibit G.

"**Replacement RA**" means Resource Adequacy Benefits from a Resource Adequacy Resource that [redacted] is equivalent in all respects to those that would have been provided by the Facility, as applicable, with respect to the applicable Showing Month in which a RA Deficiency Amount is due to Buyer, including, the same Slice-of-Day generation profile and related characteristics, any successor criteria applicable to the Facility, and as applicable, any Flexible RAR and Local RAR, [redacted] (b) from another facility that provides non-equivalent Resource Adequacy Benefits subject to Buyer's consent.

"**Requested Confidential Information**" has the meaning set forth in Section 18.3.

"**Resource Adequacy Benefits**" means the rights and privileges attached to the Facility that satisfy any entity's Resource Adequacy Requirements, as those obligations are set forth in any ruling issue by a Governmental Authority, including the Resource Adequacy Rulings, or the CAISO Tariff, and shall include RAR, Flexible RAR [redacted] and Local RAR [redacted] and any successor criteria applicable to with the Facility.

"**Resource Adequacy Requirements**" or "**RAR**" means the resource adequacy requirements applicable to an entity as established by the CAISO pursuant to the CAISO Tariff, by the CPUC pursuant to the Resource Adequacy Rulings, or by any other Governmental Authority.

"**Resource Adequacy Resource**" has the meaning set forth in the CAISO Tariff.

"**Resource Adequacy Rulings**" means any applicable CPUC ruling or decision related to resource adequacy, or any other resource adequacy Law, rules or regulations enacted, adopted or

promulgated by the CPUC or the CAISO, however described, as such decisions, rulings, Laws, rules or regulations may be amended or modified from time-to-time throughout the Contract Term.

"**Resource ID**" has the meaning set forth in the CAISO Tariff.

"**Right of First Refusal**" or "**ROFR**" has the meaning set forth in Section 14.6(a).

"**ROFR Offer**" has the meaning set forth in Section 14.6(b).

"**S&P**" means the Standard & Poor's Financial Services, LLC (a subsidiary of S&P Global, Inc.) or its successor.

"**SCADA Systems**" means the standard supervisory control and data acquisition systems to be installed by Seller as part of the Facility, including those system components that enable Seller to receive ADS and AGC instructions from the CAISO or similar instructions from Buyer's SC.

"**Schedule**" has the meaning set forth in the CAISO Tariff, and "**Scheduled**" and "**Scheduling**" have a corollary meaning.

"**Scheduled Energy**" means the Delivered Energy that clears under the applicable CAISO market based on the final Day-Ahead Schedule, FMM Schedule (as defined in the CAISO Tariff), or any other financially binding Schedule, market instruction or dispatch for the Facility for a given period of time implemented in accordance with the CAISO Tariff.

"**Scheduling Coordinator**" or "**SC**" means an entity certified by the CAISO as qualifying as a Scheduling Coordinator pursuant to the CAISO Tariff for the purposes of undertaking the functions specified in "Responsibilities of a Scheduling Coordinator," of the CAISO Tariff, as amended from time to time.

"**Security Interest**" has the meaning set forth in Section 8.9.

"**Self-Schedule**" has the meaning set forth in the CAISO Tariff.

"**Seller**" has the meaning set forth on the Cover Sheet.

"**Seller's WREGIS Account**" has the meaning set forth in Section 4.8(a).

"**Settlement Amount**" means the Non-Defaulting Party's Costs and Losses, on the one hand, netted against its Gains, on the other. If the Non-Defaulting Party's Costs and Losses exceed its Gains, then the Settlement Amount shall be an amount owing to the Non-Defaulting Party. If the Non-Defaulting Party's Gains exceed its Costs and Losses, then the Settlement Amount shall be zero dollars ($0). The Settlement Amount shall not include consequential, incidental, punitive, exemplary, or indirect or business interruption damages unless such damages are part of a Party's Gains, Losses or Costs as those terms are explicitly defined herein.

"**Settlement Interval**" has the meaning set forth in the CAISO Tariff.

"**Settlement Period**" has the meaning set forth in the CAISO Tariff.

"**Shared Facilities**" means the gen-tie lines, transformers, substations, or other equipment, permits, contract rights, and other assets and property (real or personal), in each case, as necessary to enable delivery of Energy to the Delivery Point from the Facility (which is excluded from Shared Facilities), including the Interconnection Agreement itself, that are used in common with third parties or by Seller.

"**Showing Month**" shall be the calendar month of the Delivery Term, commencing with the Showing Month that contains the RA Guarantee Date, that is the subject of the RA Compliance Showing, as set forth in the Resource Adequacy Rulings and outlined in the CAISO Tariff. For illustrative purposes only, pursuant to the CAISO Tariff and Resource Adequacy Rulings in effect as of the Effective Date, the monthly RA Compliance Showing made in June is for the Showing Month of August.

"**Site**" means the real property on which the Facility is or will be located, as further described in Exhibit A.

"**Site Control**" means that, for the Contract Term, Seller (or, prior to the Delivery Term, its Affiliate): (a) owns or has the option to purchase the Site; (b) is the lessee or has the option to lease the Site; or (c) is the holder of an easement or an option for an easement, right-of-way grant, or similar instrument with respect to the Site.

"**SP-15**" means the Existing Zone Generation Trading Hub for Existing Zone region SP15 as set forth in the CAISO Tariff.

"**Station Use**" means the Energy that is used within the Facility to power certain lights, motors, temperature control systems, control systems, and other ancillary electrical loads that are necessary for operation of the Facility (or as otherwise defined by the retail energy provider and CAISO Tariff).

"**Subsequent Purchaser**" means the purchaser or recipient of Product from Buyer in any conveyance, re-sale or remarketing of Product by Buyer.

"**Supply Plan**" has the meaning set forth in the CAISO Tariff.

"**System Emergency**" means any condition that requires, as determined and declared by CAISO or the Transmission Provider, automatic or immediate action to (i) prevent or limit harm to or loss of life or property, (ii) prevent loss of transmission facilities or generation supply in the immediate vicinity of the Facility, or (iii) to preserve Transmission System reliability.

"**Tangible Net Worth**" means the tangible assets (for example, not including intangibles such as goodwill and rights to patents or royalties) that remain after deducting liabilities as determined in accordance with generally accepted accounting principles.

"**Tax**" or "**Taxes**" means all U.S. federal, state and local and any foreign taxes, levies, assessments, surcharges, duties and other fees and charges of any nature imposed by a Governmental Authority, whether currently in effect or adopted during the Contract Term,

including ad valorem, excise, franchise, gross receipts, import/export, license, property, sales and use, stamp, transfer, payroll, unemployment, income, and any and all items of withholding, deficiency, penalty, additions, interest or assessment related thereto.

"**Tax Credits**" means (a) the PTC, ITC and any other state, local or federal production tax credit, depreciation benefit, tax deduction or investment tax credit specific to the production of renewable energy or investments in renewable energy facilities and (b) any refundable credit, grant, or other cash payment in lieu of an incentive described in clause (a).

"**Terminated Transaction**" has the meaning set forth in Section 11.2(a).

"**Termination Payment**" has the meaning set forth in Section 11.3(b).

"**Third-Party Transaction**" has the meaning set forth in Section 14.6(c).

"**Transmission Provider**" means any entity or entities transmitting or transporting the Delivered Energy on behalf of Seller or Buyer to or from the Delivery Point, but excluding Seller or any Seller's Affiliate responsible for operating any gen-tie line to any point of interconnection to a Transmission Provider's transmission system or distribution system. For purposes of this Agreement, the Transmission Provider is set forth in Exhibit A.

"**Transmission System**" means the transmission facilities operated by the CAISO, now or hereafter in existence, which provide energy transmission service downstream from the Delivery Point.

"**Ultimate Parent**" means Leeward Renewable Energy, LLC, a Delaware Limited Liability Company.

"**Unplanned Outage**" means a period during which the Facility is not capable of providing service due to the need to maintain or repair a component thereof, which period is not a Planned Outage.

"**Variable Energy Resource**" or "**VER**" has the meaning set forth in the CAISO Tariff.

"**WREGIS**" means the Western Renewable Energy Generation Information System or any successor renewable energy tracking program.

"**WREGIS Certificate Deficit**" has the meaning set forth in Section 4.8(e).

"**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.

"**WREGIS Operating Rules**" means those operating rules and requirements adopted by WREGIS as of October 2022, as subsequently amended, supplemented or replaced (in whole or in part) from time to time.

1.2 Rules of Interpretation. In this Agreement, except as expressly stated otherwise or unless the context otherwise requires:

(a) headings and the rendering of text in bold and italics are for convenience and reference purposes only and do not affect the meaning or interpretation of this Agreement;

(b) words importing the singular include the plural and vice versa and the masculine, feminine and neuter genders include all genders;

(c) the words "hereof", "herein", and "hereunder" and words of similar import shall refer to this Agreement as a whole and not to any particular provision of this Agreement;

(d) a reference to an Article, Section, paragraph, clause, Party, or Exhibit is a reference to that Article, Section, paragraph, clause of, or that Party or Exhibit to, this Agreement unless otherwise specified;

(e) a reference to a document or agreement, including this Agreement means such document, agreement or this Agreement including any amendment or supplement to, or replacement, novation or modification of this Agreement, but disregarding any amendment, supplement, replacement, novation or modification made in breach of such document, agreement or this Agreement;

(f) a reference to a Person includes that Person's successors and permitted assigns;

(g) the terms "include" and "including" mean "include or including (as applicable) without limitation" and any list of examples following such term shall in no way restrict or limit the generality of the word or provision in respect of which such examples are provided;

(h) references to any statute, code or statutory provision are to be construed as a reference to the same as it may have been, or may from time to time be, amended, modified or reenacted, and include references to all bylaws, instruments, orders and regulations for the time being made thereunder or deriving validity therefrom unless the context otherwise requires;

(i) in the event of a conflict, a mathematical formula or other precise description of a concept or a term shall prevail over words providing a more general description of a concept or a term;

(j) references to any amount of money shall mean a reference to the amount in United States Dollars;

(k) words, phrases or expressions not otherwise defined herein that (i) have a generally accepted the expression "and/or" when used as a conjunction shall connote "any or all of";

(l) meaning in Prudent Operating Practice shall have such meaning in this Agreement or (ii) do not have well known and generally accepted meaning in Prudent Operating

Practice but that have well known and generally accepted technical or trade meanings, shall have such recognized meanings; and

(m) each Party acknowledges that it was represented by counsel in connection with this Agreement and that it or its counsel reviewed this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

ARTICLE 2
TERM; CONDITIONS PRECEDENT

2.1 Contract Term.

(a) The term of this Agreement shall commence on the Effective Date and shall remain in full force and effect until the conclusion of the Delivery Term, subject to any early termination provisions set forth herein ("**Contract Term**"); *provided*, *however*, that Buyer's obligations to pay for or accept any Product are subject to Seller's completion of the conditions precedent pursuant to Section 2.2.

(b) Applicable provisions of this Agreement shall continue in effect after termination, including early termination, to the extent necessary to enforce or complete the duties, obligations or responsibilities of the Parties arising prior to termination. The confidentiality obligations of the Parties under Article 18 shall remain in full force and effect for two (2) years following the termination of this Agreement, and all indemnity and audit rights shall remain in full force and effect for three (3) years following the termination of this Agreement.

2.2 Conditions Precedent to Delivery Term. The Delivery Term shall not commence until Seller has delivered the Performance Security to Buyer in accordance with Section 8.8.

2.3 Reserved.

2.4 Reserved.

2.5 Pre-Delivery Term Actions. The Parties agree that, in order for Buyer to dispatch the Facility commencing on the first day of the Delivery Term, the Parties will have to perform certain of their Delivery Term obligations in advance of the commencement of the Delivery Term. The Parties shall cooperate with each other in order for Buyer to be able to dispatch the Facility on the first day of the Delivery Term.

ARTICLE 3
PURCHASE AND SALE

3.1 Purchase and Sale of Product. Subject to the terms and conditions of this Agreement, during the Delivery Term, (a) Buyer will purchase and receive all the Product produced by or associated with the Facility at the Contract Price and in accordance with Exhibit C, and Seller shall supply and deliver to Buyer all the Product produced by or associated with the Facility (net of applicable losses), and (b) Buyer shall have the exclusive right to all Product associated with the Facility. Subject to Buyer's obligation to purchase Deemed Delivered Energy

and Capacity Attributes in accordance with this Section 3.1 and Exhibit C, Buyer has no obligation to purchase from Seller any Product for which the associated Energy is not or cannot be delivered to the Delivery Point as a result of an outage of the Facility, a Force Majeure Event, or a Curtailment Order. Seller represents and warrants that it will deliver the Product to Buyer free and clear of all liens, security interests, claims and encumbrances. Seller shall not substitute or purchase any Energy, Ancillary Services or Capacity Attributes from any other resource or the market for delivery hereunder except as otherwise provided herein, nor shall Seller sell, assign or otherwise transfer any Product, or any portion thereof, to any third party other than to Buyer or the CAISO pursuant to this Agreement or as otherwise required by Law.

3.2 Sale of Green Attributes. Seller shall sell and deliver to Buyer, and Buyer shall purchase from Seller, all Green Attributes attributable to the Delivered Energy generated by the Facility.

3.3 Imbalance Energy. Buyer and Seller recognize that in any given Settlement Period the amount of Delivered Energy may deviate from the amount of Energy scheduled with the CAISO. To the extent there are such deviations, except as otherwise set forth in this Agreement, any costs or revenues from such imbalances shall be allocated to the Party that is acting as Scheduling Coordinator for the Facility.

3.4 Ownership of Renewable Energy Incentives. Seller shall have all right, title and interest in and to all Renewable Energy Incentives. Buyer acknowledges that any Renewable Energy Incentives belong to Seller. If any Renewable Energy Incentives, or values representing the same, are initially credited or paid to Buyer, Buyer shall cause such Renewable Energy Incentives or values relating to same to be assigned or transferred to Seller without delay. Buyer shall reasonably cooperate with Seller, at Seller's sole expense, in Seller's efforts to meet the requirements for any certification, registration, or reporting program relating to Renewable Energy Incentives.

3.5 Future Environmental Attributes.

(a) The Parties acknowledge and agree that as of the Effective Date, environmental attributes sold under this Agreement are restricted to Green Attributes; however, through Laws enacted after the Effective Date, Future Environmental Attributes may be created by a Governmental Authority. Subject to the final sentence of this Section 3.5(a) and Section 3.5(b), in such event, Buyer shall bear all costs associated with the transfer, qualification, verification, registration and ongoing compliance for such Future Environmental Attributes, but there shall be no increase in the Contract Price. Upon Seller's receipt of Notice from Buyer of Buyer's intent to claim such Future Environmental Attributes, the Parties shall determine the necessary actions and additional costs associated with such Future Environmental Attributes. Seller shall have no obligation [redacted] unless in each case the Parties have agreed on all necessary terms and conditions relating to such alteration and Buyer has agreed to reimburse Seller for all costs, losses, and liabilities associated with such alteration.

(b) If Buyer elects to receive Future Environmental Attributes pursuant to Section 3.5(a), the Parties agree to negotiate in good faith with respect to the development of

further agreements and documentation necessary to effectuate the transfer of such Future Environmental Attributes, including agreement with respect to (i) appropriate transfer, delivery and risk of loss mechanisms, and (ii) appropriate allocation of any additional costs to Buyer, as set forth above; *provided*, that the Parties acknowledge and agree that such terms are not intended to alter the other material terms of this Agreement.

[redacted]

3.7 Capacity Attributes. From and after the Delivery Term Start Date, Seller shall obtain and maintain Full Capacity Deliverability Status for the Guaranteed Capacity in the CAISO generator interconnection process. As between Buyer and Seller, Seller shall be responsible for the cost and installation of any Reliability Network Upgrades and/or Delivery Network Upgrades associated with obtaining such Full Capacity Deliverability Status.

(a) Throughout the Delivery Term, Seller grants, pledges, assigns and otherwise commits to Buyer all the Capacity Attributes from the Facility.

(b) Throughout the Delivery Term, Seller shall maintain Full Capacity Deliverability Status for the Facility from the CAISO and shall perform all commercially reasonable actions necessary to ensure that the Facility qualifies to provide Resource Adequacy Benefits to Buyer. Throughout the Delivery Term, Seller hereby covenants and agrees to transfer all Resource Adequacy Benefits from the Facility to Buyer.

(c) For the duration of the Delivery Term, Seller shall take all commercially reasonable actions, including complying with all applicable registration and reporting requirements and executing all documents or instruments necessary to enable Buyer to use all of the Capacity Attributes committed by Seller to Buyer pursuant to this Agreement.

(d) If Seller anticipates it will have an RA Deficiency Amount in any month of the Delivery Term, Seller may provide Replacement RA up to the anticipated RA Shortfall Amount as an alternative to paying RA Deficiency Amounts. Any Replacement RA capacity shall be communicated by Seller to Buyer with Replacement RA product information in a written notice substantially in the form of Exhibit M at least seventy-five (75) days before the applicable Showing Month.

3.8 Resource Adequacy Failure.

(a) RA Deficiency Determination. For each RA Shortfall Month, Seller shall pay to Buyer the RA Deficiency Amount as liquidated damages, in each case, as the sole and exclusive remedy for the Capacity Attributes Seller failed to convey to Buyer.

(b) RA Deficiency Amount Calculation. Commencing on the RA Guarantee Date, for each RA Shortfall Month, Seller shall pay to Buyer an amount (the "**RA Deficiency**

Amount") equal to [redacted]

3.9 CEC Certification and Verification. Seller shall take all necessary steps including, but not limited to, making or supporting timely filings with the CEC to obtain and maintain CEC Certification and Verification for the Facility throughout the Delivery Term, including compliance with all applicable requirements for certified facilities set forth in the current version of the *RPS Eligibility Guidebook* (or its successor). Seller shall obtain and maintain throughout the Delivery Term the final CEC Certification and Verification. Seller must promptly notify Buyer and the CEC of any changes to the information included in Seller's application for CEC Certification and Verification for the Facility.

3.10 Ancillary Services. Buyer shall have the exclusive rights to all Ancillary Services that the Facility is capable of providing during the Delivery Term, with characteristics and quantities determined in accordance with the CAISO Tariff [redacted]. Seller shall operate and maintain the Facility throughout the Delivery Term so as to be able to provide Ancillary Services in accordance with the Facility's CAISO Certification associated with the Installed Capacity. Upon Buyer's reasonable request, Seller shall submit the Facility for additional CAISO Certification so that the Facility may provide additional Ancillary Services that the Facility is, at the relevant time, actually physically capable of providing without modification of the Facility; *provided*, Buyer shall reimburse Seller for any material costs Seller incurs in connection with conducting such additional CAISO Certification.

3.11 California Renewables Portfolio Standard.

(a) Eligibility. 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. [STC 6].

(b) The term "commercially reasonable efforts" as used in this Section 3.11 means efforts consistent with and subject to Section 3.12. The term "Project" as used in Section 3.11(a) means the Facility.

(c) Transfer of Renewable Energy Credits. 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 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. [STC REC-1].

(d) Tracking of RECs in WREGIS. Seller warrants that all necessary steps to allow the Renewable Energy Credits transferred to Buyer to be tracked in Western Renewable Energy Generation Information System will be taken prior to the first delivery under the contract. [STC REC-2].

(e) The term "the contract" as used in Section 3.11(d) means this Agreement.

3.12 Compliance Expenditure Cap.

(a) The Parties acknowledge that Governmental Authorities, including the CEC, CPUC, CAISO and WREGIS, may undertake actions to implement changes in Law. Notwithstanding anything else in this Agreement, subject to the terms of this Section 3.12, Seller agrees to use commercially reasonable efforts to: (1) cooperate with Buyer with respect to any future changes to this Agreement needed to satisfy requirements of Governmental Authorities associated with changes in Law to maximize benefits to Buyer, including: (A) the modification of the description of Green Attributes and/or Capacity Attributes as may be required by Governmental Authorities, including updating this Agreement to reflect any mandatory contractual language required by Governmental Authorities; or (B) submission of any reports, data, or other information required by Governmental Authorities; and (2) take all other actions that may be required to ensure that the Facility is eligible as an ERR, and this Agreement and the Facility, as applicable, are eligible to provide renewable generation to Buyer that meets the requirements of the California Renewables Portfolio Standard; *provided*, Seller shall have no obligation to modify this Agreement, or take other actions not required under this Agreement, if such modifications or actions would materially adversely affect, or could reasonably be expected to have or result in a material adverse effect on, any of Seller's rights, benefits, risks and/or obligations under this Agreement.

(b) If a change in Law occurring after the Effective Date has increased Seller's known or reasonably expected costs to (A) cause the Facility, the Energy generated by the Facility,

or the associated Green Attributes to comply with the California Renewables Portfolio Standard, (B) obtain, maintain, convey or effectuate Buyer's use of any Green Attributes, (C) to obtain, maintain, convey or effectuate Buyer's use of any Capacity Attributes [redacted], (D) comply with a change in WREGIS Operating Rules after the Effective Date, (E) perform the actions described in Section 3.12(a), (F) [redacted], or (G) [redacted], then the Parties agree that the maximum aggregate amount of the increase in out-of-pocket costs and expenses that Seller shall be required to bear during the Contract Term to comply with all of such obligations shall be capped at [redacted] per MW of Guaranteed Capacity in aggregate over the Contract Term (the "**Compliance Expenditure Cap**").

(c) Any actions required for Seller to comply with its obligations set forth in Section 3.12(b), the cost of which will be included in the Compliance Expenditure Cap, shall be referred to collectively as the "**Compliance Actions**."

(d) If Seller reasonably anticipates the need to incur out-of-pocket expenses in excess of the Compliance Expenditure Cap in order to take any Compliance Action, Seller shall provide Notice to Buyer of such anticipated out-of-pocket expenses.

(e) Buyer will have sixty (60) days to evaluate such Notice (during which time period Seller is not obligated to take any Compliance Actions described in the Notice) and shall, within such time, either (i) agree to reimburse Seller for all of the costs that exceed the Compliance Expenditure Cap (such Buyer-agreed upon costs (including lost production, if any), the "**Accepted Compliance Costs**"), or (ii) waive Seller's obligation to take such Compliance Actions, or any part thereof for which Buyer has not agreed to reimburse Seller. If Buyer does not respond to a Notice given by Seller under this Section 3.12 within sixty (60) days after Buyer's receipt of same, Buyer shall be deemed to have waived its rights to require Seller to take the Compliance Actions that are the subject of the Notice, and Seller shall have no further obligation to take, and no liability for any failure to take, these Compliance Actions for the remainder of the Contract Term.

(f) If Buyer agrees to reimburse Seller for the Accepted Compliance Costs, then Seller shall take such Compliance Actions covered by the Accepted Compliance Costs as agreed upon by the Parties and Buyer shall reimburse Seller for Seller's actual costs to effect the Compliance Actions, not to exceed the Accepted Compliance Costs, within sixty (60) days from the time that Buyer receives an invoice and documentation of such costs from Seller.

3.13 Project Configuration. In order to optimize the benefits of the Facility, Buyer and Seller each agree that if requested by the other Party, then Buyer and Seller will discuss in good faith potential reconfiguration of the Facility or Interconnection Facilities; *provided*, neither Party shall be obligated to agree to any changes under this Agreement, or to incur any expense in connection with such changes, except under terms mutually acceptable to both Parties (and Seller's Lenders) in their sole discretion as set forth in a written agreement executed by the Parties.

3.14 Buyer's Re-Sale of Product. Buyer shall have the exclusive right in its sole discretion to convey, use, market, or sell the Product, or any part of the Product, to any Subsequent Purchaser; and Buyer shall have the right to all revenues generated from the conveyance, use, re-sale or remarketing of the Product, or any part of the Product. If the CAISO or CPUC develops a

centralized capacity market, Buyer shall have the exclusive right to offer, bid, or otherwise submit the Capacity Attributes for re-sale into such market, and Buyer shall retain and receive all revenues from such re-sale, in each case to the extent consistent with applicable Law. Seller shall take all commercially reasonable actions and execute all documents or instruments reasonably necessary to allow Subsequent Purchasers to use such resold Product, [redacted] If Buyer incurs any liability to a Subsequent Purchaser due to the failure of Seller to comply with this Section 3.14, Seller shall be liable to Buyer for the amounts Seller would have owed Buyer under this Agreement if Buyer had not resold the Product.

ARTICLE 4
OBLIGATIONS AND DELIVERIES

4.1 Delivery.

(a) Energy. Subject to the provisions of this Agreement, commencing on the first day of the Delivery Term and continuing through the end of the Contract Term, Seller shall supply and deliver the Product to Buyer at the Delivery Point, and Buyer shall take delivery of the Product at the Delivery Point in accordance with the terms of this Agreement. Seller shall be responsible for paying or satisfying when due any costs or charges imposed in connection with the delivery of Energy to the Delivery Point, including without limitation, Station Use, Electrical Losses, and any operation and maintenance charges imposed on Seller by the Transmission Provider directly relating to the Facility's operations. Buyer shall be responsible for all costs, charges and penalties, if any, imposed in connection with the delivery of Delivered Energy at and after the Delivery Point, including without limitation transmission costs and transmission line losses and imbalance charges, except as otherwise set forth in this Agreement. The Delivered Energy will be scheduled to the CAISO by Buyer (or Buyer's designated Scheduling Coordinator) in accordance with Exhibit D.

(b) Green Attributes. All Green Attributes associated with the Delivered Energy are exclusively dedicated to and will be conveyed to Buyer. Seller represents and warrants that Seller holds the rights to all Green Attributes from the Facility, Seller has not sold such Green Attributes to any other person or entity, and Seller agrees to convey and hereby conveys all such Green Attributes to Buyer as included in the delivery of the Product from the Facility.

4.2 Title and Risk of Loss.

(a) Energy. Title to and risk of loss related to the Delivered Energy, shall pass and transfer from Seller to Buyer at the Delivery Point. Seller warrants that all Product delivered to Buyer is free and clear of all liens, security interests, claims and encumbrances of any kind.

(b) Green Attributes. Title to and risk of loss related to the Green Attributes shall pass and transfer from Seller to Buyer upon the transfer of such Green Attributes in accordance with WREGIS.

4.3 Interconnection. Seller shall be responsible for all costs and charges associated

with Interconnection Facilities and Network Upgrades necessitated by the interconnection of the Facility. Seller shall ensure that throughout the Delivery Term (a) the Facility will have an Interconnection Agreement providing for interconnection capacity available or allocable to the Facility that is no less than the Dedicated Interconnection Capacity and (b) Seller shall have sufficient interconnection capacity and rights under such Interconnection Agreement to interconnect the Facility with the CAISO-controlled grid, to fulfill Seller's obligations under the Agreement, including with respect to Resource Adequacy Benefits, and to allow Buyer's dispatch rights as Scheduling Coordinator for the Facility to be fully reflected in the CAISO's market optimization and not result in CAISO market awards that are not physically feasible. Seller shall hold Buyer harmless from any penalties, imbalance energy charges, or other costs from CAISO or under the Agreement resulting from Seller's inability to provide the foregoing interconnection capacity.

4.4 Forecasting. Seller shall provide the forecasts described below at its sole expense and in a format acceptable to Buyer (or Buyer's designee). Seller shall use reasonable efforts to provide forecasts that are accurate and, to the extent not inconsistent with the requirements of this Agreement, shall prepare such forecasts, or cause such forecasts to be prepared, in accordance with Prudent Operating Practices.

(a) Annual Forecast of Energy. No less than forty-five (45) days before (i) the first day of the first Contract Year of the Delivery Term and (ii) the beginning of each calendar year for every subsequent Contract Year during the Delivery Term, Seller shall provide to Buyer and the SC (if applicable) a non-binding forecast of each month's average-day Expected Energy, by hour, for the following calendar year in a form substantially similar to the table found in Exhibit F-1, or in such other form as reasonably requested by Buyer.

(b) Monthly Forecast of Energy and Available Capacity. No less than thirty (30) days before the first day of the Delivery Term, and thereafter ten (10) Business Days before the beginning of each month during the Delivery Term, Seller shall provide to Buyer and Buyer's SC (if applicable) a non-binding forecast of the hourly expected Energy and Available Capacity for each day of the following month in a form substantially similar to the table found in Exhibit F-2, or in such other form as reasonably requested by Buyer. ("**Monthly Delivery Forecast**").

(c) Day-Ahead Forecast. By 5:30 AM Pacific Prevailing Time on the Business Day immediately preceding the date of delivery, or as otherwise specified by Buyer consistent with Prudent Operating Practice, Seller shall provide Buyer with a non-binding forecast of (i) Available Capacity, and (ii) hourly Expected Energy, in each case, for each hour of the immediately succeeding day ("**Day-Ahead Forecast**"). A Day-Ahead Forecast provided in a day prior to any non-Business Day(s) shall include non-binding forecasts for the immediate day, each succeeding non-Business Day and the next Business Day. Each Day-Ahead Forecast shall clearly identify, for each hour, Seller's non-binding best estimate of (i) the Available Capacity, and (ii) the hourly Expected Energy. These Day-Ahead Forecasts shall be sent to Buyer's SC. If Seller fails to provide Buyer with a Day-Ahead Forecast as required herein for any period, then for such unscheduled delivery period only Buyer shall rely on any Real-Time Forecast provided in accordance with Section 4.4(d) or [redacted] the Monthly Delivery Forecast or Buyer's best estimate based on information reasonably available to Buyer.

(d) Real-Time Forecasts. During the Delivery Term, Seller shall notify Buyer and the SC (if applicable) of any changes from the Day-Ahead Forecast of one (1) MW or more in (i) Available Capacity, and (ii) hourly Expected Energy, in each case, whether due to Forced Facility Outage, Force Majeure Event, or other cause, as soon as reasonably possible, but no later than one (1) hour prior to the deadline for submitting Schedules to the CAISO in accordance with the rules for participation in the Real-Time Market. If the Available Capacity or hourly Expected Energy changes by at least one (1) MW as of a time that is less than one (1) hour prior to the Real-Time Market deadline, but before such deadline, then Seller must notify Buyer and the SC (if applicable) as soon as reasonably possible. Such Real-Time Forecasts of Energy shall be provided by an Approved Forecast Vendor and Seller shall provide to Buyer or Buyer's Scheduling Coordinator information regarding the beginning date and time of the event resulting in the change in Available Capacity or hourly Expected Energy, as applicable, the expected end date and time of such event, and any other information required by the CAISO or reasonably requested by Buyer. With respect to any Forced Facility Outage, Seller shall [redacted] to notify Buyer and the SC (if applicable) of such outage within ten (10) minutes of the commencement of the Forced Facility Outage. Seller shall inform Buyer and the SC (if applicable) of any developments that will affect either the duration of such outage or the availability of the Facility during or after the end of such outage. These Real-Time Forecasts shall be communicated [redacted] provided that Buyer specifies the method no later than five (5) Business Days prior to the effective date of such requirement. In the event Buyer fails to provide Notice of an acceptable method for communications under this Section 4.4(d), then Seller shall send such communications by telephone and e-mail to Buyer. [redacted]

(e) Forced Facility Outages. Notwithstanding anything to the contrary herein, Seller shall promptly notify Buyer's SC of Forced Facility Outages and Seller shall keep Buyer informed of any developments that will affect either the duration of the outage or the availability of the Facility during or after the end of the outage.

(f) Forecasting Penalties. Subject to a Force Majeure Event, in the event Seller does not in a given hour provide the forecast required in Section 4.4(d) and Buyer incurs a loss or penalty resulting from its scheduling activities with respect to Delivered Energy during such hour, Seller shall be responsible for a Forecasting Penalty for each such hour. Settlement of Forecasting Penalties shall occur as set forth in Article 8 of this Agreement.

(g) CAISO Tariff Requirements. To the extent such obligations are applicable to the Facility, Seller will comply with all applicable obligations for Variable Energy Resources under the CAISO Tariff and the Eligible Intermittent Resource Protocol (as such terms are defined in the CAISO Tariff), including providing appropriate operational data and meteorological data, and will fully cooperate with Buyer, Buyer's SC, and CAISO, in providing all data, information, and authorizations required thereunder.

4.5 Dispatch Down/Curtailment.

(a) General. Seller agrees to reduce the amount of Delivered Energy produced

by the Facility, by the amount and for the period set forth in any Curtailment Order, Buyer Curtailment Order, or notice received from CAISO in respect of a Buyer Bid Curtailment; *provided*, Seller is not required to reduce such amount to the extent it is inconsistent with the limitations of the Facility [redacted]

(b) Buyer Curtailment. Buyer shall have the right to order Seller to curtail deliveries of Energy through Buyer Curtailment Orders, provided that Buyer shall pay Seller for all Deemed Delivered Energy associated with a Buyer Curtailment Period at the Contract Price, in accordance with Exhibit C.

(c) Failure to Comply. Subject to the proviso at the end of Section 4.5(a), if Seller fails to comply with a Buyer Curtailment Order, Buyer Bid Curtailment or Curtailment Order, then, for each MWh of Delivered Energy that is delivered by the Facility to the Delivery Point in contradiction to the Buyer Curtailment Order, Buyer Bid Curtailment or Curtailment Order, Seller shall pay Buyer for each such MWh at an amount equal to the sum of (A) + (B) + (C), where: (A) is the amount, if any, paid to Seller by Buyer for delivery of such excess MWh and, (B) is the sum, for all Settlement Intervals with a Negative LMP during the Buyer Curtailment Period or Curtailment Period, of the absolute value of the product of such excess MWh in each Settlement Interval and the Negative LMP for such Settlement Interval, and (C) is any penalties assessed by the CAISO or other charges assessed by the CAISO to Buyer resulting from Seller's failure to comply with the Buyer Curtailment Order, Buyer Bid Curtailment or Curtailment Order.

(d) Seller Equipment Required for Operating Instruction Communications. Subject to the last sentence of this Section 4.5(d), Seller shall acquire, install, and maintain such facilities, communications links and other equipment, and implement such protocols and practices, as necessary to respond and follow instructions, including an electronic signal conveying real time and intra-day instructions, to operate the Facility as directed by Buyer in accordance with this Agreement or a Governmental Authority, including to implement a Buyer Curtailment Order, Buyer Bid Curtailment or Curtailment Order in accordance with the then-current methodology used to transmit such instructions as it may change from time to time. If at any time during the Delivery Term Seller's facilities, communications links or other equipment, protocols or practices are not in compliance with then-current methodologies, Seller shall take the steps necessary to become compliant as soon as reasonably possible. Seller shall be liable pursuant to Section 4.5(c) for failure to comply with a Buyer Curtailment Order, Buyer Bid Curtailment or Curtailment Order, during the time that Seller's facilities, communications links or other equipment, protocols or practices are not in compliance with then-current methodologies. For the avoidance of doubt, a Buyer Curtailment Order, Buyer Bid Curtailment or Curtailment Order communication via such systems and facilities shall have the same force and effect on Seller as any other form of communication. The Parties shall cooperate in good faith to agree upon a Communications Protocol for the Facility at least thirty (30) days prior to the Delivery Term Start Date. Upon request of a Party during the Delivery Term, the Parties shall cooperate in good faith to agree on reasonable changes to the Communications Protocol. [redacted]

[redacted]

4.6 Outages.

(a) Planned Outages.

(i) No later than January 15, April 15, July 15 and October 15 of each Contract Year, and at least sixty (60) days prior to the first day of the Delivery Term, Seller shall submit to Buyer Seller's schedule of proposed Planned Outages ("**Outage Schedule**") for the following twelve (12)-month period in a form reasonably agreed to by Buyer. Seller shall, consistent with Prudent Operating Practices, limit Planned Outages to periods of the day when Seller reasonably believes the Facility will not be dispatched. Within twenty (20) Business Days after its receipt of an Outage Schedule, Buyer shall give Notice to Seller of any reasonable request for changes to the Outage Schedule, and Seller shall, consistent with Prudent Operating Practices, accommodate Buyer's requests regarding the timing of any Planned Outage. Seller shall deliver to Buyer the final Outage Schedule no later than ten (10) days after receiving Buyer's comments.

(ii) If reasonably required in accordance with Prudent Operating Practices, Seller shall have the right, on no less than ninety (90) days advance Notice to Buyer, to propose changes to the Outage Schedule developed pursuant to Section 4.6(a)(i); *provided*, Seller shall schedule all Planned Outages within the time period determined by the CAISO for the Facility, as a Resource Adequacy Resource that is subject to the Availability Standards, to qualify for an "Approved Maintenance Outage" under the CAISO Tariff and Seller shall reimburse Buyer for any cost Buyer incurs in connection therewith (including procurement of RA Substitute Capacity as required by the CAISO). Buyer may provide comments no later than ten (10) days after receiving Seller's Notice of proposed changes to the Outage Schedule and shall permit any changes if doing so would not have a material adverse impact on Buyer and Seller agrees to reimburse Buyer for any costs or charges associated with such changes.

(b) No Planned Outages During Summer Months. Notwithstanding anything in this Agreement to the contrary, no Planned Outages of the Facility shall be scheduled or planned from each June 1 through October 31 during the Delivery Term, unless approved by Buyer in writing in its sole discretion. In the event Seller has a previously Planned Outage that becomes coincident with a System Emergency, Seller shall make all reasonable efforts to reschedule such Planned Outage.

(c) Planned Outage Timing. To the extent commercially reasonable, Seller shall schedule maintenance outages (i) within a single month, rather than across multiple months, (ii) during periods in which CAISO does not require resource substitution or replacement, and (iii) otherwise in a manner to avoid reductions in the Resource Adequacy Benefits available from the Facility to Buyer.

(d) Notice of Unplanned Outages. Seller shall notify Buyer by telephoning Buyer's Scheduling Coordinator no later than ten (10) minutes following the occurrence of an Unplanned Outage, or if Seller has knowledge that an Unplanned Outage will occur, within twenty (20) minutes of determining that such Unplanned Outage will occur. Seller shall relay outage information to Buyer as required by the CAISO Tariff within twenty (20) minutes of the

Unplanned Outage. Seller shall communicate to Buyer the estimated time of return of the Facility as soon as practical after Seller has knowledge thereof.

(e) Inspection. In the event of an Unplanned Outage, Buyer shall have the option to inspect the Facility and all records relating thereto on any Business Day and at a reasonable time and Seller shall reasonably cooperate with Buyer during any such inspection. Buyer shall comply with Seller's safety and security rules and instructions during any inspection and shall not interfere with work on or operation of the Facility.

(f) Reports of Outages. Seller shall promptly prepare and provide to Buyer, all reports of Unplanned Outages or Planned Outages that Buyer may reasonably require for the purpose of enabling Buyer to comply with CAISO requirements or any applicable Laws. Seller shall also report all Unplanned Outages or Planned Outages in the Daily Operating Report.

(g) RA Substitute Capacity. Seller shall provide RA Substitute Capacity as required by CAISO in connection with Facility outages. Seller acknowledges and agrees that any failure by Seller to provide such RA Substitute Capacity may result in CAISO rejecting or cancelling Seller's request for CAISO to approve such Facility outage. If Seller fails to provide RA Substitute Capacity [redacted] then Buyer may elect to not include the Facility (or, if applicable, the portion of the Facility) in its Supply Plan and such failure shall be deemed an "RA Shortfall Amount" for the purpose of Section 3.8.

4.7 Guaranteed Energy Production. [redacted]

4.8 WREGIS. Seller shall, at its sole expense, take all actions and execute all documents or instruments necessary to ensure that all WREGIS Certificates associated with all Renewable Energy Credits corresponding to all Delivered Energy, as applicable, are issued and tracked for purposes of satisfying the requirements of the California Renewables Portfolio Standard and transferred in a timely manner to Buyer for Buyer's sole benefit. Seller shall transfer the Renewable Energy Credits to Buyer. Seller shall comply with all Laws, including the WREGIS Operating Rules, regarding the certification and transfer of such WREGIS Certificates to Buyer and Buyer shall be given sole title to all such WREGIS Certificates.

(a) Prior to the first day of the Delivery Term, Seller shall register the Facility with WREGIS and establish an account with WREGIS ("**Seller's WREGIS Account**"), which Seller shall maintain until the end of the Delivery Term. Seller shall transfer the WREGIS Certificates using "**Recurring Certificate Transfers**" (as described in the WREGIS Operating Rules) from Seller's WREGIS Account to the WREGIS account(s) of Buyer or the account(s) of a designee that Buyer identifies by Notice to Seller ("**Buyer's WREGIS Account**"). Seller shall be responsible for all expenses associated with registering the Facility with WREGIS, establishing and maintaining Seller's WREGIS Account, paying WREGIS Certificate issuance and transfer fees, and transferring WREGIS Certificates from Seller's WREGIS Account to Buyer's WREGIS Account.

(b) Seller shall cause Recurring Certificate Transfers to occur on a monthly basis in accordance with the certification procedure established by the WREGIS Operating Rules. Since WREGIS Certificates will only be created for whole MWh amounts of Delivered Energy generated, any fractional MWh amounts (i.e., kWh) will be carried forward until sufficient generation is accumulated for the creation of a WREGIS Certificate.

(c) Seller shall, at its sole expense, ensure that the WREGIS Certificates for a given calendar month correspond with the Delivered Energy, for such calendar month as evidenced by the Facility's metered data.

(d) Due to the ninety (90) day delay in the creation of WREGIS Certificates relative to the timing of invoice payment under Section 8.2, Buyer shall make an invoice payment for a given month in accordance with Section 8.2 before the WREGIS Certificates for such month are formally transferred to Buyer in accordance with the WREGIS Operating Rules and this Section 4.8. Notwithstanding this delay, Buyer shall have all right and title to all such WREGIS Certificates upon payment to Seller in accordance with Section 8.2.

(e) A "**WREGIS Certificate Deficit**" means any deficit or shortfall in WREGIS Certificates delivered to Buyer for a calendar month as compared to the Delivered Energy for the same calendar month ("**Deficient Month**") caused by an error or omission of Seller. If any WREGIS Certificate Deficit is caused, or the result of any action or inaction by Seller, then the amount of Delivered Energy in the Deficient Month shall be reduced by the amount of the WREGIS Certificate Deficit for purposes of calculating Buyer's payment to Seller under Article 8 and damages, if any, under Exhibit G for the applicable Contract Year; *provided*, *however*, that such adjustment shall not apply to the extent that Seller (x) resolves the WREGIS Certificate Deficit within [redacted] after the Deficient Month or (y) provides Replacement Green Attributes within [redacted] after the Deficient Month (i) upon a schedule reasonably acceptable to Buyer and (ii) provided that such deliveries do not impose additional costs upon Buyer for which Seller refuses to provide reimbursement. Without limiting Seller's obligations under this Section 4.8, if a deficiency in delivered WREGIS Certificates delivered to Buyer for a given calendar month as compared to Delivered Energy in the same month is caused solely by an error or omission of WREGIS, [redacted]

(f) If (i) WREGIS changes the WREGIS Operating Rules after the Effective Date or applies the WREGIS Operating Rules in a manner inconsistent with this Section 4.8 after the Effective Date, or (ii) the CEC modifies its *RPS Eligibility Guidebook* to enable the full amount of Delivered Energy to generate WREGIS Certificates, the Parties promptly shall modify this Section 4.8 as reasonably required to cause and enable Seller to transfer to Buyer's WREGIS Account a quantity of WREGIS Certificates for each given calendar month that corresponds to the maximum quantity of WREGIS Certificates that can be transferred to Buyer from the Facility in the same calendar month.

4.9 Green-E Certification. Upon request of Buyer, Seller shall submit, a Green-e® Energy Tracking Attestation Form ("**Attestation**") for the Facility to the Center for Resource Solutions ("**CRS**") at https://www.tfaforms.com/4652008 or its successor. The Attestation shall be submitted in accordance with the requirements of CRS and shall be submitted within thirty (30) days of Buyer's request.

ARTICLE 5
TAXES

5.1 Allocation of Taxes and Charges. Seller shall pay or cause to be paid all Taxes on or with respect to the Facility or on or with respect to the sale and making available of Product to Buyer, that are imposed on Product prior to its delivery to Buyer at the time and place contemplated under this Agreement. Buyer shall pay or cause to be paid all Taxes on or with respect to the delivery to and purchase by Buyer of Product that are imposed on Product at and after its delivery to Buyer at the time and place contemplated under this Agreement (other than withholding or other Taxes imposed on Seller's income, revenue, receipts or employees), if any. If a Party is required to remit or pay Taxes that are the other Party's responsibility hereunder, such Party shall promptly pay the Taxes due and then seek and receive reimbursement from the other for such Taxes. [redacted]

5.2 Cooperation. Each Party shall use reasonable efforts to implement the provisions of and administer this Agreement in accordance with the intent of the Parties to minimize all Taxes, so long as no Party is materially adversely affected by such efforts. The Parties shall cooperate to minimize Tax exposure; *provided*, *however*, that neither Party shall be obligated to incur any financial or operational burden to reduce Taxes for which the other Party is responsible hereunder without receiving due compensation therefor from the other Party. All Product delivered by Seller to Buyer hereunder shall be a sale made at wholesale, with Buyer reselling such Product.

ARTICLE 6
OPERATION AND MAINTENANCE OF THE FACILITY

6.1 Operation and Maintenance of the Facility.

(a) Seller shall comply with Law and Prudent Operating Practice and be solely responsible for the operation, inspection, maintenance and repair of the Facility, and any portion thereof, the generation and sale of Product, all Environmental Costs and the use, disposal and recycling of any equipment associated with the Facility in accordance with applicable Law and Prudent Operating Practices. Seller shall maintain and deliver maintenance and repair records of the Facility to Buyer's scheduling representative upon request.



(c) During the Delivery Term, Seller shall maintain SCADA Systems, communications links, and other equipment necessary to receive automated Dispatch Notices consistent with CAISO protocols and practice ("**Automated Dispatches**"). In the event of the failure or inability of the Facility to receive Automated Dispatches, Seller shall use all commercially reasonable efforts to repair or replace the applicable components as soon as reasonably possible, and if there is any material delay in such repair or replacement, Seller shall provide Buyer with a written plan of all actions Seller plans to take to repair or replace such components for Buyer's review and comment.

(d) Seller shall maintain a daily operations log for the Facility which shall include but not be limited to information on Energy electricity consumption and efficiency (if applicable), availability, outages, changes in operating status, inspections and any other significant events related to the operation of the Facility. Information maintained pursuant to this Section 6.1(d) shall be provided to Buyer within fifteen (15) days of Buyer's request.

(e) Seller shall maintain and make available to Buyer records, including logbooks, demonstrating that the Facility is operated in accordance with Prudent Operating Practices. Seller shall comply with all reporting requirements and permit on-site audits, investigations, tests and inspections permitted or required under any Prudent Operating Practices.

6.2 Maintenance of Health and Safety. Seller shall take reasonable safety precautions with respect to the operation, maintenance, repair and replacement of the Facility. If Seller becomes aware of any circumstances relating to the Facility that create an imminent risk of damage or injury to any Person or any Person's property, Seller shall take prompt action to prevent such damage or injury and shall give Notice to Buyer's emergency contact identified on Exhibit N of such action. Such action may include, to the extent reasonably necessary, disconnecting and removing all or a portion of the Facility, or suspending the supply of Energy to the Delivery Point.

6.3 Shared Facilities. The Parties acknowledge and agree that certain of the Shared Facilities and Interconnection Facilities, and Seller's rights and obligations under the Interconnection Agreement, may be subject to certain shared facilities and/or co-tenancy agreements to be entered into among Seller, the Transmission Provider, Seller's Affiliates, and/or third parties. Seller agrees that any agreements regarding Shared Facilities (a) shall permit Seller to perform or satisfy, and shall not purport to limit, Seller's obligations hereunder, including providing interconnection capacity for the Facility's sole use in an amount not less than the Dedicated Interconnection Capacity, (b) shall provide for separate metering and a separate CAISO Resource ID for the Facility, (c) shall provide that any other generating or energy storage facilities not included in the Facility but using Shared Facilities shall not be included within the Facility's CAISO Resource IDs; and (d) shall provide that any curtailment of the full capacity of Shared Facilities that is ordered by Transmission Provider that Seller and its Affiliates have discretion to allocate across generating or energy storage facilities using the Shared Facilities shall not be allocated to the Facility more than its pro rata portion of the total capacity of all generating or energy storage facilities using the Shared Facilities. Seller shall not, and shall not permit any Affiliate to, allocate to other parties a share of the total interconnection capacity under the Interconnection Agreement in excess of an amount equal to the total interconnection capacity under the Interconnection Agreement minus the Dedicated Interconnection Capacity.

ARTICLE 7
METERING

7.1 Metering. Seller shall measure the amount of Delivered Energy using the Facility Meter. All meters will be operated pursuant to applicable CAISO-approved calculation methodologies and maintained at Seller's cost. Subject to meeting any applicable CAISO requirements, the Facility Meter shall be programmed to adjust for Electrical Losses and Station Use, as applicable, from such meters to the Delivery Point in a manner subject to Buyer's prior written approval, not to be unreasonably withheld. Seller shall separately meter all Station Use. Metering shall be consistent with the Metering Diagram set forth as Exhibit R, a final version of which shall be provided to Buyer at least thirty (30) days before the first day of the Delivery Term. The Facility Meter shall be kept under seal, such seals to be broken only when the meters are to be tested, adjusted, modified or relocated. In the event Seller breaks a seal, Seller shall notify Buyer as soon as practicable. In addition, Seller hereby agrees to provide all meter data to Buyer in a form reasonably acceptable to Buyer, and consents to Buyer obtaining from CAISO the CAISO meter data directly relating to the Facility and all inspection, testing and calibration data and reports. Seller and Buyer, or Buyer's Scheduling Coordinator, shall cooperate to allow both Parties to retrieve the meter reads from the CAISO Market Results Interface – Settlements (MRI-S) website (or its successor) or directly from the CAISO meter(s) at the Facility.

7.2 Meter Verification. Seller shall test the Facility Meter at least annually and more frequently than annually if Buyer or Seller reasonably believe there may be a meter malfunction. The tests shall be conducted by independent third parties qualified to conduct such tests. Buyer shall be notified seven (7) days in advance of such tests and have a right to be present during such tests. If a meter is inaccurate, it shall be promptly repaired or replaced. If a meter is inaccurate by more than one percent (1%) and it is not known when the meter inaccuracy commenced (if such

evidence exists such date will be used to adjust prior invoices), then the invoices covering the period of time since the last meter test shall be adjusted for the amount of the inaccuracy on the assumption that the inaccuracy persisted during one-half of such period so long as such adjustments are accepted by CAISO and WREGIS; *provided*, such period may not exceed twelve (12) months.

ARTICLE 8
INVOICING AND PAYMENT; CREDIT

8.1 Invoicing. Seller shall use commercially reasonable efforts to deliver an invoice to Buyer within [redacted] after the end of the prior monthly delivery period. Each invoice shall (a) include records of metered data, including (i) CAISO metering and transaction data sufficient to document and verify the amount of Product delivered by the Facility for any Settlement Period during the preceding month, including the amount of Delivered Energy and Replacement Product delivered to Buyer (if any); (ii) Seller's calculation of Deemed Delivered Energy, Lost Output, and Adjusted Energy Production; (iii) the LMP prices at the Delivery Point for each Settlement Period; and (iv) the Contract Price applicable to such Product and Seller's calculation of the Monthly Product Payment due from Buyer, calculated in accordance with Exhibit C; (b) include any records, including invoices or settlement data from the CAISO, necessary to verify the accuracy of any amount; and (c) be in a format reasonably specified by Buyer, covering the services provided in the preceding month determined in accordance with the applicable provisions of this Agreement. Buyer shall, and shall cause its Scheduling Coordinator to, provide Seller with all reasonable access (including, in real time, to the maximum extent reasonably possible) to any records, including invoices or settlement data from the CAISO, forecast data and other information, all as may be necessary from time to time for Seller to prepare and verify the accuracy of all invoices. The invoice shall be delivered by electronic mail in accordance with Exhibit N.

8.2 Payment. Buyer shall make payment to Seller for Monthly Product Payments by wire transfer or ACH payment to the bank account provided on each monthly invoice. Buyer shall pay undisputed invoice amounts within [redacted] of Buyer's receipt of Seller's invoices; *provided*, if such due date falls on a weekend or legal holiday, such due date shall be the next Business Day. Payments made after the due date will be considered late and will bear interest on the unpaid balance. If the amount due is not paid on or before the due date or if any other payment that is due and owing from one Party to another is not paid on or before its applicable due date, a late payment charge shall be applied to the unpaid balance and shall be added to the next billing statement. Such late payment charge shall be calculated based on the 3-month prime rate (or any equivalent successor rate accepted by a majority of major financial institutions) published on the date of the invoice in The Wall Street Journal (or, if The Wall Street Journal is not published on that day, the next succeeding date of publication), plus two percent (2%) (the "**Interest Rate**"). If the due date occurs on a day that is not a Business Day, the late payment charge shall begin to accrue on the next succeeding Business Day.

8.3 Books and Records. To facilitate payment and verification, each Party shall maintain all books and records necessary for billing and payments, including copies of all invoices under this Agreement, for a period of at least five (5) years or as otherwise required by Law. Upon ten (10) Business Days' Notice to the other Party, either Party shall be granted access to the accounting books and records within the possession or control of the other Party pertaining to all

invoices generated pursuant to this Agreement. Seller acknowledges that in accordance with California Government Code Section 8546.7, Seller may be subject to audit by the California State Auditor with regard to Seller's performance of this Agreement because the compensation under this Agreement exceeds Ten Thousand Dollars ($10,000).

8.4 Invoice Adjustments. Invoice adjustments shall be made if (a) there have been good faith inaccuracies in invoicing or payment that are not otherwise disputed under Section 8.5, (b) an adjustment to an amount previously invoiced or paid is required due to a correction of data by the CAISO, or (c) there have been meter inaccuracies; provided, however, that there shall be no adjustments to prior invoices based upon meter inaccuracies except to the extent that such meter adjustments are accepted by CAISO for revenue purposes. If the required adjustment is in favor of Buyer, Buyer's next monthly payment shall be credited in an amount equal to the adjustment. If the required adjustment is in favor of Seller, Seller shall add the adjustment amount to Buyer's next monthly invoice. Adjustments in favor of either Buyer or Seller shall bear interest, until settled in full, in accordance with Section 8.2, accruing from the date on which the adjusted amount should have been due.

8.5 Billing Disputes. A Party may, in good faith, dispute the correctness of any invoice or any adjustment to an invoice rendered under this Agreement or adjust any invoice for any arithmetic or computational error within twelve (12) months of the date the invoice, or adjustment to an invoice, was rendered. In the event an invoice or portion thereof, or any other claim or adjustment arising hereunder, is disputed, payment of the undisputed portion of the invoice shall be required to be made when due. Any invoice dispute or invoice adjustment shall be in writing and shall state the basis for the dispute or adjustment. Payment of the disputed amount shall not be required until the dispute is resolved. Upon resolution of the dispute, any required payment shall be made within five (5) Business Days of such resolution along with interest accrued at the Interest Rate from and including the original due date to but excluding the date paid. Inadvertent overpayments shall be returned via adjustments in accordance with Section 8.4. Any dispute with respect to an invoice is waived if the other Party is not notified in accordance with this Section 8.5 within twelve (12) months after the invoice is rendered or subsequently adjusted, except to the extent any misinformation was from a third party not affiliated with any Party and such third party corrects its information after the twelve-month period. If an invoice is not rendered within twelve (12) months after the close of the month during which performance occurred, the right to payment for such performance is waived.

8.6 Netting of Payments. The Parties hereby agree that they shall discharge mutual debts and payment obligations due and owing to each other under this Agreement on the same date through netting, in which case all amounts owed by each Party to the other Party for the purchase and sale of Product (including Deemed Delivered Energy) during the monthly billing period under this Agreement or otherwise arising out of this Agreement, including any related damages calculated pursuant to Exhibits B and G, interest, and payments or credits, shall be netted so that only the excess amount remaining due shall be paid by the Party who owes it.

8.7 Seller's Development Security. To secure its obligations under this Agreement, Seller shall deliver Development Security to Buyer within thirty (30) days of the Effective Date. Seller shall maintain the Development Security in full force and effect. Upon the earlier of (a) Seller's delivery of the Performance Security, or (b) sixty (60) days after termination of this

Agreement, Buyer shall return the Development Security to Seller, less any amounts drawn in accordance with this Agreement. If the Development Security is a Letter of Credit and the issuer of such Letter of Credit (i) fails to maintain the minimum Credit Rating specified in the definition of Letter of Credit, (ii) indicates its intent not to renew such Letter of Credit and such Letter of Credit expires prior to the first day of the Delivery Term, or (iii) fails to honor Buyer's properly documented request to draw on such Letter of Credit by such issuer, Seller shall have ten (10) Business Days to either post cash or deliver a substitute Letter of Credit that meets the requirements set forth in the definition of Development Security; *provided*, *however*, if Seller has failed to provide Beneficiary with a substitute Letter of Credit or other acceptable instrument within thirty (30) days prior to such expiration date, Buyer shall have the right to draw on the full amount of the Letter of Credit.

8.8 Seller's Performance Security. To secure its obligations under this Agreement, Seller shall deliver Performance Security to Buyer on or before the first day of the Delivery Term. Seller shall maintain the Performance Security in full force and effect, and Seller shall within five (5) Business Days after any draw thereon replenish the Performance Security in the event Buyer collects or draws down any portion of the Performance Security for any reason permitted under this Agreement other than to satisfy a Termination Payment, until the following have occurred: (a) the Delivery Term has expired or terminated early; and (b) all payment obligations of Seller then due and payable under this Agreement, including compensation for penalties, Termination Payment, indemnification payments or other damages are paid in full (whether directly or indirectly such as through set-off or netting). Following the occurrence of both events, Buyer shall promptly return to Seller the unused portion of the Performance Security. If the Performance Security is a Letter of Credit and the issuer of such Letter of Credit (i) fails to maintain the minimum Credit Rating set forth in the definition of Letter of Credit, (ii) indicates its intent not to renew such Letter of Credit and such Letter of Credit expires prior to the last day of the Delivery Term, or (iii) fails to honor Buyer's properly documented request to draw on such Letter of Credit by such issuer, Seller shall have ten (10) Business Days to either post cash or deliver a substitute Letter of Credit that meets the requirements set forth in the definition of Performance Security; *provided*, *however*, if Seller has failed to provide Beneficiary with a substitute Letter of Credit or other acceptable instrument within thirty (30) days prior to such expiration date, Buyer shall have the right to draw on the full amount of the Letter of Credit. [redacted]

8.9 First Priority Security Interest in Cash or Cash Equivalent Collateral. To secure its obligations under this Agreement, and until released as provided herein, Seller hereby grants to Buyer a present and continuing first-priority security interest ("**Security Interest**") in, and lien on (and right to net against), and assignment of the Development Security, Performance Security, any other cash collateral and cash equivalent collateral posted pursuant to Sections 8.7 and 8.8 and any and all interest thereon or proceeds resulting therefrom or from the liquidation thereof, whether now or hereafter held by, on behalf of, or for the benefit of Buyer, and Seller agrees to take all action as Buyer reasonably requires in order to perfect Buyer's Security Interest in, and lien on (and right to net against), such collateral and any and all proceeds resulting therefrom or from the liquidation thereof.

Upon or any time after the occurrence of an Event of Default caused by Seller, an Early Termination Date resulting from an Event of Default caused by Seller, or an occasion provided for in this Agreement where Buyer is authorized to retain all or a portion of the Development Security or Performance Security, Buyer may do any one or more of the following (in each case subject to the final sentence of this Section 8.9):

(a) Exercise any of its rights and remedies with respect to the Development Security and Performance Security, including any such rights and remedies under Law then in effect;

(b) Draw on any outstanding Letter of Credit issued for its benefit and retain any cash held by Buyer as Development Security or Performance Security; and

(c) Liquidate all Development Security or Performance Security (as applicable) then held by or for the benefit of Buyer free from any claim or right of any nature whatsoever of Seller, including any equity or right of purchase or redemption by Seller.

Buyer shall apply the proceeds of the collateral realized upon the exercise of any such rights or remedies to reduce Seller's obligations under this Agreement (Seller remains liable for any amounts owing to Buyer after such application), subject to Buyer's obligation to return any surplus proceeds remaining after these obligations are satisfied in full.

ARTICLE 9
NOTICES

9.1 Addresses for the Delivery of Notices. Any Notice required, permitted, or contemplated hereunder shall be in writing, shall be addressed to the Party to be notified at the address set forth in Exhibit N or at such other address or addresses as a Party may designate for itself from time to time by Notice hereunder.

9.2 Acceptable Means of Delivering Notice. Each Notice required, permitted, or contemplated hereunder shall be deemed to have been validly served, given or delivered as follows:

(a) if sent by United States mail with proper first-class postage prepaid, three (3) Business Days following the date of the postmark on the envelope in which such Notice was deposited in the United States mail;

(b) if sent by a regularly scheduled overnight delivery carrier with delivery fees either prepaid or an arrangement with such carrier made for the payment of such fees, the next Business Day after the same is delivered by the sending Party to such carrier;

(c) if sent by electronic communication (including electronic mail or other electronic means) and if concurrently with the transmittal of such electronic communication the sending Party provides a copy of such electronic Notice by hand delivery or express courier, at the time indicated by the time stamp upon delivery; or

(d) if delivered in person, upon receipt by the receiving Party.

Notwithstanding the foregoing, invoices sent pursuant to Section 8.1 and Notices of outages or other scheduling or dispatch information or requests may be sent by electronic communication and shall be considered delivered upon successful completion of such transmission.

ARTICLE 10
FORCE MAJEURE

10.1 Definition.

(a) "**Force Majeure Event**" means any act or event that delays or prevents a Party from timely performing all or a portion of its obligations under this Agreement or from complying with all or a portion of the conditions under this Agreement if such act or event, despite the exercise of commercially reasonable efforts, cannot be avoided by and is beyond the reasonable control (whether direct or indirect) of and without the fault or negligence of the Party relying thereon as justification for such delay, nonperformance, or noncompliance.

(b) Without limiting the generality of the foregoing, so long as the following events, despite the exercise of reasonable efforts, cannot be avoided by, and are beyond the reasonable control (whether direct or indirect) of and without the fault or negligence of the Party relying thereon as justification for such delay, nonperformance or noncompliance, a Force Majeure Event may include an act of God or the elements, such as flooding, lightning, hurricanes, tornadoes, or ice storms; explosion; fire (except to the extent that such fire is caused by the Facility); volcanic eruption; flood; epidemic or pandemic; landslide; mudslide; sabotage; terrorism; earthquake; or other cataclysmic events; an act of public enemy; war; blockade; civil insurrection; riot; civil disturbance; or strikes or other labor difficulties caused or suffered by a Party or any third party except as set forth below.

(c) Notwithstanding the foregoing, the term "**Force Majeure Event**" does not include (i) economic conditions or changes in Law that render a Party's performance of this Agreement at the Contract Price unprofitable or otherwise uneconomic (including an increase in component or compliance costs for any reason, including foreign or domestic tariffs, Buyer's ability to buy Product at a lower price, or Seller's ability to sell the Product, or any component thereof, at a higher price, than under this Agreement); (ii) Seller's inability to obtain permits or approvals of any type for the construction, operation, or maintenance of the Facility, except to the extent such inability is caused by a Force Majeure Event; (iii) the inability of a Party to make payments when due under this Agreement, unless the cause of such inability is an event that would otherwise constitute a Force Majeure Event as described above that disables physical or electronic facilities necessary to transfer funds to the payee Party; (iv) a Curtailment Order except to the extent such Curtailment Order [redacted] is caused by a Force Majeure Event; (v) Seller's inability to obtain sufficient labor, equipment, materials, or other resources to build or operate the Facility, including the lack of wind, sun or other fuel source of an inherently intermittent nature, except to the extent such inability is caused by a Force Majeure Event; (vi) any equipment failure except if such equipment failure is caused by a Force Majeure Event; (vii) a strike, work stoppage or labor dispute limited only to any one or more of Seller, Seller's Affiliates, Seller's contractors, their subcontractors thereof or any other third party employed by Seller to

work on the Facility [redacted]

10.2 No Liability If a Force Majeure Event Occurs. Neither Seller nor Buyer shall be liable to the other Party in the event it is prevented from performing its obligations hereunder in whole or in part due to a Force Majeure Event. The Party rendered unable to fulfill any obligation by reason of a Force Majeure Event shall take reasonable actions necessary to remove such inability with due speed and diligence. Nothing herein shall be construed as permitting that Party to continue to fail to perform after said cause has been removed. The obligation to use due speed and diligence shall not be interpreted to require resolution of labor disputes by acceding to demands of the opposition when such course is inadvisable in the discretion of the Party having such difficulty. Neither Party shall be considered in breach or default of this Agreement if and to the extent that any failure or delay in the Party's performance of one or more of its obligations hereunder is caused by a Force Majeure Event. Notwithstanding the foregoing, the occurrence and continuation of a Force Majeure Event shall not (a) suspend or excuse the obligation of Seller to achieve the Guaranteed Delivery Term Start Date, or (b) limit Buyer's right to declare an Event of Default pursuant to Section 11.1(b)(ii) and receive a Damage Payment upon exercise of Buyer's remedies pursuant to Section 11.2, [redacted]

10.3 Notice of Force Majeure Event. [redacted] the claiming Party shall provide the other Party with oral notice of the event of Force Majeure Event, and within two (2) weeks thereafter the claiming Party shall provide the other Party with notice in the form of a letter describing in detail the occurrence giving rise to the Force Majeure Event, including the nature, cause, estimated date of commencement thereof, and the anticipated extent of any delay or interruption in performance. Failure to provide timely notice constitutes a waiver of the Force Majeure Event [redacted]. Upon written request from the non-claiming Party, the claiming Party shall provide documentation demonstrating to the non-claiming Party's reasonable satisfaction that each day of the claimed delay was the result of a Force Majeure Event and did not result from the claiming Party's actions or failure to exercise due diligence or take reasonable actions. The claiming party shall promptly notify the other Party in writing of the cessation or termination of such Force Majeure Event, all as known or estimated in good faith by the affected Party. The suspension of performance due to a claim of Force Majeure Event must be of no greater scope and of no longer duration than is required by the Force Majeure Event.

10.4 Termination Following Force Majeure Event. If a Force Majeure Event has occurred that has caused either Party to be wholly or partially unable to perform its obligations hereunder, and the impacted Party has claimed and received relief from performance of its obligations for a consecutive twelve (12) month period, then the non-claiming Party may terminate this Agreement upon Notice to the other Party. Upon any such termination, neither Party shall have any further liability to the other Party, save and except for those obligations specified in

Section 2.1(b), and Buyer shall promptly return to Seller any Performance Security then held by Buyer, less any amounts drawn in accordance with this Agreement.

ARTICLE 11
DEFAULTS; REMEDIES; TERMINATION

11.1 Events of Default. An "**Event of Default**" shall mean,

(a) with respect to a Party (the "**Defaulting Party**") that is subject to the Event of Default, the occurrence of any of the following:

(i) the failure by such Party to make, when due, any payment required pursuant to this Agreement and such failure is not remedied within ten (10) Business Days after Notice thereof;

(ii) any representation or warranty made by such Party herein is false or misleading in any material respect when made or when deemed made or repeated, and such default is not remedied within thirty (30) days after Notice thereof (or such longer additional period, not to exceed an additional sixty (60) days, if the Defaulting Party is unable to remedy such default within such initial thirty (30)-day period despite exercising commercially reasonable efforts);

(iii) the failure by such Party to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default set forth in this Section 11.1; and except for (A) failure to deliver Capacity Attributes, the exclusive remedies for which are set forth in Section 3.8, (B) failures related to the Adjusted Energy Production that do not trigger the provisions of Section 11.1(b)(vi), (vii), and (viii), the exclusive remedies for which are set forth in Section 4.9 and Exhibit G, [redacted] and such failure is not remedied within thirty (30) days after Notice thereof (or such longer additional period, not to exceed an additional ninety (90) days, if the Defaulting Party is unable to remedy such default within such initial thirty (30) day period despite exercising best efforts);

(iv) such Party becomes Bankrupt;

(v) such Party assigns this Agreement or any of its rights hereunder other than in compliance with Article 14, if applicable; or

(vi) such Party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting, surviving or transferee entity fails to assume all the obligations of such Party under this Agreement to which it or its predecessor was a party by operation of Law or pursuant to an agreement reasonably satisfactory to the other Party.

(b) with respect to Seller as the Defaulting Party, the occurrence of any of the following:

(i) if at any time, Seller delivers or attempts to deliver Energy to the Delivery Point for sale under this Agreement that was not generated or discharged by the Facility, other than Replacement Product;

(ii) the failure by Seller to achieve the commencement of the Delivery Term on or before the Guaranteed Delivery Term Start Date;

(iii) [redacted]

(iv) [Reserved];

(v) Seller sells, assigns, or otherwise transfers, or commits to sell, assign, or otherwise transfer, the Product, or any portion thereof, during the Delivery Term to any party other than Buyer except as expressly permitted under this Agreement;

(vi) if, in any consecutive six (6) month period after the Delivery Term Start Date, the Adjusted Energy Production amount (calculated in accordance with Exhibit G) for such period is not at least [redacted] of the Expected Energy amount for such period, and Seller fails to (A) deliver to Buyer within [redacted] Business Days after Notice from Buyer a plan or report developed by Seller that describes the cause of the failure to meet the [redacted] and the actions that Seller has taken, is taking, or proposes to take in an effort to cure such condition along with the written confirmation of a Licensed Professional Engineer that such plan or report is in accordance with Prudent Operating Practices and capable of cure within a reasonable period of time, not to exceed [redacted] days ("**Cure Plan**") and (B) complete such Cure Plan in all material respects as set forth therein, including within the timeframe set forth therein;;

(vii) if, in any Contract Year, the Adjusted Energy Production amount (calculated in accordance with Exhibit G) in such Contract Year is not at least [redacted] of the Expected Energy amount for such Contract Year;

(viii) if, in any [redacted] consecutive Contract Year period during the Delivery Term, the Adjusted Energy Production amount (calculated in accordance with Exhibit G) is not at least [redacted] of the Expected Energy amount for such [redacted] consecutive Contract Year period;

(ix) failure by Seller to satisfy the collateral requirements pursuant to Sections 8.7 or 8.8 within five (5) Business Days after Notice from Buyer and expiration of the cure periods set forth therein, including the failure to replenish the Performance Security amount in accordance with this Agreement in the event Buyer draws against it for any reason other than to satisfy a Damage Payment or a Termination Payment;

(x) with respect to any outstanding Letter of Credit provided for the benefit of Buyer that is not then required under this Agreement to be canceled or returned, the failure by Seller to provide for the benefit of Buyer either (1) cash or (2) a substitute Letter of Credit from a different issuer meeting the criteria set forth in the definition of Letter of Credit, in

each case, in the amount required hereunder within [redacted] Business Days after Seller receives Notice of the occurrence of any of the following events:

(A) the issuer of the outstanding Letter of Credit shall fail to maintain a Credit Rating of at least A- by S&P or A3 by Moody's;

(B) the issuer of such Letter of Credit becomes Bankrupt;

(C) the issuer of the outstanding Letter of Credit shall fail to comply with or perform its obligations under such Letter of Credit and such failure shall be continuing after the lapse of any applicable grace period permitted under such Letter of Credit;

(D) the issuer of the outstanding Letter of Credit shall fail to honor a properly documented request to draw on such Letter of Credit;

(E) the issuer of the outstanding Letter of Credit shall disaffirm, disclaim, repudiate or reject, in whole or in part, or challenge the validity of, such Letter of Credit;

(F) such Letter of Credit fails or ceases to be in full force and effect at any time; or

(G) Seller shall fail to renew or cause the renewal of each outstanding Letter of Credit on a timely basis as provided in the relevant Letter of Credit and as provided in accordance with this Agreement, and in no event less than [redacted] days prior to the expiration of the outstanding Letter of Credit.

[redacted]

11.2 Remedies; Declaration of Early Termination Date. If an Event of Default with respect to a Defaulting Party shall have occurred and be continuing, the other Party ("**Non-Defaulting Party**") shall have the following rights:

(a) to send Notice, designating a day, no earlier than the day such Notice is deemed to be received and no later than twenty (20) days after such Notice is deemed to be received, as an early termination date of this Agreement ("**Early Termination Date**") that terminates this Agreement (the "**Terminated Transaction**") and ends the Delivery Term effective as of the Early Termination Date;

(b) to accelerate all amounts owing between the Parties, and to collect as liquidated damages (i) the Damage Payment, or (ii) the Termination Payment, as applicable, calculated in accordance with Section 11.3 below;

(c) to withhold any payments due to the Defaulting Party under this Agreement;

(d) to suspend performance; and

(e) to exercise any other right or remedy available at law or in equity, including specific performance, injunctive relief, except to the extent such remedies are expressly limited under this Agreement; *provided*, payment by the Defaulting Party of the Damage Payment or Termination Payment, as applicable, shall constitute liquidated damages and the Non-Defaulting Party's sole and exclusive monetary remedy for any Terminated Transaction and the Event of Default related thereto.

11.3 Damage Payment; Termination Payment. If an Early Termination Date has been declared, the Non-Defaulting Party shall calculate, in a commercially reasonable manner, the Damage Payment or Termination Payment, as applicable, in accordance with this Section 11.3.

(a) Damage Payment Prior to the First Day of the Delivery Term. If the Early Termination Date occurs before the first day of the Delivery Term, then the Damage Payment shall be calculated in accordance with this Section 11.3(a).

(i) If Seller is the Defaulting Party, then the Damage Payment shall be owed to Buyer and shall be a dollar amount that equals the entire amount of the Development Security plus, if the Development Security is posted as cash, any interest accrued thereon. Buyer shall be entitled to immediately retain for its own benefit those funds held as Development Security and any interest accrued thereon if the Development Security is posted as cash, and any amount of Development Security that Seller has not yet posted with Buyer shall be immediately due and payable by Seller to Buyer. There will be no amounts owed to Seller. The Parties agree that Buyer's damages in the event of an Early Termination Date prior to the first day of the Delivery Term caused by Seller's Event of Default would be difficult or impossible to determine and that the damages set forth in this Section 11.3(a)(i) are a reasonable approximation of Buyer's harm or loss.

(ii) If Buyer is the Defaulting Party, then a Damage Payment shall be owed to Seller and shall equal the aggregate of all Settlement Amounts plus any and all other amounts due to or from Seller (as of the Early Termination Date) netted into a single amount. There will be no amount owed to Buyer. Seller shall calculate, in a commercially reasonable manner, a Settlement Amount for the Terminated Transaction as of the Early Termination Date. Third parties supplying information for purposes of the calculation of Gains or Losses may include, without limitation, dealers in the relevant markets, end-users of the relevant product, information vendors and other sources of market information. The Settlement Amount shall not include consequential, incidental, punitive, exemplary, indirect or business interruption damages. Without prejudice to Seller's duty to mitigate, Seller shall not have to enter into replacement transactions to establish a Settlement Amount. The Parties agree that Seller's damages in the event of an Early Termination Date prior to the first day of the Delivery Term caused by Buyer's default would be difficult or impossible to determine and that the damages set forth in this Section 11.3(a)(ii) are a reasonable approximation of Seller's harm or loss.

(b) Termination Payment. On or After the First Day of the Delivery Term. The

payment owed by the Defaulting Party to the Non-Defaulting Party for a Terminated Transaction occurring on or after the first day of the Delivery Term ("**Termination Payment**") shall be the aggregate of all Settlement Amounts plus any and all other amounts due to or from the Non-Defaulting Party (as of the Early Termination Date) netted into a single amount. The Non-Defaulting Party shall calculate, in a commercially reasonable manner, a Settlement Amount for the Terminated Transaction as of the Early Termination Date. Third parties supplying information for purposes of the calculation of Gains or Losses may include, without limitation, dealers in the relevant markets, end-users of the relevant product, information vendors and other sources of market information. The Settlement Amount shall not include consequential, incidental, punitive, exemplary, indirect or business interruption damages. Without prejudice to the Non-Defaulting Party's duty to mitigate, the Non-Defaulting Party shall not have to enter into replacement transactions to establish a Settlement Amount. Each Party agrees and acknowledges that (i) the actual damages that the Non-Defaulting Party would incur in connection with a Terminated Transaction would be difficult or impossible to predict with certainty, (ii) the Termination Payment described in this Section 11.3(b) is a reasonable and appropriate approximation of such damages, and (iii) the Termination Payment described in this Section 11.3(b) is the exclusive remedy of the Non-Defaulting Party in connection with a Terminated Transaction but shall not otherwise act to limit any of the Non-Defaulting Party's rights or remedies if the Non-Defaulting Party does not elect a Terminated Transaction as its remedy for an Event of Default by the Defaulting Party.

11.4 Notice of Payment of Termination Payment or Damage Payment. As soon as practicable after a Terminated Transaction, but in no event later than sixty (60) days after the Early Termination Date (or such longer additional period, not to exceed an additional sixty (60) days, if the Non-Defaulting Party is unable, despite using commercially reasonable efforts, to calculate the Termination Payment or Damage Payment, as applicable, within such initial sixty (60)-day period despite exercising commercially reasonable efforts), Notice shall be given by the Non-Defaulting Party to the Defaulting Party of the amount of the Damage Payment or Termination Payment, as applicable, and whether the Termination Payment or Damage Payment, as applicable, is due to or from the Non-Defaulting Party. The Notice shall include a written statement explaining in reasonable detail the calculation of such amount and the sources for such calculation. The Termination Payment or Damage Payment, as applicable, shall be made to or from the Non-Defaulting Party, as applicable, within ten (10) Business Days after such Notice is effective.

11.5 Disputes With Respect to Termination Payment or Damage Payment. If the Defaulting Party disputes the Non-Defaulting Party's calculation of the Termination Payment or Damage Payment, as applicable, in whole or in part, the Defaulting Party shall, within five (5) Business Days of receipt of the Non-Defaulting Party's calculation of the Termination Payment or Damage Payment, as applicable, provide to the Non-Defaulting Party a detailed written explanation of the basis for such dispute. Disputes regarding the Termination Payment or Damage Payment, as applicable shall be determined in accordance with Article 15.

11.6 [Reserved].

11.7 Rights And Remedies Are Cumulative. Except where an express and exclusive remedy or measure of damages is provided, the rights and remedies of a Party pursuant to this Article 11 shall be cumulative and in addition to the rights of the Parties otherwise provided in this Agreement.

11.8 Mitigation. Any Non-Defaulting Party shall be obligated to use commercially reasonable efforts to mitigate its Costs, Losses and damages resulting from any Event of Default of the other Party under this Agreement.

ARTICLE 12
LIMITATION OF LIABILITY AND EXCLUSION OF WARRANTIES.

12.1 No Consequential Damages. EXCEPT TO THE EXTENT (A) PART OF AN EXPRESS REMEDY OR MEASURE OF DAMAGES HEREIN, (B) PART OF A THIRD-PARTY INDEMNITY CLAIM UNDER ARTICLE 16, (C) INCLUDED IN A LIQUIDATED DAMAGES CALCULATION, OR (D) RESULTING FROM A PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER OR ITS INDEMNIFIED PERSONS FOR ANY SPECIAL, PUNITIVE, EXEMPLARY, INDIRECT, OR CONSEQUENTIAL DAMAGES, OR LOSSES OR DAMAGES FOR LOST REVENUE OR LOST PROFITS, WHETHER FORESEEABLE OR NOT, ARISING OUT OF, OR IN CONNECTION WITH THIS AGREEMENT, BY STATUTE, IN TORT OR CONTRACT.

12.2 Waiver and Exclusion of Other Damages. EXCEPT AS EXPRESSLY SET FORTH HEREIN, THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. ALL LIMITATIONS OF LIABILITY CONTAINED IN THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THOSE PERTAINING TO SELLER'S LIMITATION OF LIABILITY AND THE PARTIES' WAIVER OF CONSEQUENTIAL DAMAGES, SHALL APPLY EVEN IF THE REMEDIES FOR BREACH OF WARRANTY PROVIDED IN THIS AGREEMENT ARE DEEMED TO "FAIL OF THEIR ESSENTIAL PURPOSE" OR ARE OTHERWISE HELD TO BE INVALID OR UNENFORCEABLE.

FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS AND EXCLUSIVE REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED.

IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN, THE OBLIGOR'S LIABILITY SHALL BE LIMITED TO DIRECT DAMAGES ONLY. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, INCLUDING UNDER SECTIONS 3.8, 4.7, 11.2, 11.3 AND AS PROVIDED IN EXHIBIT B AND EXHIBIT G, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, THAT OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT, AND THAT THE LIQUIDATED DAMAGES CONSTITUTE A REASONABLE APPROXIMATION OF THE ANTICIPATED HARM OR LOSS. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE

CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. THE PARTIES HEREBY WAIVE ANY RIGHT TO CONTEST SUCH PAYMENTS AS AN UNREASONABLE PENALTY.

THE PARTIES ACKNOWLEDGE AND AGREE THAT MONEY DAMAGES AND THE EXPRESS REMEDIES PROVIDED FOR HEREIN ARE AN ADEQUATE REMEDY FOR THE BREACH BY THE OTHER OF THE TERMS OF THIS AGREEMENT, AND EACH PARTY WAIVES ANY RIGHT IT MAY HAVE TO SPECIFIC PERFORMANCE WITH RESPECT TO ANY OBLIGATION OF THE OTHER PARTY UNDER THIS AGREEMENT.

ARTICLE 13
REPRESENTATIONS AND WARRANTIES; AUTHORITY

13.1 Seller's Representations and Warranties. As of the Effective Date, Seller represents and warrants as follows:

(a) Seller is a limited liability company, duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation, and is qualified to conduct business in the state of California and each jurisdiction where the failure to so qualify would have a material adverse effect on the business or financial condition of Seller.

(b) Seller has the power and authority to enter into and perform this Agreement and is not prohibited from entering into this Agreement or discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement. The execution, delivery and performance of this Agreement by Seller has been duly authorized by all necessary limited liability company action on the part of Seller and does not and will not require the consent of any trustee or holder of any indebtedness or other obligation of Seller or any other party to any other agreement with Seller.

(c) The execution and delivery of this Agreement, consummation of the transactions contemplated herein, and fulfillment of and compliance by Seller with the provisions of this Agreement will not conflict with or constitute a breach of or a default under any Law presently in effect having applicability to Seller, subject to any permits that have not yet been obtained by Seller, the documents of formation of Seller or any outstanding trust indenture, deed of trust, mortgage, loan agreement or other evidence of indebtedness or any other agreement or instrument to which Seller is a party or by which any of its property is bound.

(d) This Agreement has been duly executed and delivered by Seller. This Agreement is a legal, valid and binding obligation of Seller enforceable in accordance with its terms, except as limited by laws of general applicability limiting the enforcement of creditors' rights or by the exercise of judicial discretion in accordance with general principles of equity.

(e) The Facility is located in the State of California.

(f) Seller shall maintain Site Control throughout the Delivery Term.

(g) Seller is responsible for obtaining and maintaining all permits necessary to operate the Facility.

13.2 Buyer's Representations and Warranties. As of the Effective Date, Buyer represents and warrants as follows:

(a) Buyer is a joint powers authority and a validly existing community choice aggregator, duly organized, validly existing and in good standing under the laws of the State of California and the rules, regulations and orders of the California Public Utilities Commission, and is qualified to conduct business in each jurisdiction of the Joint Powers Agreement members. All Persons making up the governing body of Buyer are the elected or appointed incumbents in their positions and hold their positions in good standing in accordance with the Joint Powers Agreement and other Law.

(b) Buyer has the power and authority to enter into and perform this Agreement and is not prohibited from entering into this Agreement or discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement, except where such failure does not have a material adverse effect on Buyer's performance under this Agreement. The execution, delivery and performance of this Agreement by Buyer has been duly authorized by all necessary action on the part of Buyer and does not and will not require the consent of any trustee or holder of any indebtedness or other obligation of Buyer or any other party to any other agreement with Buyer.

(c) The execution and delivery of this Agreement, consummation of the transactions contemplated herein, and fulfillment of and compliance by Buyer with the provisions of this Agreement will not conflict with or constitute a breach of or a default under any Law presently in effect having applicability to Buyer, the documents of formation of Buyer or any outstanding trust indenture, deed of trust, mortgage, loan agreement or other evidence of indebtedness or any other agreement or instrument to which Buyer is a party or by which any of its property is bound.

(d) This Agreement has been duly executed and delivered by Buyer. This Agreement is a legal, valid and binding obligation of Buyer enforceable in accordance with its terms, except as limited by laws of general applicability limiting the enforcement of creditors' rights or by the exercise of judicial discretion in accordance with general principles of equity.

(e) Buyer warrants and covenants that with respect to its contractual obligations under this Agreement, it will not claim [redacted] immunity on the grounds of sovereignty or similar grounds with respect to itself or its revenues or assets from (1) suit, (2) jurisdiction of court (provided that such court is located within a venue permitted in Law and under the Agreement), (3) relief by way of injunction, order for specific performance or recovery of property, (4) attachment of assets, or (5) execution or enforcement of any judgment; *provided*, *however*, that nothing in this Agreement shall waive the obligations or rights set forth in the California Tort Claims Act (California Government Code Section 810 et seq.).

13.3 General Covenants. Each Party covenants that commencing on the Effective Date and continuing throughout the Contract Term:

(a) It shall continue to be duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation and to be qualified to conduct business in California and each jurisdiction where the failure to so qualify would have a material adverse effect on its business or financial condition;

(b) It shall maintain (or obtain from time to time as required) all regulatory authorizations necessary for it to legally perform its obligations under this Agreement; and

(c) It shall perform its obligations under this Agreement in compliance with all terms and conditions in its governing documents and in material compliance with any Law.

13.4 [Reserved].

13.5 Workforce Development and Supplier Diversity. Seller acknowledges that Buyer will, from time to time, request voluntary disclosure of Seller's certification status with the CPUC Supplier Clearinghouse, and voluntary disclosure regarding Seller's efforts to work with diverse business enterprises, including women, minority, disabled veteran, and lesbian, gay, bisexual, transgender and/or persons with disabilities business enterprises in a form similar to Exhibit P.

13.6 Community Benefits. Seller pledges to deliver [redacted] so that Buyer may direct such amount to community benefits initiatives that directly benefit stakeholders in Buyer's service area. Buyer shall have sole discretion to determine which initiatives will be funded and will provide Seller notice describing the initiatives Buyer intends to fund. Seller shall make this payment within sixty (60) days following the commencement of the Delivery Term. Notwithstanding anything to the contrary in this Section 13.6, Buyer will not make any public statement about the Facility, this Agreement, Seller, or Seller's Affiliates in connection with any community benefits initiatives funded with Seller's community benefits funds paid through this Section 13.6 without the prior written consent of Seller. Following the payment of Seller's community benefits funds, Buyer shall publicly disclose how it spends its community benefit funds on an aggregated basis and provide copies of such reporting to Seller. With Buyer's consent, not to be unreasonably withheld, Seller shall have the right to include such information about the community benefits payment and the use thereof in Seller's promotional and marketing materials.

ARTICLE 14
ASSIGNMENT

14.1 General Prohibition on Assignments. Except as provided below in this Article 14, neither Party may assign this Agreement or its rights or obligations under this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed. Any Change of Control of Seller (whether voluntary or by operation of law) will be deemed an assignment and will require the prior written consent of

Buyer, which consent shall not be unreasonably withheld, conditioned or delayed; *provided*, a Change of Control of Seller shall not require Buyer's consent and will not be subject to Section 14.2 or Section 14.3 if the assignee or transferee is a Permitted Transferee. Any assignment made without the required written consent, or in violation of the conditions to assignment set out below, shall be null and void. Buyer will have no obligation to provide any consent, or enter into any agreement, that materially and adversely affects any of Buyer's rights, benefits, risks or obligations under this Agreement, or to modify the Agreement, except as set forth below. The assigning Party shall pay the other Party's reasonable expenses associated with the preparation, review, execution and delivery of documents in connection with any assignment of this Agreement by the assigning Party, including without limitation reasonable attorneys' fees, [redacted]

14.2 Collateral Assignment. Subject to the provisions of this Section 14.2, Seller has the right to assign this Agreement as collateral for any financing or refinancing of the Facility. In connection with any financing or refinancing of the Facility by Seller, upon request of Seller, Buyer shall in good faith work with Seller and Lender to agree upon a consent to collateral assignment of this Agreement ("**Collateral Assignment Agreement**").

14.3 Permitted Assignment by Seller. Except as may be precluded by, or would cause Buyer to be in violation of the Political Reform Act (California Government Code Section 81000 et seq.) or the regulations thereto, California Government Code Section 1090, or any other conflict of interest Law,

(a) Seller may, without the prior written consent of Buyer, transfer or assign this Agreement directly or indirectly to an Affiliate of Seller if, and only if:

(i) Seller has given Buyer Notice at least fifteen (15) Business Days before the date of such proposed assignment; and

(ii) Seller has provided Buyer a written agreement signed by the Affiliate to which Seller wishes to assign its interests that provides that such Affiliate will assume all of Seller's obligations and liabilities under this Agreement upon such transfer or assignment.

(b) Seller may, without the prior written consent of Buyer, transfer or assign this Agreement to any Person succeeding to all, or substantially all, of the assets of Seller (whether voluntary or by operation of law), if, and only if:

(i) The assignee is a Permitted Transferee;

(ii) Seller has given Buyer Notice at least fifteen (15) Business Days before the date of such proposed assignment; and

(iii) Seller has provided Buyer a written agreement signed by the Person to which Seller wishes to assign its interests that (x) provides that such Person will assume all of Seller's obligations and liabilities under this Agreement upon such transfer or assignment and (y) certifies that such Person meets the definition of a Permitted Transferee.

(c) Notwithstanding the foregoing, any assignment by Seller, its successors or assigns under this Section 14.3 shall be of no force and effect unless and until such Notice and agreement by the assignee have been received and confirmed by Buyer.

[redacted]

14.4 Portfolio Financing. Buyer agrees and acknowledges that Seller may elect to finance all or any portion of the Facility or the Interconnection Facilities or the Shared Facilities (a) utilizing tax equity investment, and/or (b) through a Portfolio Financing, which may include cross-collateralization or similar arrangements. In connection with any financing or refinancing of the Facility, the Interconnection Facilities or the Shared Facilities by Seller or any Portfolio Financing, Buyer, Seller, Portfolio Financing Entity (if any), and Lender shall execute and deliver such further consents, approvals and acknowledgments as may be reasonable and necessary to facilitate such transactions; *provided*, Buyer shall not be required to agree to any terms or conditions which are reasonably expected to have a material adverse effect on Buyer and all reasonable attorney's fees incurred by Buyer in connection therewith shall be borne by Seller.

14.5 Permitted Assignment by Buyer. [redacted] Buyer may make a limited assignment in connection with a municipal prepayment transaction to an entity with an Investment Grade Credit Rating ("**Limited Assignee**") of Buyer's right to receive Product and Buyer's obligation to make payments to Seller, subject to execution of a limited assignment agreement between and among Seller, Buyer, and Limited Assignee substantially in the form of Exhibit Q, including that the limited assignment shall be expressly subject to Limited Assignee's timely payment of amounts due under this Agreement. Subject to the terms of the prior sentence, Buyer may make such assignment by delivering Notice upon not less than thirty (30) days prior to such proposed assignment. Subject to the foregoing, Seller agrees to (i) comply with Limited Assignee's reasonable requests for know-your-customer and similar account opening information and documentation with respect to Seller, including but not limited to information related to forecasted generation, credit rating, and compliance with anti-money laundering rules, the Dodd-Frank Act, the Commodity Exchange Act, the Patriot Act and similar rules, regulations, requirements and corresponding policies, and (ii) promptly execute such limited assignment agreement and implement such assignment as contemplated thereby, subject only to the countersignature of Limited Assignee and Buyer. [redacted]

14.6 Right of First Refusal as to Future Facility Output, Additional Phases or Projects. [redacted] Seller hereby grants Buyer with the exclusive right (such right, the "**Right of First Refusal**" or "**ROFR**") to the purchase of all of the output of [redacted] a "**Post-Delivery Term Project**"). The requirements of this Section 14.6 shall apply [redacted] in respect of each Post-Delivery Term Project.

(b) Prior to offering the output of the Post-Delivery Term Project for sale to any third party, Seller shall present a binding commercial offer for the output of the Post-Delivery Term Project (the "**ROFR Offer**"), for Buyer to accept, subject only to finalization and execution of a power purchase agreement for the Post-Delivery Term Project (the "**Project PPA**") incorporating the Material Terms of such ROFR Offer, and any additional terms the Parties agree to include, including credit requirements, and to the extent not inconsistent with the foregoing, the terms and conditions of this Agreement, as applicable. The ROFR Offer provided by Seller shall specifically identify the material financial and other terms and conditions of such ROFR Offer (the "**Material Terms**").

[redacted]

ARTICLE 15
DISPUTE RESOLUTION

15.1 Governing Law; Venue.

(a) 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. [STC 17].

(b) For avoidance of doubt, although "agreement" is not capitalized in Section 15.1(a), the parties intend for "agreement" to mean this Agreement, and for "party" and "parties" to refer to the Party and Parties as set forth in the preamble to this Agreement.

(c) The Parties agree that any suit, action or other legal proceeding by or against any Party with respect to or arising out of this Agreement shall be brought in the federal or state courts of the State of California sitting in the County of San Diego.

15.2 Dispute Resolution. In the event of any dispute arising under this Agreement, within ten (10) days following the receipt of a Notice from either Party identifying such dispute, the Parties shall meet, negotiate and attempt, in good faith, to resolve the dispute quickly, informally and inexpensively. If the Parties are unable to resolve a dispute arising hereunder within the earlier of either thirty (30) days of initiating such discussions, or within forty (40) days after Notice of the dispute, the Parties shall submit the dispute to mediation prior to seeking any and all remedies available to them at Law in or equity. The Parties will cooperate in selecting a qualified neutral mediator selected from a panel of neutrals and in scheduling the time and place of the mediation as soon as reasonably possible, but in no event later than thirty (30) days after the request for mediation is made. The Parties agree to participate in the mediation in good faith and to share the costs of the mediation, including the mediator's fee, equally, but such shared costs shall not include each Party's own attorneys' fees and costs, which shall be borne solely by such Party. If the mediation is unsuccessful, then either Party may seek any and all remedies available to it at law or in equity, subject to the limitations set forth in this Agreement.

15.3 Attorneys' Fees. In any proceeding brought to enforce this Agreement or because of the breach by any Party of any covenant or condition herein contained, the prevailing Party shall be entitled to reasonable attorneys' fees (including reasonably allocated fees of in-house counsel) in addition to court costs and any and all other costs recoverable in said action.

ARTICLE 16
INDEMNIFICATION

16.1 Indemnification.

(a) Each Party (the "**Indemnifying Party**") agrees to indemnify, defend and hold harmless the other Party and its Affiliates, directors, officers, employees and agents (collectively, the "**Indemnified Party**") from and against all claims, demands, losses, liabilities, penalties, and expenses (including reasonable attorneys' fees) (i) for personal injury or death to

Persons and damage to the property of any third party to the extent arising out of, resulting from, or caused by the negligent or willful misconduct of the Indemnifying Party, its Affiliates, its directors, officers, employees, or agents, or (ii) for third-party claims resulting from the Indemnifying Party's breach (including inaccuracy of any representation of warranty made hereunder), performance or non-performance of its obligations under this Agreement ("**Indemnifiable Losses**").

(b) Notwithstanding any other provision of this Agreement, Seller shall indemnify, defend, and hold harmless Buyer's Indemnified Parties, from any claim, liability, loss, injury or damage arising out of, or in connection with Environmental Costs and any environmental matters associated with the Facility, including the use, release, storage, disposal and transportation of Hazardous Substances, or the contamination of land, air or water including but not limited to the Site, with any Hazardous Substances by or on behalf of the Seller or related to Seller's performance of this Agreement.

(c) Nothing in this Section 16.1 shall enlarge or relieve Seller or Buyer of any liability to the other for any breach of this Agreement. Neither Party shall be indemnified for its damages resulting from its sole negligence, intentional acts, or willful misconduct. These indemnity provisions shall not be construed to relieve any insurer of its obligations to pay claims consistent with the provisions of a valid insurance policy.

(d) **Claims**. Promptly after receipt by a Party of any claim or Notice of the commencement of any action, administrative, or legal proceeding, or investigation as to which the indemnity provided for in this Article 16 may apply, the Indemnified Party shall notify the Indemnifying Party in writing of such fact. The Indemnifying Party shall assume the defense thereof with counsel designated by the Indemnifying Party and satisfactory to the Indemnified Party, *provided*, if the defendants in any such action include both the Indemnified Party and the Indemnifying Party and the Indemnified Party shall have reasonably concluded that there may be legal defenses available to it which are different from or additional to, or inconsistent with, those available to the Indemnifying Party, the Indemnified Party shall have the right to select and be represented by separate counsel, at the Indemnifying Party's expense, unless a liability insurer is willing to pay such costs. If the Indemnifying Party fails to assume the defense of a claim meriting indemnification, the Indemnified Party may at the expense of the Indemnifying Party contest, settle, or pay such claim, *provided* that settlement or full payment of any such claim may be made only following consent of the Indemnifying Party or, absent such consent, written opinion of the Indemnified Party's counsel that such claim is meritorious or warrants settlement. Except as otherwise provided in this Article 16, in the event that a Party is obligated to indemnify and hold the other Party and its successors and assigns harmless under this Article 16, the amount owing to the Indemnified Party will be the amount of the Indemnified Party's damages net of any insurance proceeds received by the Indemnified Party following a reasonable effort by the Indemnified Party to obtain such insurance proceeds.

ARTICLE 17
INSURANCE

17.1 Insurance.

(a) General Liability. Seller shall maintain, or cause to be maintained at its sole expense, (i) commercial general liability insurance, including products and completed operations and personal injury insurance, in a minimum amount of [redacted] per occurrence, and an annual aggregate of not less than [redacted] endorsed to provide contractual liability in said amount, specifically covering Seller's obligations under this Agreement and including Buyer as an additional insured; and (ii) an umbrella insurance policy in a minimum limit of liability of [redacted] Defense costs shall be provided as an additional benefit and not included within the limits of liability. Such insurance shall contain standard cross-liability and severability of interest provisions.

(b) Employer's Liability Insurance. Seller, if it has employees, shall maintain Employers' Liability insurance with limits of not less than [redacted] for injury or death occurring as a result of each accident. With regard to bodily injury by disease, the [redacted] policy limit will apply to each employee.

(c) Workers Compensation Insurance. Seller, if it has employees, shall also maintain at all times during the Contract Term workers' compensation and employers' liability insurance coverage in accordance with applicable requirements of California Law.

(d) Business Auto Insurance. Seller shall maintain at all times during the Contract Term business auto insurance for bodily injury and property damage with limits of [redacted] per occurrence. Such insurance shall cover liability arising out of Seller's use of all owned (if any), non-owned and hired vehicles, including trailers or semi-trailers in the performance of the Agreement and shall name Buyer as additional insured and contain standard cross-liability and severability of interest provisions.

(e) Reserved.

(f) Reserved.

(g) Subcontractor Insurance. Seller shall require all of its subcontractors to carry: (i) comprehensive general liability insurance with a combined single limit of coverage not less than [redacted] (ii) workers' compensation insurance and employers' liability coverage in accordance with applicable requirements of Law; and (iii) business auto insurance for bodily injury and property damage with limits of [redacted] per occurrence. All subcontractors shall name Seller as an additional insured to insurance carried pursuant to clauses (g)(i) and (g)(iii). All subcontractors shall provide a primary endorsement and a waiver of subrogation to Seller for the required coverage pursuant to this Section 17.1(g).

(h) Property Insurance. On and after the Delivery Term Start Date, Seller shall maintain or cause to be maintained insurance against loss or damage from all causes under standard "all risk" property insurance coverage in amounts that are not less than the actual replacement value of the Facility; *provided*, however, with respect to property insurance for natural catastrophes, Seller shall maintain limits equivalent to a probable maximum loss amount determined by a firm with experience providing such determinations. Such insurance shall include

business interruption coverage in an amount equal to twelve (12) months of expected revenue from this Agreement.

(i) Evidence of Insurance. Within ten (10) days after execution of the Agreement and upon annual renewal thereafter, Seller shall deliver to Buyer certificates of insurance evidencing such coverage. [redacted] Such insurance shall be primary coverage without right of contribution from any insurance of Buyer. Any other insurance maintained by Seller is for the exclusive benefit of Seller and shall not in any manner inure to the benefit of Buyer. The general liability, auto liability and workers' compensation policies shall be endorsed with a waiver of subrogation in favor of Buyer for all work performed by Seller, its employees, agents and sub-contractors.

ARTICLE 18
CONFIDENTIAL INFORMATION

18.1 Definition of Confidential Information. The following constitutes "**Confidential Information**," whether oral or written which is delivered by Seller to Buyer or by Buyer to Seller including: (a) the terms and conditions of, and proposals and negotiations related to, this Agreement, and (b) information that either Seller or Buyer stamps or otherwise identifies as "confidential" or "proprietary" before disclosing it to the other. Confidential Information does not include (i) information that was publicly available at the time of the disclosure, other than as a result of a disclosure in breach of this Agreement; (ii) information that becomes publicly available through no fault of the recipient after the time of the delivery; (iii) information that was rightfully in the possession of the recipient (without confidential or proprietary restriction) at the time of delivery or that becomes available to the recipient from a source not subject to any restriction against disclosing such information to the recipient; (iv) information that the recipient independently developed without a violation of this Agreement; and (v) information that is determined by Buyer to be subject to the California Public Records Act.

18.2 Duty to Maintain Confidentiality

(a) The Party receiving Confidential Information (the "**Receiving Party**") from the disclosing Party (the "**Disclosing Party**") shall not disclose Confidential Information to a third party (other than the Receiving Party's members, employees, lenders or investors, counsel, accountants, directors or advisors, or any such representatives of a Party's Affiliates, who have a need to know such information and have agreed to keep such terms confidential) except in order to (a) comply with any applicable Law, regulation, any exchange, control area or independent system operator rule, an order of a court, or regulatory requirement applicable to the Receiving Party, or (b) in order to enforce this Agreement; *provided*, each Party shall, to the extent practicable, use reasonable efforts to prevent or limit the disclosure. The Parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with, this confidentiality obligation. The Parties agree and acknowledge that nothing in this Section 18.2 prohibits a Party from disclosing any one or more of the commercial terms of a transaction (other than the name of the other Party unless otherwise agreed to in writing by the Parties) to any industry price source for the purpose of aggregating and reporting such information in the form of a published energy price index.

(b) The Parties acknowledge and agree that the Agreement and any transactions entered into in connection herewith are subject to the requirements of the California Public Records Act (California Government Code Section 7920 *et seq*.). In order to designate information as confidential, the Disclosing Party must clearly stamp and identify the specific portion of the material designated with the word "Confidential." The Parties agree not to over-designate material as Confidential Information. Over-designation includes stamping whole agreements, entire pages or series of pages as "Confidential" that clearly contain information that is not Confidential Information.

18.3 Requested Confidential information. Upon request or demand of any third person or entity not a Party hereto to Buyer pursuant to the California Public Records Act for production, inspection and/or copying of Confidential Information ("**Requested Confidential Information**"), Buyer shall as soon as practicable notify Seller in writing via email that such request has been made. Seller shall be solely responsible for taking at its sole expense whatever legal steps are necessary to prevent release of the Requested Confidential Information to the third party by Buyer. If Seller takes no such action after receiving the foregoing notice from Buyer, Buyer shall, at its discretion, be permitted to comply with the third party's request or demand and is not required to defend against it. If Seller does take or attempt to take such action, Buyer shall provide timely and reasonable cooperation to Seller, if requested by Seller, and Seller agrees to indemnify and hold harmless Buyer and Buyer's Indemnified Parties from any claims, liability, award of attorneys' fees, or damages, and to defend any action, claim or lawsuit brought against any of Buyer or Buyer's Indemnified Parties for Buyer's refusal to disclose any Requested Confidential Information.

18.4 Irreparable Injury; Remedies. Receiving Party acknowledges that its obligations hereunder are necessary and reasonable in order to protect Disclosing Party and the business of Disclosing Party, and expressly acknowledges that monetary damages would be inadequate to compensate Disclosing Party for any breach or threatened breach by Receiving Party of any covenants and agreements set forth herein. Accordingly, Receiving Party acknowledges that any such breach or threatened breach will cause irreparable injury to Disclosing Party and that, in addition to any other remedies that may be available, in law, in equity or otherwise, Disclosing Party will be entitled to obtain injunctive relief against the threatened breach of this Agreement or the continuation of any such breach, without the necessity of proving actual damages.**Further Permitted Disclosure.** Notwithstanding anything to the contrary in this Article 18, Confidential Information may be disclosed by the Receiving Party to any of its agents, consultants, contractors, trustees, or actual or potential financing parties (including, in the case of Seller, its Lender(s) [redacted], so long as such Person to whom Confidential Information is disclosed agrees in writing to be bound by confidentiality provisions that are no less stringent than those in this Article 18 to the same extent as if it were a Party. Seller shall provide written notice to Buyer of any disclosure of Confidential Information pursuant to this Section 18.5, including the identity of the party receiving such Confidential Information.**Press Releases**. Neither Party shall issue (or cause its Affiliates to issue) a press release regarding the transactions contemplated by this Agreement unless both Parties have agreed upon the contents of any such press release. A Party's consent shall not be unreasonably withheld, conditioned or delayed.

ARTICLE 19
MISCELLANEOUS

19.1 Entire Agreement; Integration; Exhibits. This Agreement, together with the Cover Sheet and Exhibits attached hereto constitutes the entire agreement and understanding between Seller and Buyer with respect to the subject matter hereof and supersedes all prior agreements relating to the subject matter hereof, which are of no further force or effect. The Exhibits attached hereto are integral parts hereof and are made a part of this Agreement by reference. The headings used herein are for convenience and reference purposes only. In the event of a conflict between the provisions of this Agreement and those of the Cover Sheet or any Exhibit, the provisions of first the Cover Sheet, and then this Agreement shall prevail, and such Exhibit shall be corrected accordingly. This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof.

19.2 Amendments. This Agreement may only be amended, modified or supplemented by an instrument in writing executed by duly authorized representatives of Seller and Buyer; *provided*, that, for the avoidance of doubt, this Agreement may not be amended by electronic mail communications.

19.3 No Waiver. Waiver by a Party of any default by the other Party shall not be construed as a waiver of any other default.

19.4 No Agency, Partnership, Joint Venture or Lease. Seller and the agents and employees of Seller shall, in the performance of this Agreement, act in an independent capacity and not as officers or employees or agents of Buyer. Under this Agreement, Seller and Buyer intend to act as energy seller and energy purchaser, respectively, and do not intend to be treated as, and shall not act as, partners in, co-venturers in or lessor/lessee with respect to the Facility or any business related to the Facility. This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement) or, to the extent set forth herein, any Lender and/or Indemnified Party.

19.5 Severability. In the event that any provision of this Agreement is unenforceable or held to be unenforceable, the Parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby. The Parties shall, however, use their best endeavors to agree on the replacement of the void, illegal or unenforceable provision(s) with legally acceptable clauses which correspond as closely as possible to the sense and purpose of the affected provision and this Agreement as a whole.

19.6 Mobile-Sierra. Notwithstanding any other provision of this Agreement, neither Party shall seek, nor shall they support any third party seeking, to prospectively or retroactively revise the rates, terms or conditions of service of this Agreement through application or complaint to FERC pursuant to the provisions of Section 205, 206 or 306 of the Federal Power Act, or any other provisions of the Federal Power Act, absent prior written agreement of the Parties. Further, absent the prior written agreement in writing by both Parties, the standard of review for changes to the rates, terms or conditions of service of this Agreement proposed by a Party shall be the

"public interest" standard of review set forth in United Gas Pipe Line Co. v. Mobile Gas Service Corp., 350 U.S. 332 (1956) and Federal Power Commission v. Sierra Pacific Power Co., 350 U.S. 348 (1956). Changes proposed by a non-Party or FERC acting *sua sponte* shall be subject to the most stringent standard permissible under Law.

19.7 Counterparts. This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument and each of which shall be deemed an original.

19.8 Electronic Delivery. This Agreement may be duly executed and delivered by a Party by electronic format (including portable document format (.pdf)). Delivery of an executed counterpart in .pdf electronic version shall be binding as if delivered in the original. The words "execution," "signed," "signature," and words of like import in this Agreement shall be deemed to include electronic signatures or electronic records, each of which shall be of the same legal effect, validity, or enforceability as a manually executed signature or the use of a paper-based record keeping system, as the case may be, to the extent and as provided for in any applicable law.

19.9 Binding Effect. This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

19.10 No Recourse to Members of Buyer. Buyer is organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (California Government Code Section 6500, et seq.) pursuant to its Joint Powers Agreement and is a public entity separate from its constituent members. Buyer shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Seller shall have no rights and shall not make any claims, take any actions or assert any remedies against any of Buyer's constituent members, or the employees, directors, officers, consultants or advisors or Buyer or its constituent members, in connection with this Agreement.

19.11 Forward Contract. The Parties acknowledge and agree that this Agreement constitutes a "forward contract" within the meaning of the U.S. Bankruptcy Code, and Buyer and Seller are "forward contract merchants" within the meaning of the U.S. Bankruptcy Code. Each Party further agrees that, for all purposes of this Agreement, each Party waives and agrees not to assert the applicability of the provisions of 11 U.S.C. § 366 in any Bankruptcy proceeding wherein such Party is a debtor. In any such proceeding, each Party further waives the right to assert that the other Party is a provider of last resort to the extent such term relates to 11 U.S.C. §366 or another provision of 11 U.S.C. § 101-1532.

19.12 Further Assurances. Each of the Parties hereto agrees to provide such information, execute and deliver any instruments and documents and to take such other actions as may be necessary or reasonably requested by the other Party which are not inconsistent with the provisions of this Agreement and which do not involve the assumption of obligations other than those provided for in this Agreement, to give full effect to this Agreement and to carry out the intent of this Agreement.

19.13 Change in Electric Market Design. [redacted] if a change in the CAISO Tariff renders this Agreement or any provisions hereof incapable of being performed or

administered, then any Party may request that Buyer and Seller enter into negotiations to make the minimum changes to this Agreement necessary to make this Agreement capable of being performed and administered, while attempting to preserve to the maximum extent possible the benefits, burdens, and obligations set forth in this Agreement as of the Effective Date. Upon delivery of such a request, Buyer and Seller shall engage in such negotiations in good faith. If Buyer and Seller are unable, within sixty (60) days after delivery of such request, to agree upon changes to this Agreement or to resolve issues relating to changes to this Agreement, then any Party may submit issues pertaining to changes to this Agreement to the dispute resolution process set forth in Article 15. Notwithstanding the foregoing, (i) a change in cost shall not in and of itself be deemed to render this Agreement or any of the provisions hereof incapable of being performed or administered, and (ii) all of the unaffected provisions of this Agreement shall remain in full force and effect during any period of such negotiation or dispute resolution.

[Signatures on following page]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the Effective Date.

KUMEYAAY WIND LLC, a Delaware limited liability company	**SAN DIEGO COMMUNITY POWER, a California joint powers authority**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

EXHIBIT A

FACILITY DESCRIPTION

Project Name: Kumeyaay Wind LLC

Site includes all or some of the following APNs: [redacted]

County: San Diego County

Zip Code: 91905

Latitude and Longitude: 32.7055, -116.3421

Facility Description:

Delivery Point: PNode assigned to the Facility

Facility Meter and Metering Points: See Exhibit R.

PNode: As of the Effective Date, the PNode assigned to the Facility is CRSTWD_6_KUMYAY

Interconnection Point: Crestwood Substation

Transmission Provider: San Diego Gas & Electric Company

Local Capacity Area and Sub-Local Capacity Area: San Diego-IV

Additional Information: Site plan provided below.

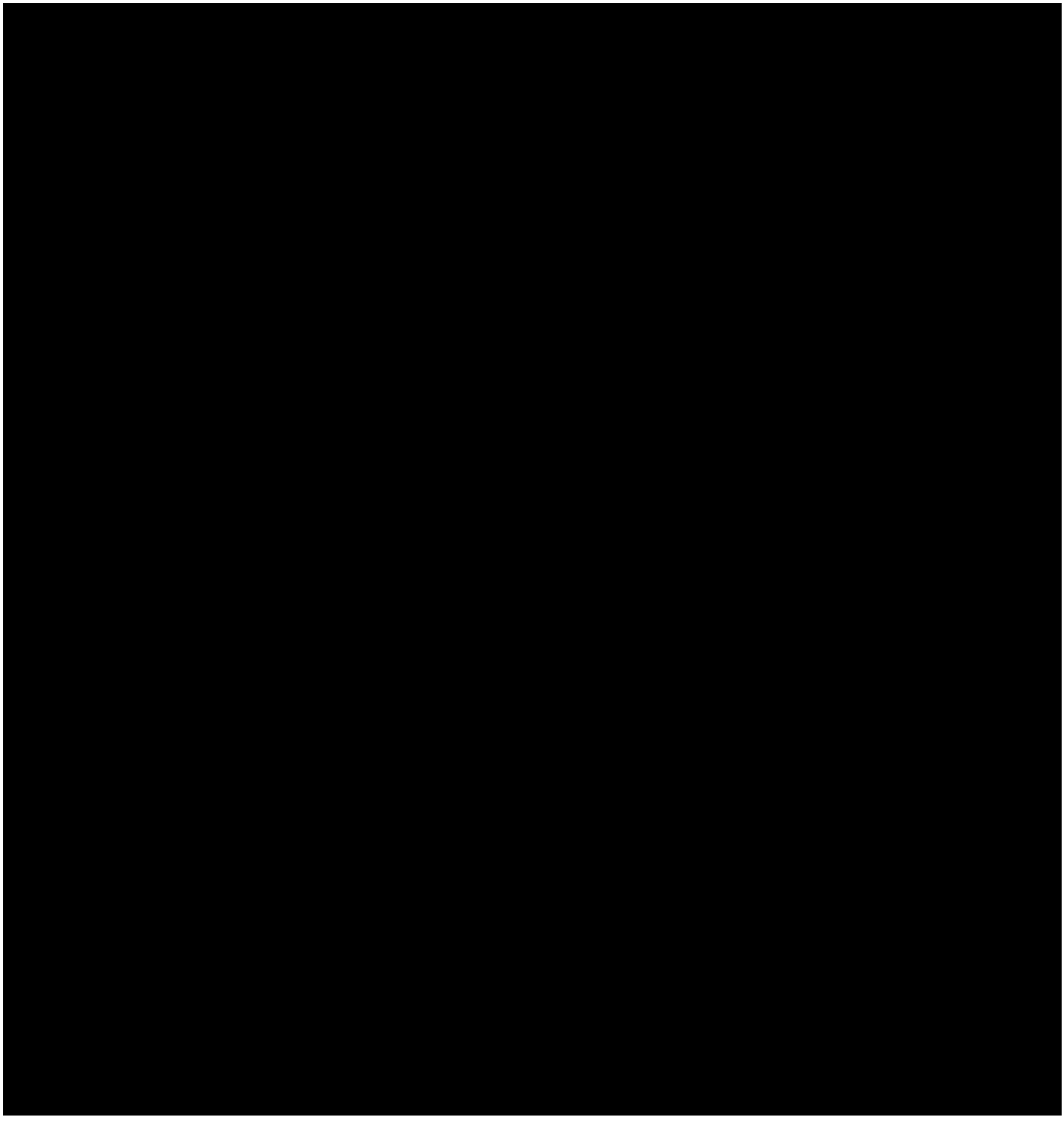
EXHIBIT B

RESERVED

EXHIBIT C

COMPENSATION

Buyer shall compensate Seller for the Product in accordance with this Exhibit C (the "**Monthly Product Payment**").



[redacted]

EXHIBIT D

SCHEDULING COORDINATOR RESPONSIBILITIES

(a) Buyer as Scheduling Coordinator for the Facility. Beginning on the first day of the Delivery Term and through the remainder of the Delivery Term, Buyer shall be the Scheduling Coordinator or designate a qualified third party to provide Scheduling Coordinator services with the CAISO for the Facility for both the delivery and the receipt of the Product at the Delivery Point. At least thirty (30) days prior to the first day of the Delivery Term, (i) Seller shall take all actions and execute and deliver to Buyer and the CAISO all documents necessary to authorize or designate Buyer (or Buyer's designee) as the Scheduling Coordinator for the Facility effective as of the first day of the Delivery Term, (ii) Seller shall make available to Buyer's Scheduling Coordinator all real-time telemetry data reasonably necessary for Buyer's Scheduling Coordinator to perform its duties as Buyer's Scheduling Coordinator, including the relevant operational data specified in this Exhibit D, Section (a)(i) and in Exhibit L, and (iii) Buyer shall, and shall cause its designee to, take all actions and execute and deliver to Seller and the CAISO all documents necessary to authorize or designate Buyer or its designee as the Scheduling Coordinator for the Facility effective as of the first day of the Delivery Term. From and after the first day of the Delivery Term, Seller shall not authorize or designate any other party to act as the Facility's Scheduling Coordinator, nor shall Seller perform for its own benefit the duties of Scheduling Coordinator, nor shall Seller perform for its own benefit the duties of Scheduling Coordinator, and Seller shall not revoke Buyer's authorization to act as the Facility's Scheduling Coordinator unless agreed to by Buyer. Buyer (as the Facility's SC) shall submit Schedules to the CAISO in accordance with this Agreement and the applicable CAISO Tariff, protocols and Scheduling practices for Product on a day-ahead, hour-ahead, fifteen-minute market or real time or other CAISO market basis that may develop after the Effective Date, as determined by Buyer. Buyer (or its Scheduling Coordinator) shall comply with all applicable CAISO Tariff requirements, procedures, protocols, rules and testing as applicable to Buyer as the Scheduling Coordinator for the Facility.

(b) Notices. Buyer (as the Facility's SC) shall provide Seller with access to a web-based system through which Seller shall submit to Buyer and the CAISO all notices and updates required under the CAISO Tariff regarding the Facility's status, including, but not limited to, all outage requests, forced outages, forced outage reports, clearance requests, or must offer waiver forms. Seller shall cooperate with Buyer to provide such notices and updates. If the web-based system is not available, Seller shall promptly submit such information to Buyer and the CAISO (in order of preference) telephonically, by electronic mail, or fax transmission to the personnel designated to receive such information.

[redacted]

[redacted]

(d) CAISO Settlements. Buyer (as the Facility's SC) shall be responsible for all settlement functions with the CAISO related to the Facility. Buyer shall render a separate invoice to Seller for any CAISO payments, charges or penalties ("**CAISO Charges Invoice**") for which Seller is responsible under this Agreement. CAISO Charges Invoices shall be rendered after settlement information becomes available from the CAISO that identifies any CAISO charges. Notwithstanding the foregoing, Seller acknowledges that the CAISO will issue additional invoices reflecting CAISO adjustments to such CAISO charges. Buyer will review, validate, and if requested by Seller under paragraph (e) below, dispute any charges that are the responsibility of Seller in a timely manner and consistent with Buyer's existing settlement processes for charges that are Buyer's responsibilities. Subject to Seller's right to dispute and to have Buyer pursue the dispute of any such invoices, Seller shall pay the amount of CAISO Charges Invoices within ten (10) Business Days of Seller's receipt of the CAISO Charges Invoice. If Seller fails to pay such CAISO Charges Invoice within that period, Buyer may net or offset any amounts owing to it for such CAISO Charges Invoices against any future amounts it may owe to Seller under this Agreement. The obligations under this Section with respect to payment of CAISO Charges Invoices in respect of performance prior to the expiration or termination of this Agreement shall survive the expiration or termination of this Agreement.

(e) Dispute Costs. Buyer (as the Facility's SC) may be required by Seller to dispute CAISO settlements in respect of the Facility. Seller agrees to pay Buyer's costs and expenses (including reasonable attorneys' fees) associated with its involvement with such CAISO disputes to the extent they relate to CAISO charges payable by Seller under this Agreement with respect to the Facility that Seller has directed Buyer to dispute [redacted]

(f) Terminating Buyer's Designation as Scheduling Coordinator. At least thirty (30) days prior to expiration of this Agreement or as soon as reasonably practicable upon an earlier termination of this Agreement, the Parties will take all actions necessary to terminate the

designation of Buyer as Scheduling Coordinator for the Facility as of 11:59 p.m. on such expiration date.

(g) Master File and Resource Data Template; Master Resource Database. The Parties will collaborate to comply with the applicable deadlines for filing and updating the information for the Facility in the CPUC Master Resource Database and Master File. Seller shall provide the data to Buyer that is required for the CAISO's Master File and Resource Data Template (or successor data systems) for the Facility consistent with this Agreement at least five (5) Business Days before the deadline for submission to CAISO and Buyer (as SC) shall promptly provide such data to CAISO. Seller shall provide the data that is required for the CPUC Master Resource Database for the Facility consistent with this Agreement to Buyer for review and approval at least five (5) Business Days before the deadline for submission of such to the CPUC. Neither Party shall change such CAISO or CPUC data without the other Party's prior written consent. At least once per Contract Year, Seller shall review and confirm that the data provided for the CAISO's Master File and Resource Data Template (or successor data systems) and CPUC Master Resource Database for this Facility remains consistent with the actual operating characteristics of the Facility and provide such information to Buyer for review at least five (5) Business Days prior to submission to the CAISO or CPUC as applicable.

(h) NERC Reliability Standards. Buyer (as Scheduling Coordinator) shall cooperate reasonably with Seller to the extent necessary to enable Seller to comply, and for Seller to demonstrate Seller's compliance with, NERC reliability standards. This cooperation shall include the provision of information in Buyer's possession that Buyer (as Scheduling Coordinator) has provided to the CAISO related to the Facility or actions taken by Buyer (as Scheduling Coordinator) related to Seller's compliance with NERC reliability standards.

EXHIBIT E

RESERVED

EXHIBIT F-1

FORM OF AVERAGE EXPECTED ENERGY REPORT

[Average Expected Energy, MWh Per Hour]

	1:00	2:00	3:00	4:00	5:00	6:00	7:00	8:00	9:00	10:00	11:00	12:00	13:00	14:00	15:00	16:00	17:00	18:00	19:00	20:00	21:00	22:00	23:00	24:00
JAN																								
FEB																								
MAR																								
APR																								
MAY																								
JUN																								
JUL																								
AUG																								
SEP																								
OCT																								
NOV																								
DEC																								

The foregoing table is provided for informational purposes only, and it shall not constitute, or be deemed to constitute, an obligation of any of the Parties to this Agreement.

EXHIBIT F-2

FORM OF AVAILABLE CAPACITY FORECAST

Available Capacity, MWh Per Hour – [*Insert Month*]

	1:00	2:00	3:00	4:00	5:00	6:00	7:00	8:00	9:00	10:00	11:00	12:00	13:00	14:00	15:00	16:00	17:00	18:00	19:00	20:00	21:00	22:00	23:00	24:00
Day 1																								
Day 2																								
Day 3																								
Day 4																								
Day 5																								
[insert additional rows for each day in the month]																								
Day 29																								
Day 30																								
Day 31																								

The foregoing table is provided for informational purposes only, and it shall not constitute, or be deemed to constitute, an obligation of any of the Parties to this Agreement.

EXHIBIT G

GUARANTEED ENERGY PRODUCTION DAMAGES CALCULATION

In accordance with Section 4.7, if Seller fails to achieve the Guaranteed Energy Production during any Performance Measurement Period, a liquidated damages payment shall be due from Seller to Buyer, calculated as follows:

[(A – B) * (C – D)] – (E +F)

where:

A = the Guaranteed Energy Production amount for the Performance Measurement Period, in MWh

B = the Adjusted Energy Production amount for the Performance Measurement Period, in MWh

[redacted]

D = the Contract Price for the Contract Year which ends each Performance Measurement Period, in $/MWh

E = The amount of GEP Damages paid by Seller with respect to the immediately preceding Performance Measurement Period

F = The product of (a) the amount of Replacement Product in MWhs delivered by Seller for the [redacted] and (b) the price which is (C - D)

"**Adjusted Energy Production**" shall mean the sum of the following: Delivered Energy + Deemed Delivered Energy + Lost Output.

No payment shall be due if the calculation of (a) (A - B), (b) (C - D), or (c) [(A – B) * (C – D)] – (E +F), yields a negative number. In no event will Buyer owe any payment to Seller pursuant to this Exhibit G.

[redacted]

"**Replacement Energy**" means energy produced by a facility other than the Facility, that is provided by Seller to Buyer as Replacement Product, in an amount equal to the amount of Replacement Green Attributes provided by Seller as Replacement Product for the same Performance Measurement Period or, with Buyer's prior written consent, in the following calendar year.

"**Replacement Product**" means (a) Replacement Energy, and (b) Replacement Green Attributes in an amount not to exceed [redacted] of the Expected Energy for the Contract Years comprising the [redacted]. Seller shall provide Replacement Product in the same Performance Measurement Period or, with Buyer's prior written consent, in the following calendar year.

EXHIBIT H

RESERVED

EXHIBIT I

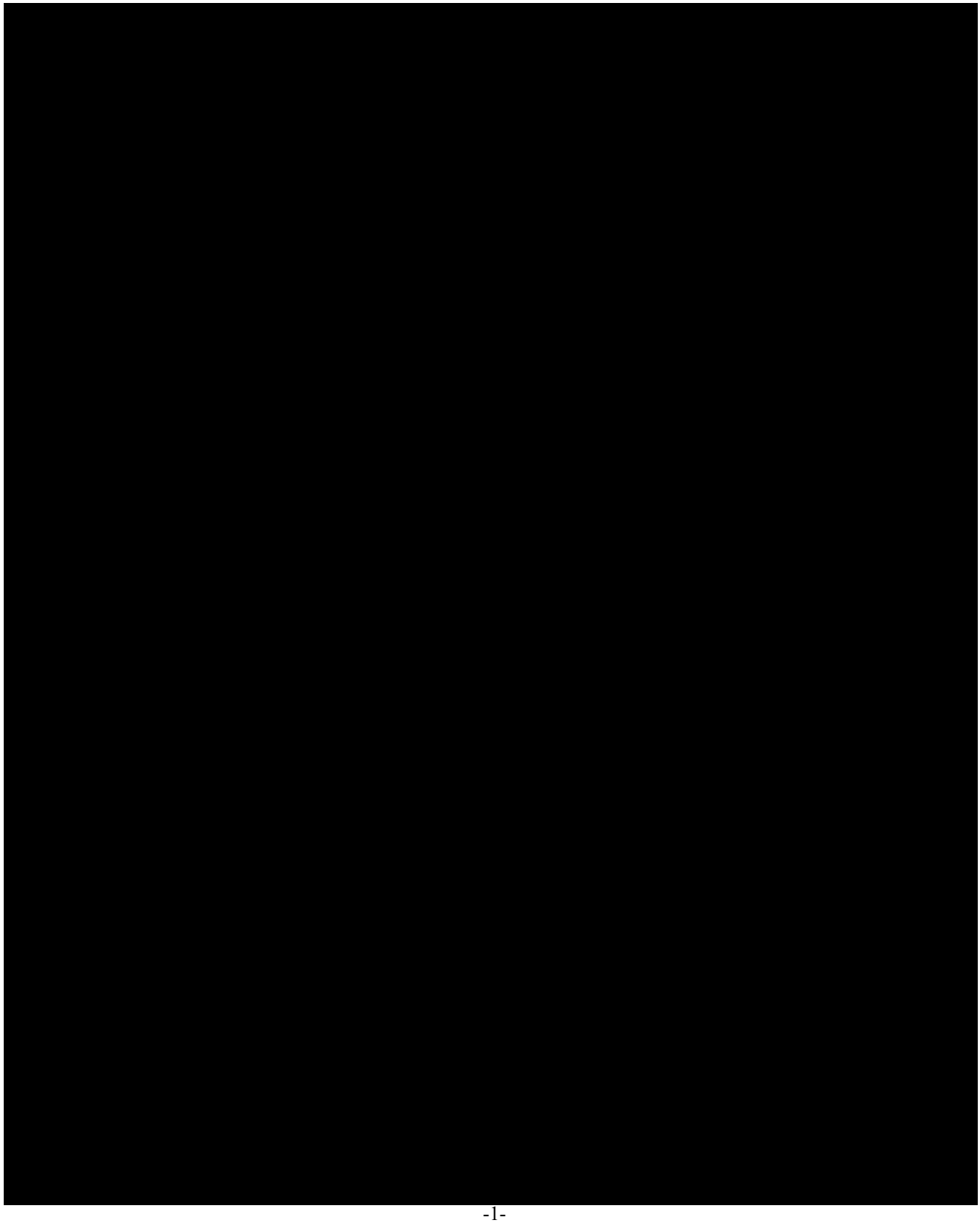
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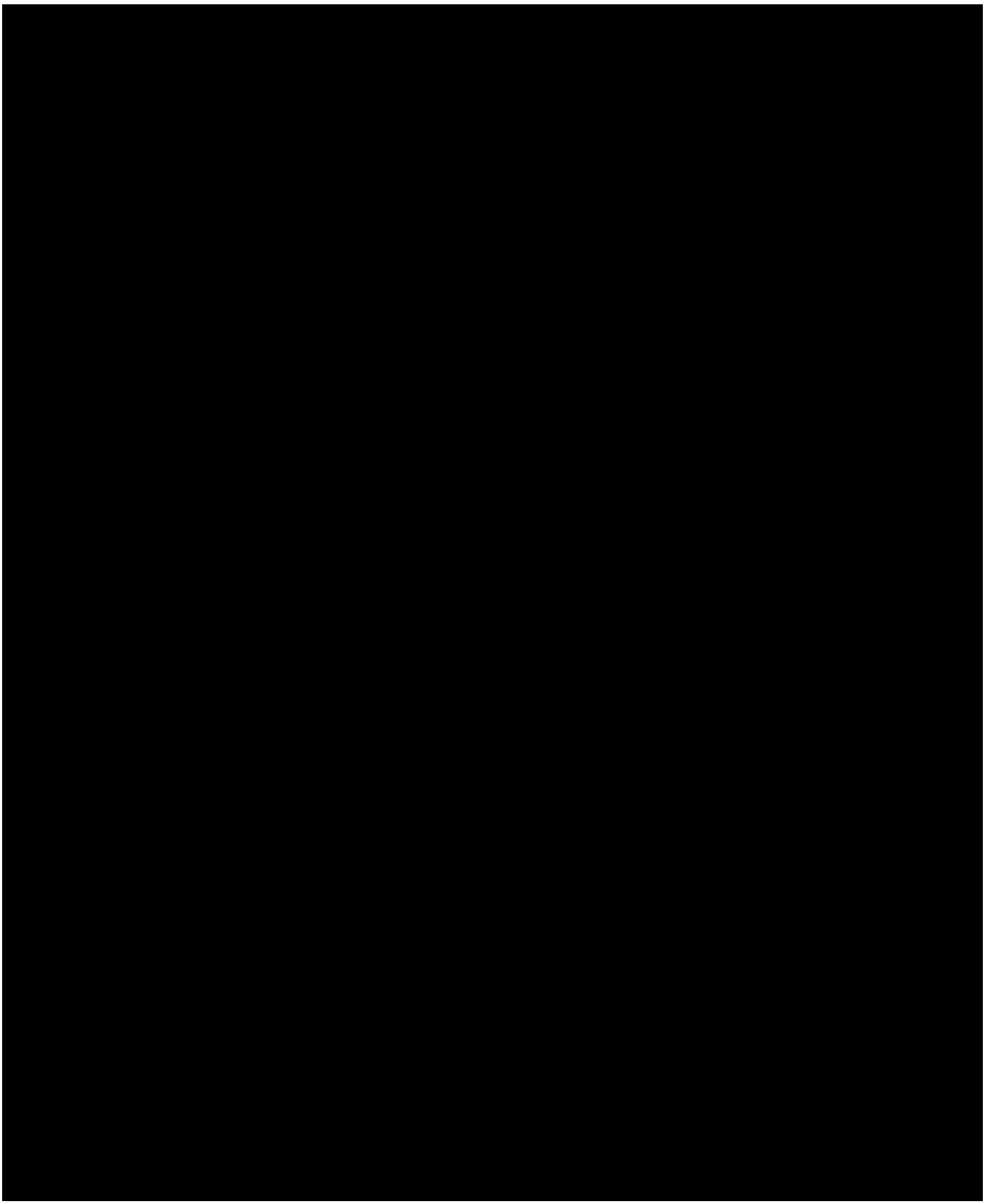
EXHIBIT J

RESERVED

EXHIBIT K

FORM OF LETTER OF CREDIT





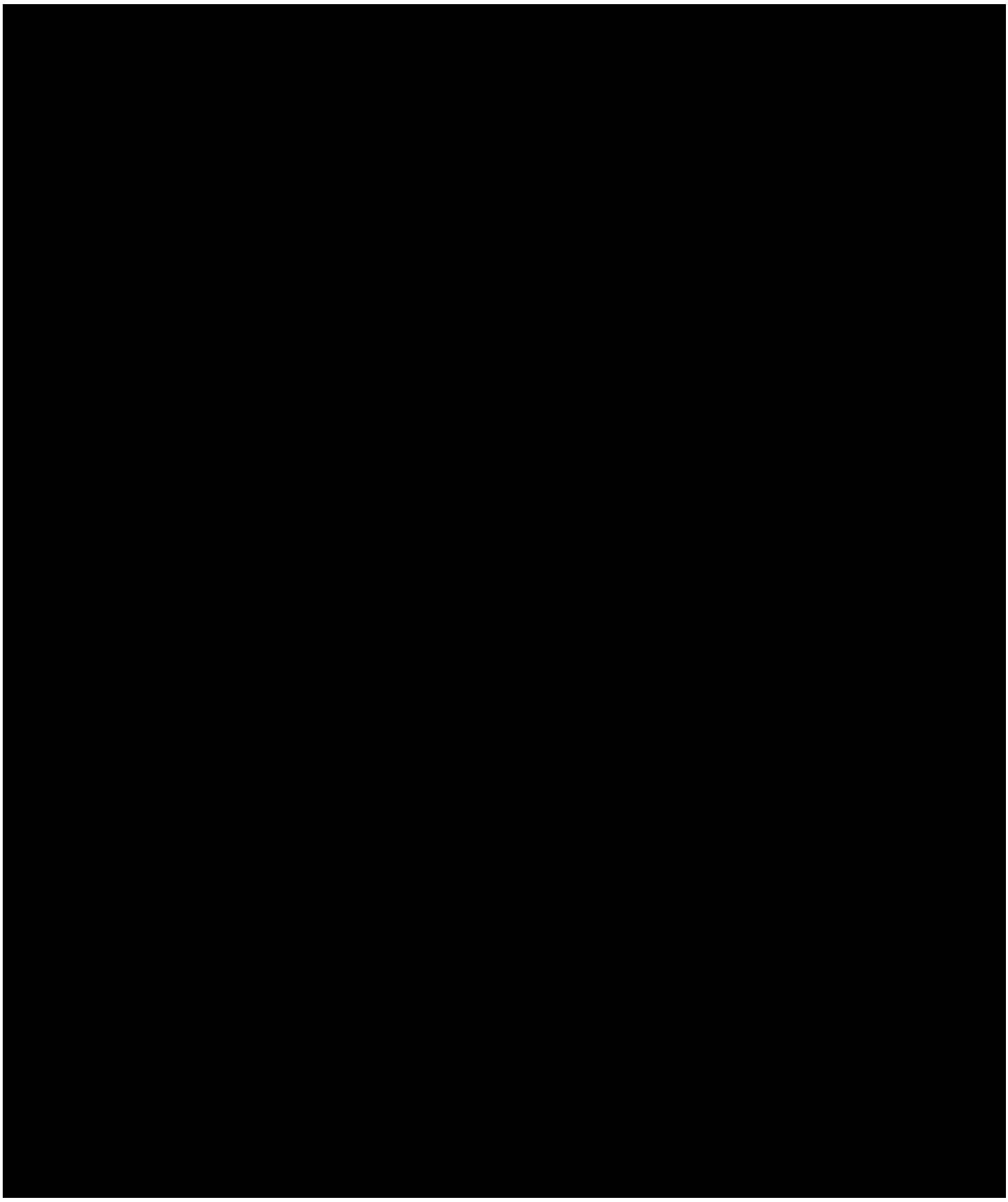


EXHIBIT L

FACILITY OPERATIONS DATA

Data Point
Unit Gross MW
Unit Net MW
High Sustainable Limits
ADS 5 Minute Dispatch Operating Targets Setpoint
Aggregate Gross MW
Interconnection Point/Delivery Point MW
Meteorological Data[1]
Heartbeat
Frequency

[1] Meteorological Data includes wind speed, wind direction, and temperature and such other data as mutually agreed to by the Parties.

EXHIBIT M

FORM OF REPLACEMENT RA NOTICE

This Replacement RA Notice (this "**Notice**") is delivered by [SELLER ENTITY] ("**Seller**") to San Diego Community Power, a California joint powers authority ("**Buyer**") in accordance with the terms of that certain Renewable Power Purchase Agreement dated _____ ("**Agreement**") by and between Seller and Buyer. All capitalized terms used in this Notice but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

Pursuant to Section 3.8(b) of the Agreement, Seller hereby provides the below Replacement RA product information:

Unit Information[1]

Name	
Location	
CAISO Resource ID	
Unit SCID	
Prorated Percentage of Unit Factor	
Resource Type	
Point of Interconnection with the CAISO Controlled Grid ("substation or transmission line")	
Path 26 (North or South)	
LCR Area (if any)	
Deliverability restrictions, if any, as described in most recent CAISO deliverability assessment	
Run Hour Restrictions	
Delivery Period	

Month	Unit CAISO NQC (MW)	Unit Contract Quantity (MW)
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		

[1] To be repeated for each unit if more than one.

[SELLER ENTITY]

By: _____

Printed Name: _____

Title: _____

Date: _____

EXHIBIT N

NOTICES

KUMEYAAY WIND LLC ("Seller")	**SAN DIEGO COMMUNITY POWER** ("Buyer")
All Notices: Street: 6688 N. Central Expressway, Suite 500 City: Dallas, TX 75206 Attn: Asset Management Phone: 214.515.1100 Email: AssetMgmt@LeewardEnergy.com	**All Notices:** PO Box 12716 San Diego, CA 92112 Attn: Gordon Samuel, Chief Commercial Officer Phone: (480) 205-1976 Email: gsamuel@sdcommunitypower.org
Reference Numbers: [redacted]	**Reference Numbers:** [redacted]
Invoices: Attn: Accounts Payable Phone: 214.515.1100 Email: AP@LeewardEnergy.com	**Invoices:** Attn: SDCP Settlements Phone: (619) 880-6545 Email: settlements@sdcommunitypower.org
Scheduling: Attn: Massimo Passini Phone: 214.515.1100 Email: dl-scheduling@leewardenergy.com	**Scheduling:** Tenaska Power Services Co. Attn: Kara Whillock Phone: (972) 333-6122 Email: kwhillock@tnsk.com Day Ahead: (817) 303-1115 Real Time: (817) 303-1852 Facsimile: (817) 303-1104
Confirmations: Attn: Elizabeth Ramirez Phone: 214.515.1100 Email: settlements@LeewardEnergy.com	**Confirmations:** Attn: SDCP Settlements Phone: (619) 880-6545 Email: settlements@sdcommunitypower.org
Payments: Attn: Accounts Payable Phone: 214.515.1100 Email: AP@LeewardEnergy.com	**Payments:** Attn: Michael Maher Phone: (415) 526-3020 Email: mmaher@mahercpa.com
Wire Transfer: [redacted]	**Wire Transfer:** [redacted]

KUMEYAAY WIND LLC ("Seller")	**SAN DIEGO COMMUNITY POWER** ("Buyer")
With additional Notices of an Event of Default to: Attn: Legal Department Phone: 214.515.1100 Facsimile: Email: Legal@leewardenergy.com with CC to AssetMgmt@LeewardEnergy.com	**With additional Notices of an Event of Default to:** Attn: Veera Tyagi, General Counsel PO Box 12716San Diego, CA 92112 Email: vtyagi@sdcommunitypower.org
Emergency Contact: Attn: Asset Management Phone: 214.515.1100 Email: AssetMgmt@LeewardEnergy.com	**Emergency Contact:** Attn: Gordon Samuel, Chief Commercial Officer Phone: (480) 205-1976 Email: gsamuel@sdcommunitypower.org

EXHIBIT O

METERING DIAGRAM



EXHIBIT P

WORKFORCE DEVELOPMENT

Sample Supplier Diversity Survey

Please note that not all questions may apply to your business. For the questions that do not apply, please skip them or answer "Not Applicable" or “Decline to State.”

Pursuant to Proposition 209, SDCP does not give preferential treatment based on race, sex, color, ethnicity, or national origin. Providing information in these categories is optional and will not impact your participation in any future SDCP solicitation selection process. Responses are collected for informational and reporting purposes only pursuant to Senate Bill (SB) 255.

*Required

1. Business Name*

2. Email Address*

3. Where is your business located/headquartered?

4. Is your business certified under General Order 156 (GO 156)? GO 156 is a California Public Utilities Commission ruling that requires utility entities to report annually on their contracts with majority women-owned, minority-owned, disabled veteran-owned and LGBT-owned business enterprises (WMDVLGBTEs) in all categories. Qualified businesses become GO 156 Certified through the CPUC and are then added to the GO 156 Clearinghouse database at www.thesupplierclearinghouse.com.

Yes

No

Qualified as a WMDVLGBTBE but not GO 156 certified

5. If you answered “yes” to Question 4, when does your certification expire?

6. If you answered “yes” or “qualified, but not certified” to Question 4, in which categories are you certified or qualified? Please choose all that apply.

Minority Owned

Women Owned

LGBT Owned

Disabled Veteran Owned

Small Business Enterprise, as defined by 8(d) of the Small Business Act

7. If your business is a minority-owned business enterprise, what GO156 certification or qualification does your business fall under?

Black American

Hispanic American

Asian Pacific American

Native American

8. Please list the Standardized Industrial Code (SIC) of the products and services your business offers. Search for your SIC in the "Commodity Codes" search bar, here: https://sch.thesupplierclearinghouse.com/FrontEnd/SearchCertifiedDirectory.asp.

9. If certified under GO 156, please list your annual business revenue as reported to the CPUC Supplier Clearinghouse. You may check your CPUC Supplier Clearinghouse status here: https://sch.thesupplierclearinghouse.com/FrontEnd/SearchCertifiedDirectory.asp.

10. If your business is qualified, but not GO 156 certified, please identify the reasons for not completing the certification process?

11. If your business has used GO 156 certified subcontractors for your SDCP contract, please include a list of your subcontractor business names, if the subcontract is for products or services, and the anticipated subcontract amount. Example: Electrical Design Technology, Inc.; products (batteries); $100,000.

12. If applicable, please describe any hiring policies your business has for using small, local, and/or economically disadvantaged subcontractors or for using subcontractors that qualify for the GO 156 Supplier Clearinghouse.

13. Does your business have a history of using apprenticeship programs, local hires, union labor, or multi-trade project labor agreements? Local hires can be defined as labor-sourced from within SDCP's service area.

Yes, apprenticeship programs in this recent contract with SDCP

Yes, local labor in this recent contract with SDCP

Yes, union labor in this recent contract with SDCP

Yes, multi-trade PLA in this recent contract with SDCP

Yes, apprenticeship programs but not in this contract with SDCP

Yes, history of local hire but not in this contract with SDCP

Yes, history of union labor but not in this contract with SDCP

Yes, history of multi-trade PLA but not in this contract with SDCP

Uses California-based labor, but not local to SDCP's service areas

None of the above

Not applicable

14. Are you a small business? Please refer to the Small Business Association' Size Standards tool for more information: https://www.sba.gov/sizestandards.

Yes

No

15. If you answered "yes" to question 14, please describe your history with labor agreements, union labor, multi-trade labor, apprenticeship labor, or how many local workers/businesses you employ for your contract with SDCP.

16. Is there any additional feedback that you would like to provide to SDCP at this time?

17. Does the bidder have formal initiatives to promote diversity, equity, and inclusion among its workforce?

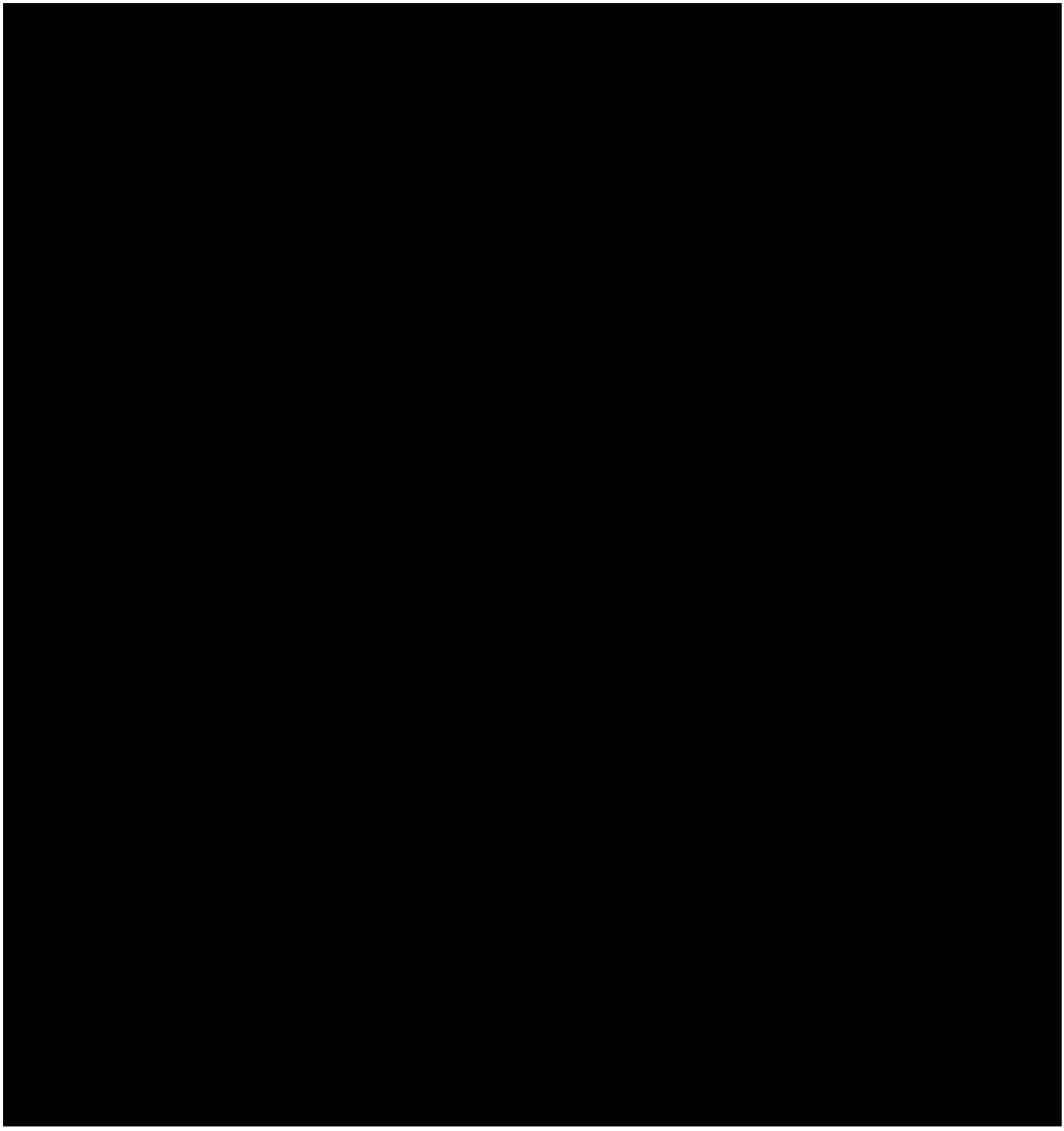
18. If the answer to question 17 is "Yes,", please explain and provide supporting documentation.

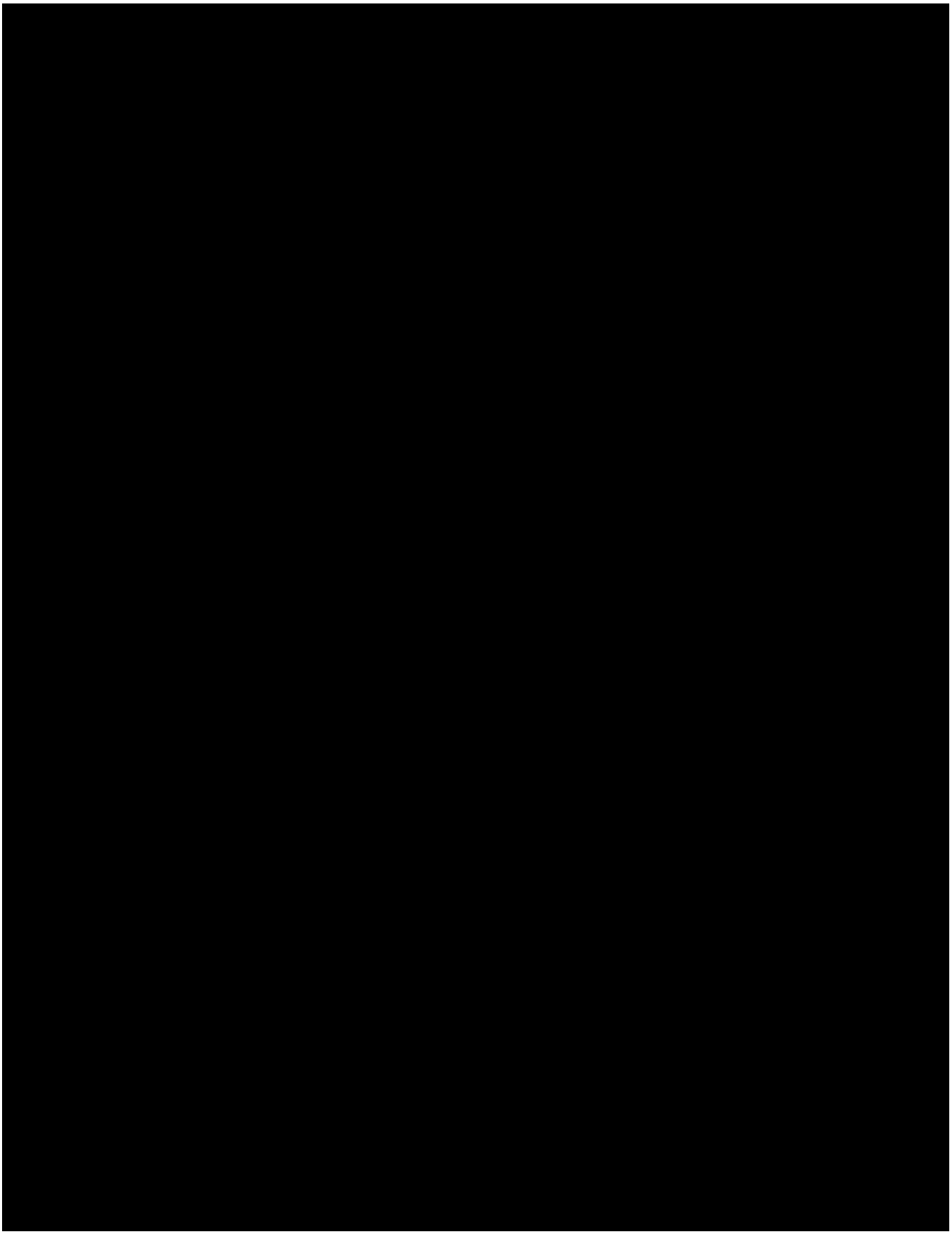
19. Has the bidder adopted formal Environmental, Social, and Governance (ESG) goals?

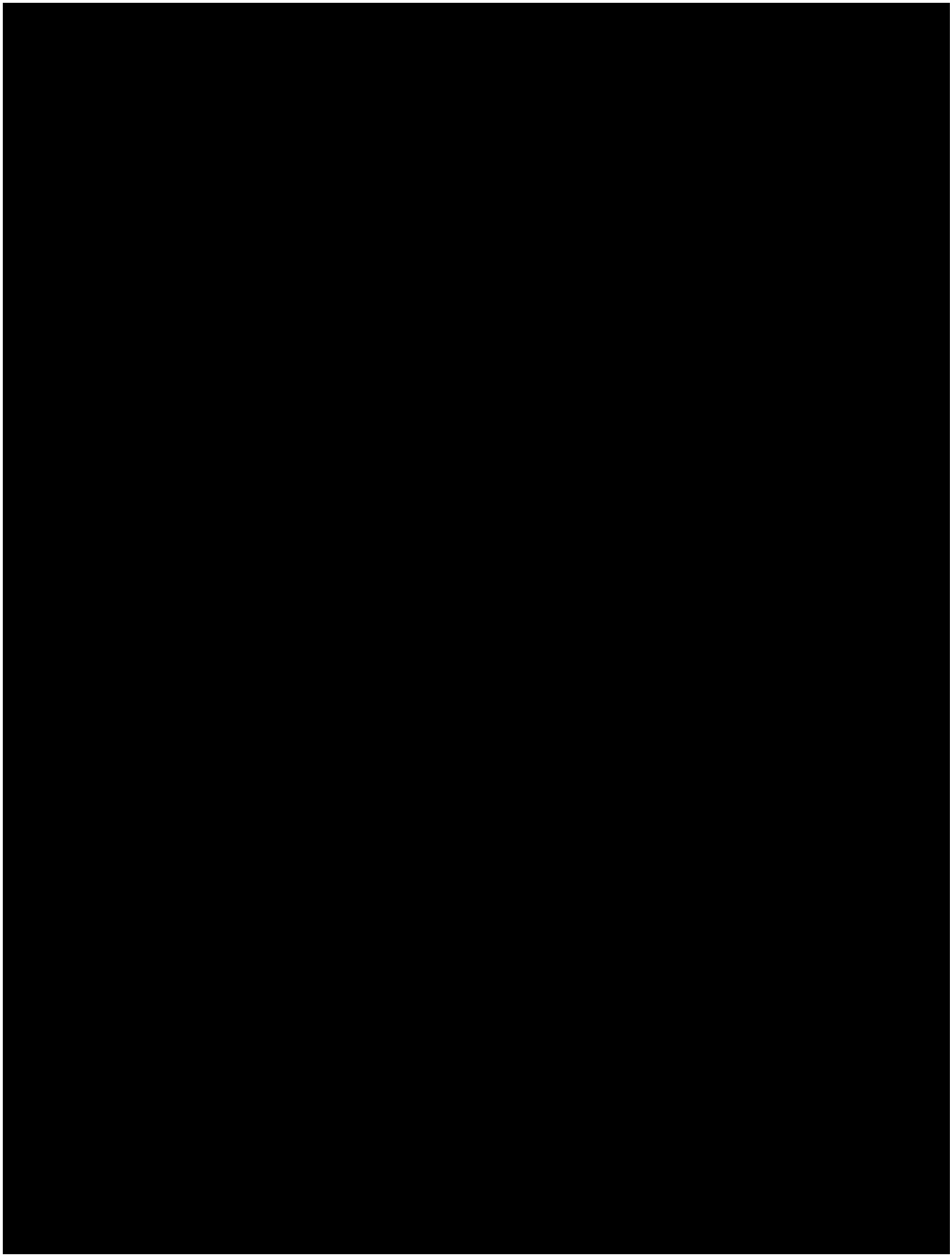
20. If the answer to question 19 is "Yes", please explain and provide supporting documentation.

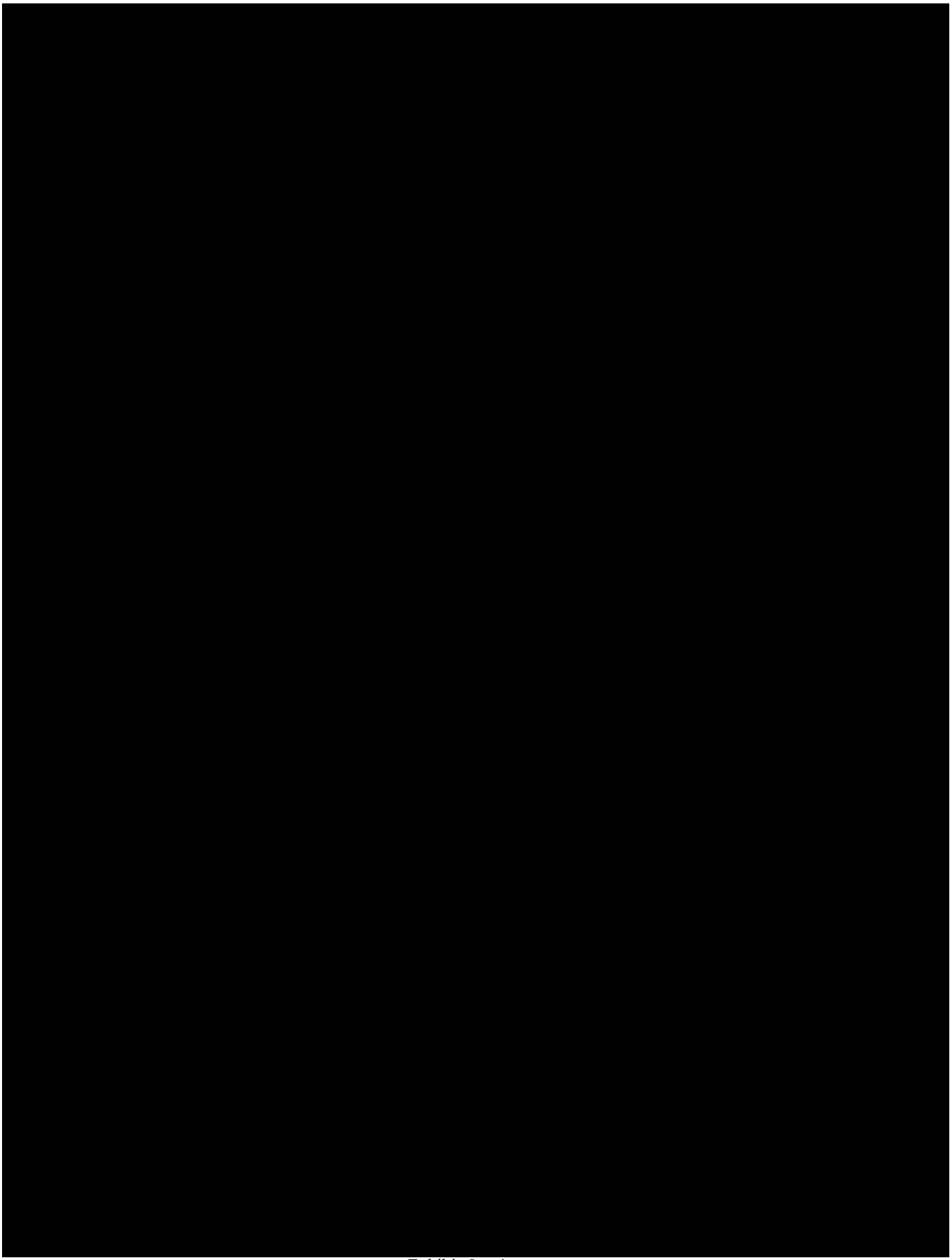
EXHIBIT Q

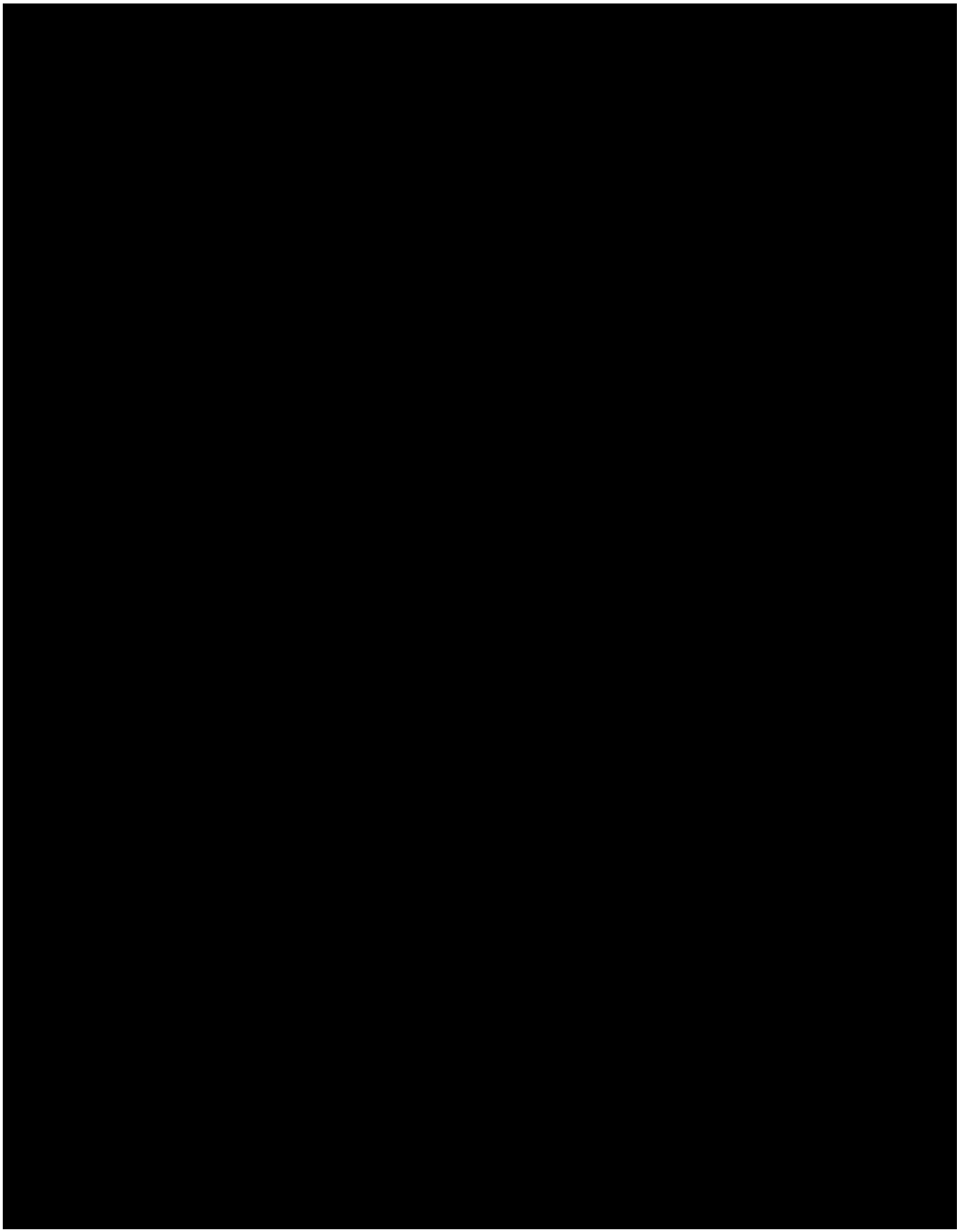
LIMITED ASSIGNMENT AGREEMENT
([PROJECT NAME])

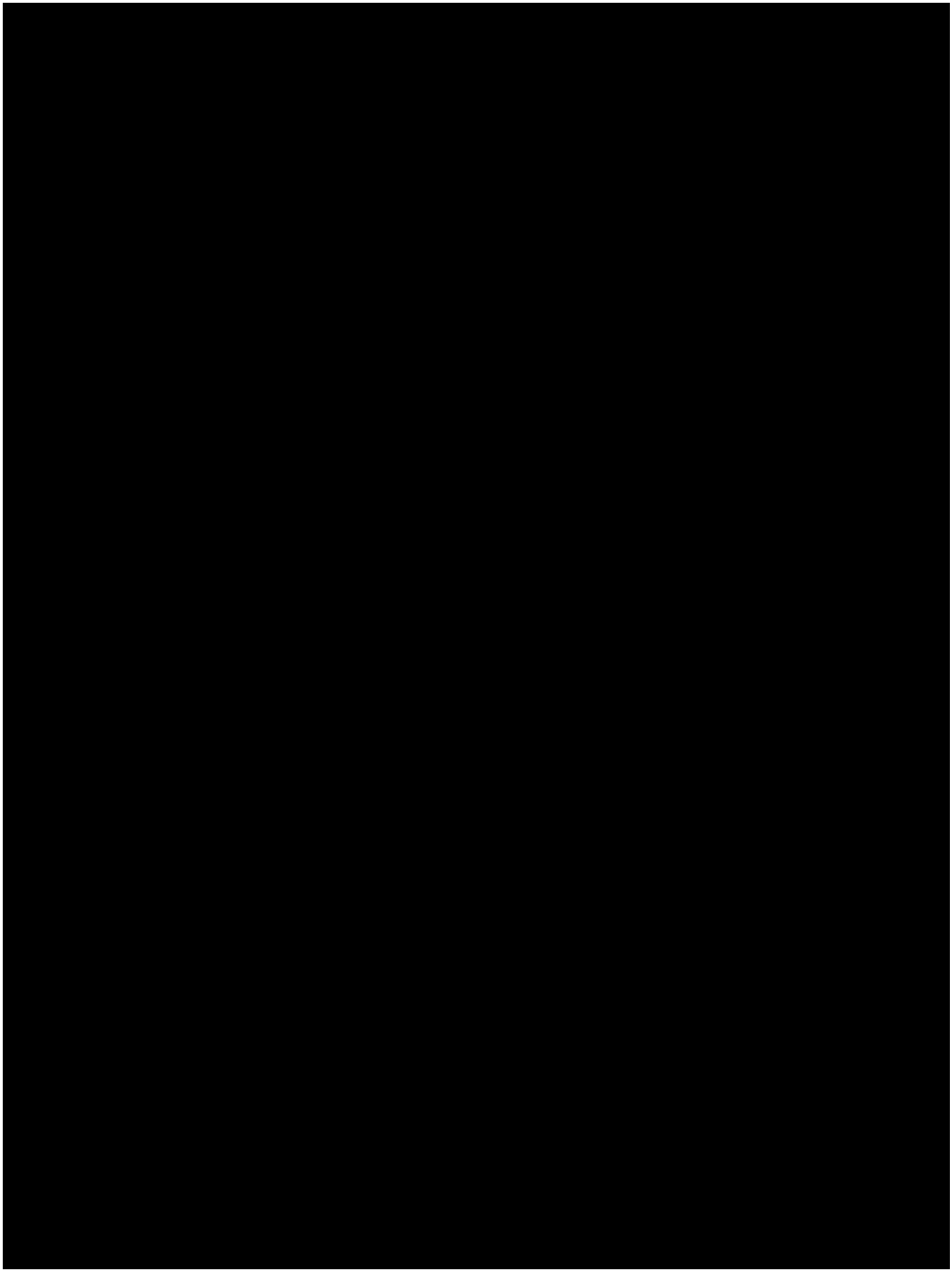


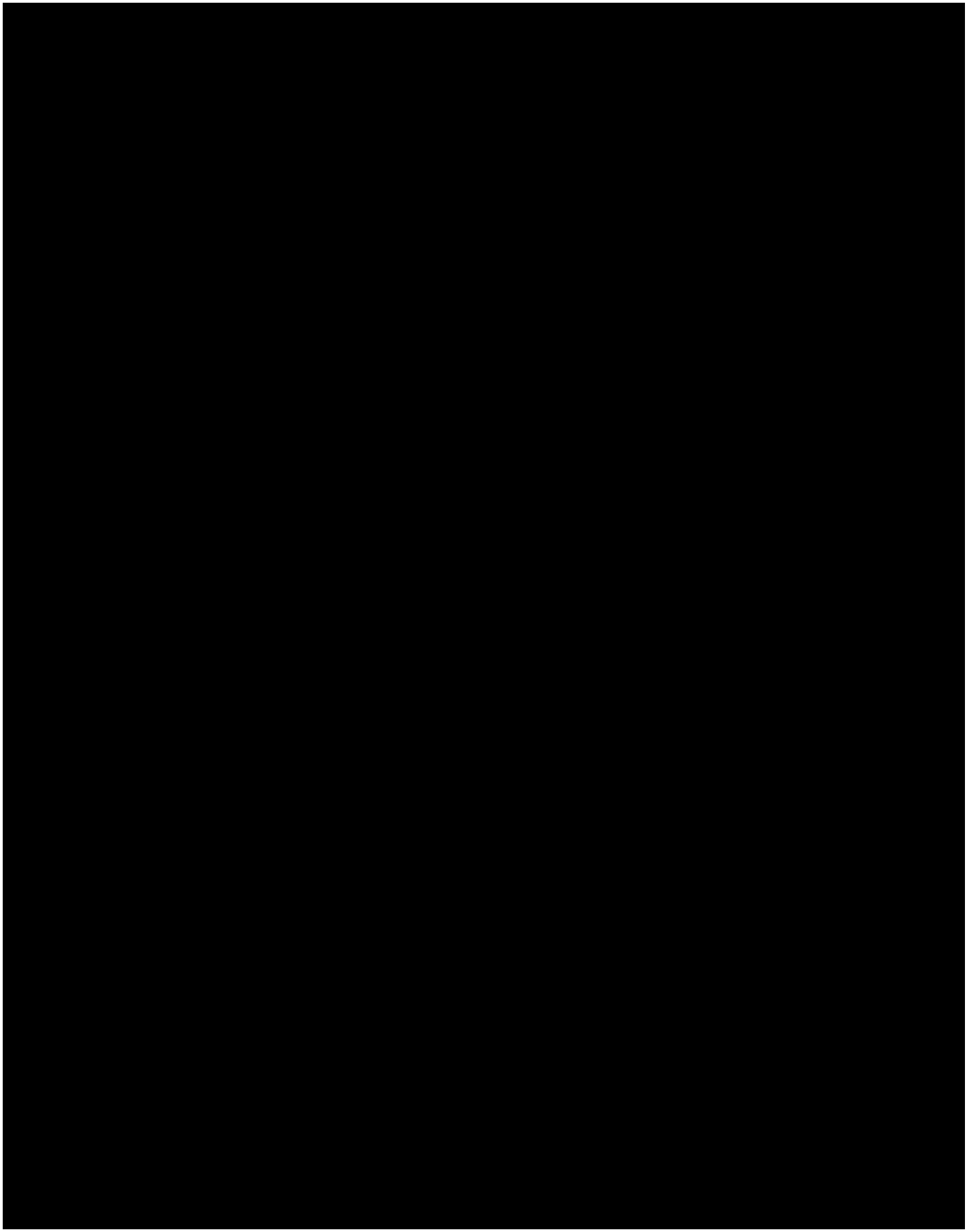


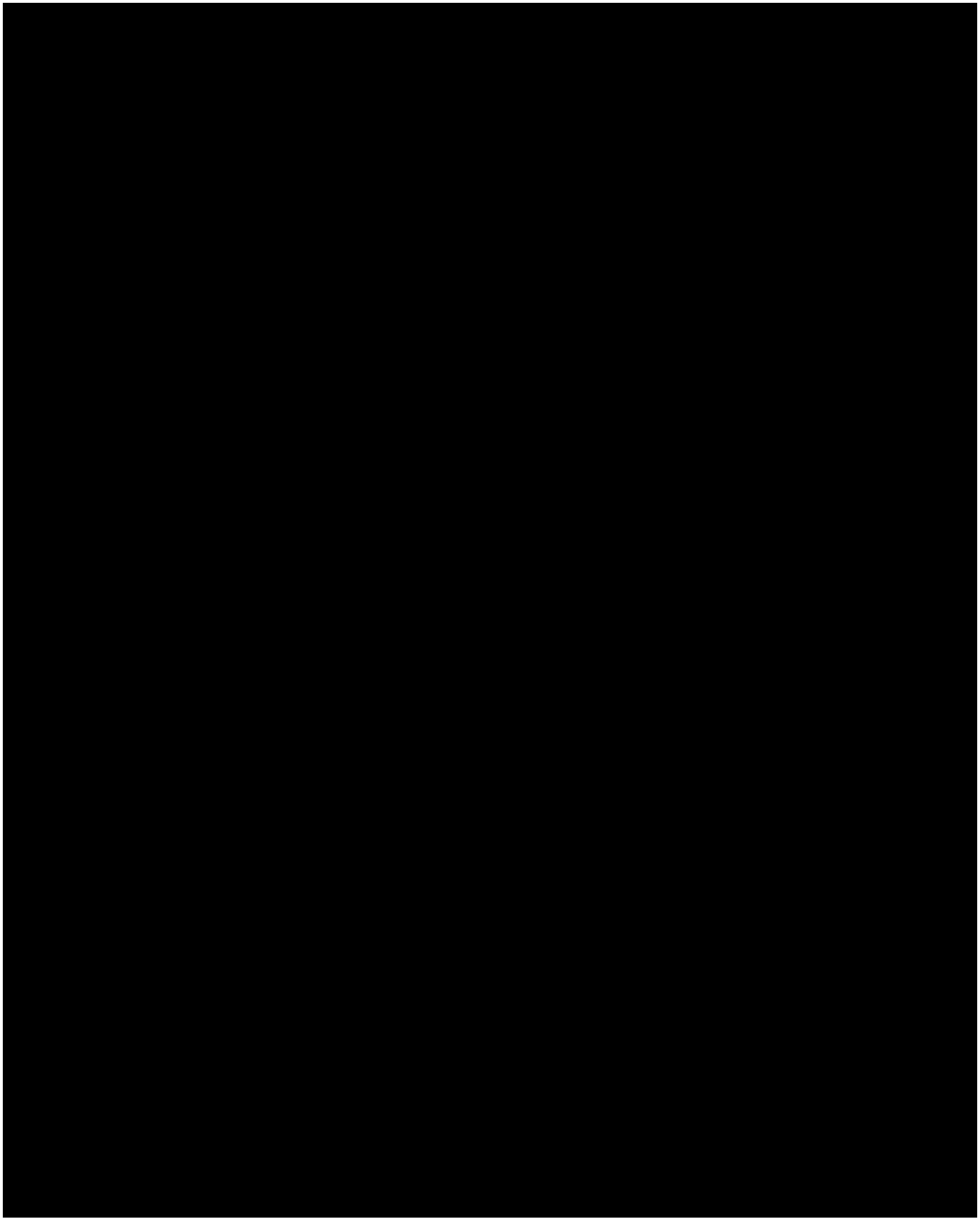


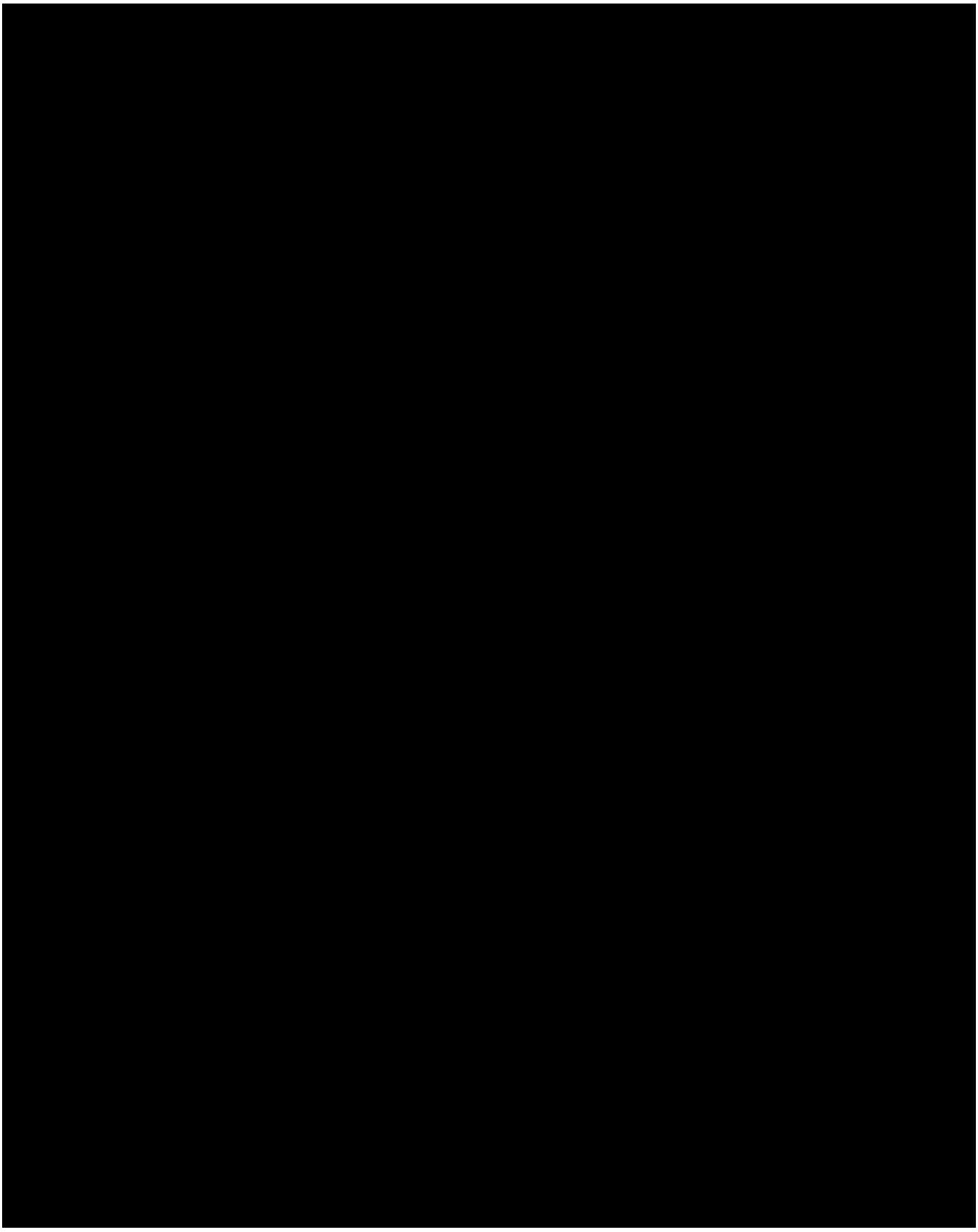


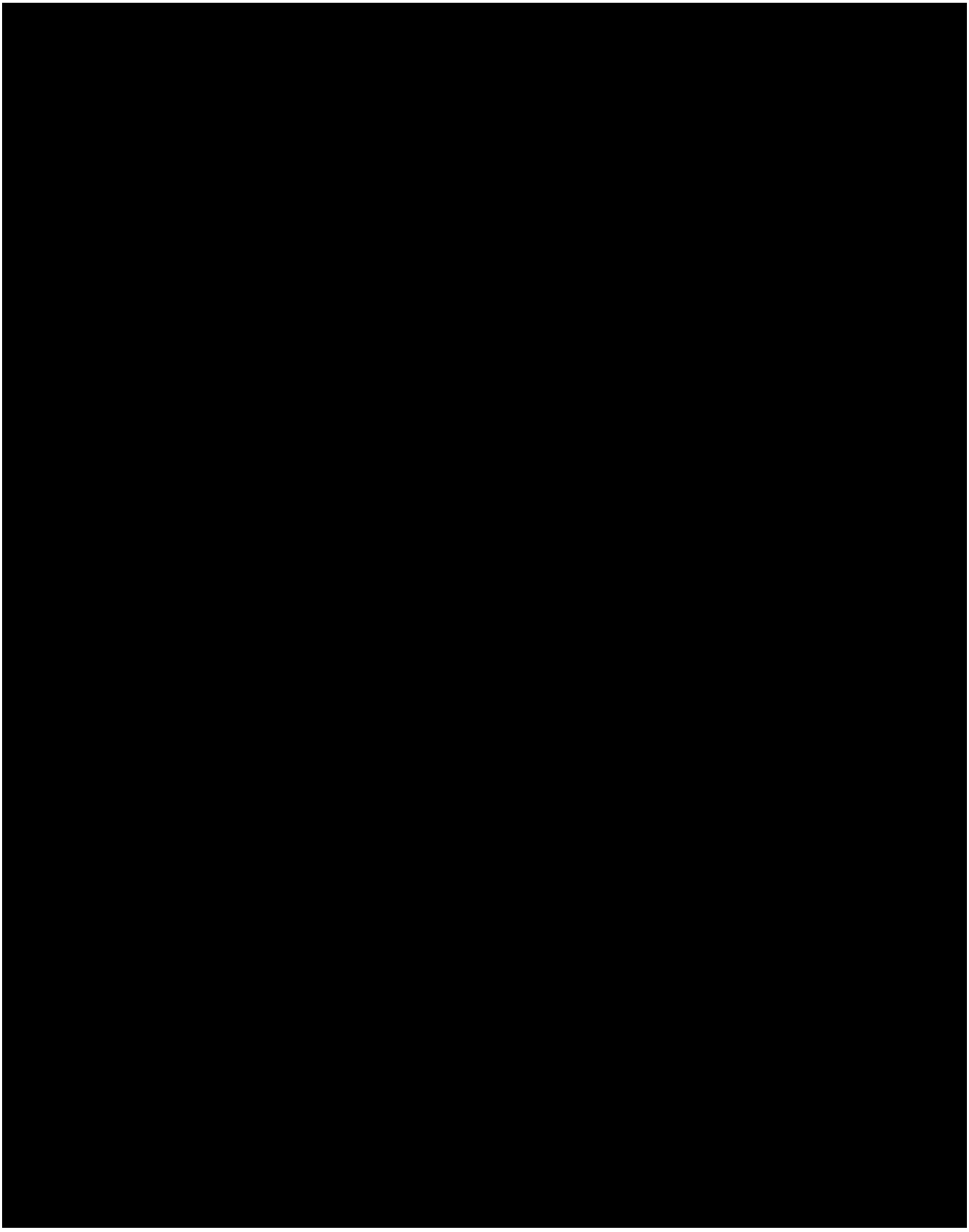


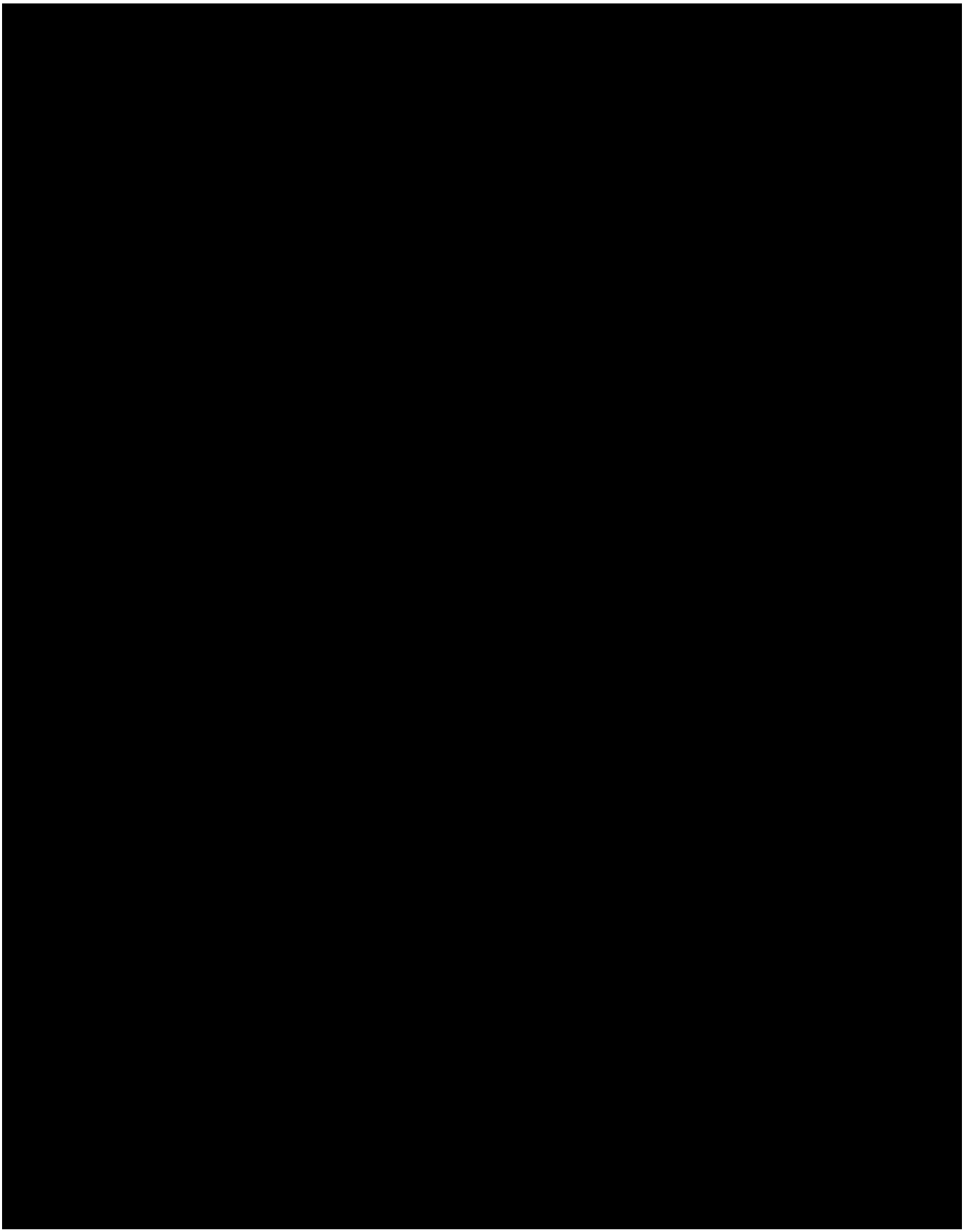


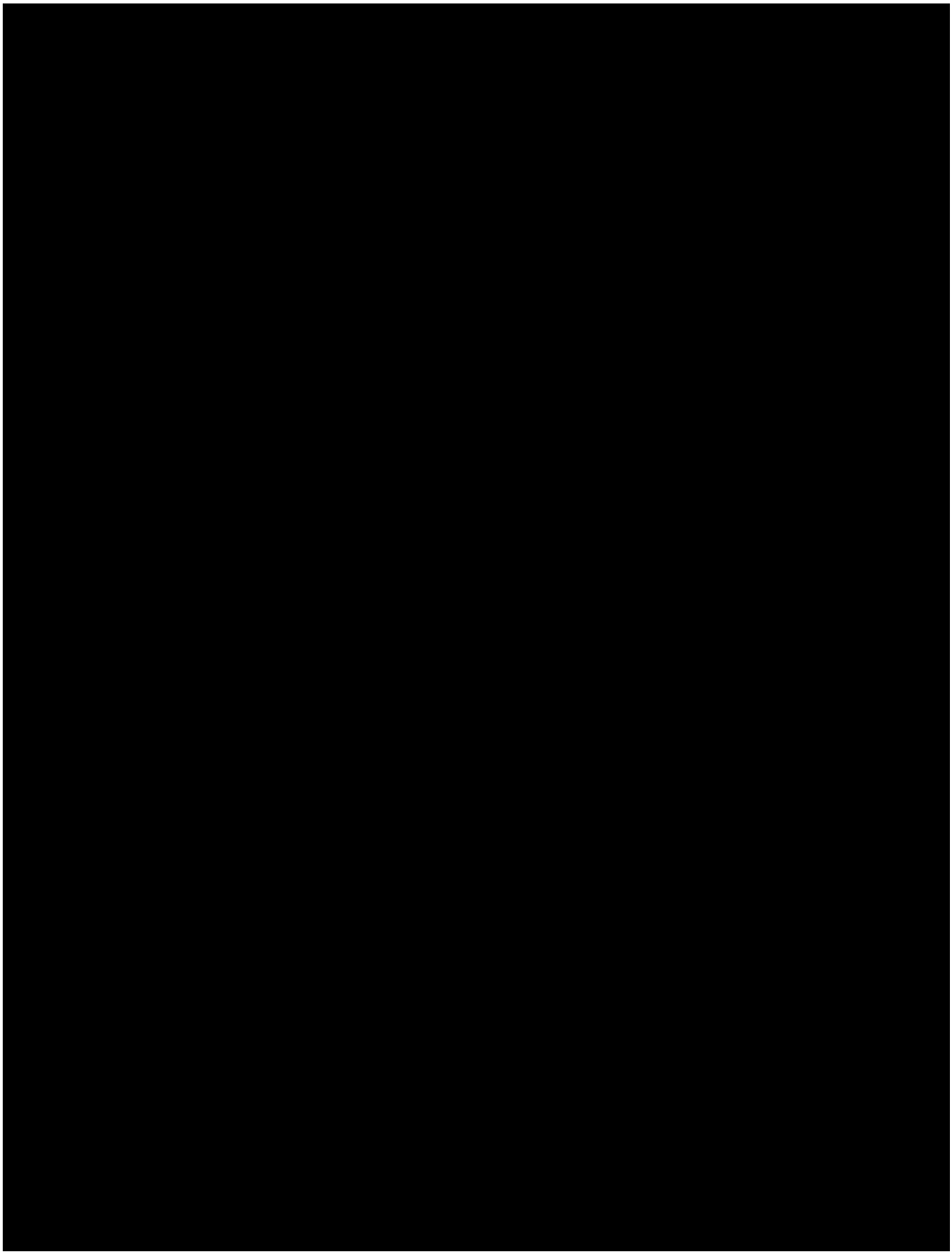








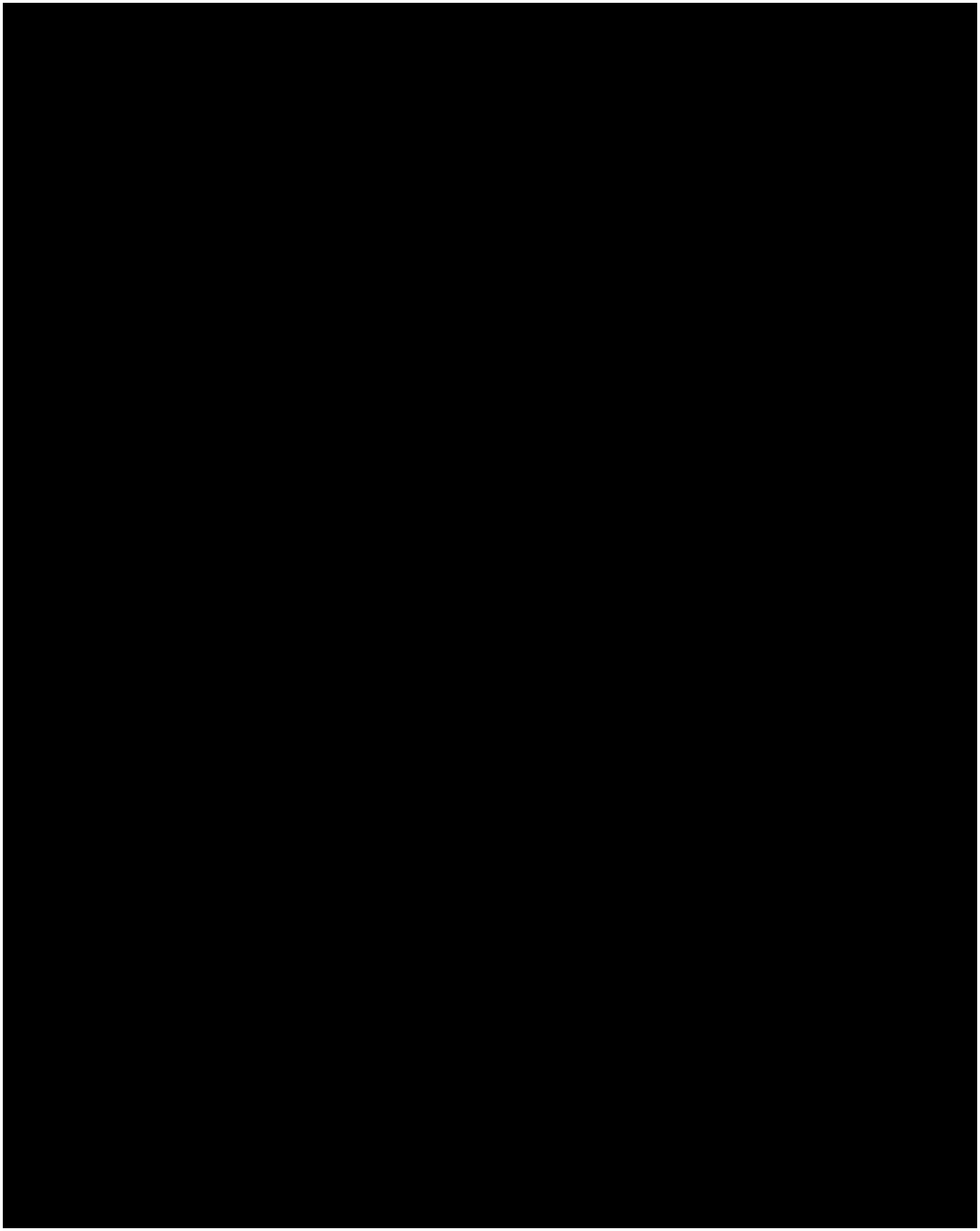








Appendix 3 - 1



Appendix 1 - 1





Appendix 3 - 1



Appendix 4 - 1





SAN DIEGO COMMUNITY POWER
Staff Report – Item 16

To:	Board of Directors
From:	Nicholaus Norvell, Special Legal Counsel
Subject:	Approve Second Amendment to Employment Agreement for General Counsel
Date:	June 25, 2026

Recommendation

Approve Second Amendment to Employment Agreement for General Counsel

Background

On February 1, 2024, San Diego Community Power ("Community Power") and General Counsel Veera Tyagi entered into a General Counsel Employment Agreement ("Agreement"). The Agreement provides the General Counsel with salary and benefits as described in the Agreement, including standard benefits received by all other Community Power employees, which may include health insurance, retirement, vacation, cost of living adjustments, etc.

On June 26, 2025, the parties entered into a First Amendment to the Agreement that revised provisions relating to the effective period, termination, other benefits and notice, and provided for an annual merit increase and a market adjustment.

Analysis and Discussion

Pursuant to the terms of the Agreement, the General Counsel is to be evaluated by the Board of Directors annually. As part of the General Counsel's performance evaluation, the Board may consider a merit increase or other adjustments in salary based on performance and market conditions.

During this item, the Board will consider approving a Second Amendment that provides for a merit increase or other salary adjustment and makes additional changes to the Agreement as negotiated and agreed by the parties. Final terms of the Second Amendment will be verbally announced and voted on as part of this agenda item. Alternatively, if the Second Amendment is fully finalized prior to the meeting, copies will be made available as an update to the agenda packet and/or provided to the Board and public at the meeting. Any increase in salary would be effective July 1, 2026, or other such time as approved by the Board.

Fiscal Impact

There is no impact to the current budget for Fiscal Year 2026-2027 as General Counsel salary and benefits were anticipated to be incurred during this fiscal year.

Attachments

A: Second Amendment to General Counsel Employment Agreement

ITEM 16
ATTACHMENT A

SECOND AMENDMENT TO
GENERAL COUNSEL EMPLOYMENT AGREEMENT BETWEEN
SAN DIEGO COMMUNITY POWER AND VEERA TYAGI

THIS SECOND AMENDMENT (this "**Second Amendment**") is entered into effective as of _____ ("**Amendment Effective Date**") by and between SAN DIEGO COMMUNITY POWER, a California joint powers agency ("**SDCP**") and VEERA TYAGI ("**Executive**"). SDCP and Executive are sometimes individually referred to herein as the "**Party**" and collectively as the "**Parties**."

RECITALS

A. The Parties previously entered into a General Counsel Employment Agreement dated February 1, 2024, which the Parties amended on June 26, 2025 (collectively, the "**Agreement**").

B. Pursuant to the Agreement, the Executive serves as the General Counsel to SDCP and is required to perform the functions and duties specified by SDCP's Board of Directors and as provided by any such other resolutions of the Board, applicable laws, rules, regulations, orders, directives, policies, or procedures in effect or adopted by SDCP.

C. The Parties desire to execute this Second Amendment as of the Amendment Effective Date.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and agreed, the Parties agree to the following terms and conditions:

AGREEMENT

1. Recitals. The Recitals set forth above are true and correct and are incorporated into the body of this Second Amendment as though expressly set forth herein.

2. Section 4(a). Section 4(a) of the Agreement is amended to provide Executive with a four percent (4%) merit increase in salary, bringing Executive's total base salary to Four Hundred Forty Thousand Seven Hundred Four Dollars and Ninety-Seven Cents ($440,704.97), effective as of July 1, 2026, payable on a pro-rata basis in accordance with SDCP's payroll practices and less all applicable payroll taxes and withholdings.

3. Capitalized Terms. Any capitalized terms no defined herein shall have the meaning set forth in the Agreement.

4. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall, for all purposes, be deemed an original, but all of which together shall constitute but one and the same instrument.

5. Full Force. Except as expressly set forth in this Amendment, the Agreement shall remain unmodified and in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Second Amendment between SDCP and Executive as of the date first set forth above.

SAN DIEGO COMMUNITY POWER **VEERA TYAGI**

_____ _____

Terra Lawson-Remer

Chair, SDCP Board of Directors

APPROVED AS TO FORM:

_____

Nicholaus Norvell
Special Legal Counsel

ATTEST:

_____

Maricela Hernandez
SDCP Clerk of the Board

Glossary

AB – Assembly Bill: An Assembly Bill is a piece of legislation that is introduced in the Assembly. In other words, the Assembly (rather than the Senate) is the bill's house of origin in the Legislature. In California, it is common for legislation to be referred to by its house of origin number even after it becomes law. However, because bill numbers "reset" and start again from 1 in each legislative session, it is less confusing to include chapter and statute information
when referring to a bill that has become law; for example, SB 350 (Chapter 547, Statutes of 2015).

AL - Advice Letter: An Advice Letter is a request by a California Public Utilities Commission (CPUC) jurisdictional entity for Commission approval, authorization or other relief.

ALJ – Administrative Law Judge: ALJs preside over CPUC cases to develop the evidentiary record and draft proposed decisions for Commission action.

ARB – Air Resources Board: The California Air Resources Board (CARB or ARB) is the "clean air agency" in the state government of California. CARB is charged with protecting the public from the harmful effects of air pollution and developing programs and actions to fight climate change.

AReM – Alliance for Retail Energy Markets: AReM is a not-for-profit corporation that advocates for continued development of successful customer choice in retail energy markets and provides a focused voice for competitive energy retailers and their customers in select public policy forums at the state level. It represents direct access providers such as Constellation NewEnergy and Direct Energy.

BayREN – Bay Area Regional Energy Network: BayREN offers regionwide energy programs, services and resources to members of the public by promoting energy efficient buildings, reducing carbon emissions and building government capacity.

CAISO – California Independent System Operator: CAISO is a nonprofit public benefit corporation that oversees the operation of the California bulk electric power system, transmission lines and electricity market generated and transmitted by its members (approximately 80% of California's electric flow). Its stated mission is to "operate the grid reliably and efficiently, provide fair and open transmission access, promote environmental stewardship and facilitate effective markets and promote infrastructure development." CAISO is regulated by the Federal Energy Regulatory Commission (FERC) and governed by a five-member governing board appointed by the governor.

CalCCA – California Community Choice Association: CalCCA is a statewide association, made up of Community Choice Aggregators (CCAs), that represents the interests of California's community choice electricity providers.

CALSEIA – California Solar Energy Industries Association: CALSEIA represents more than 200 companies doing solar-related business in California, including manufacturers, distributors, installation contractors, consultants and educators. Members' annual dues support professional staff and a lobbyist who represents the common interests of California's solar industry at the Legislature, Governor's Office and state and local agencies.

CALSLA – California City-County Street Light Association: CALSLA is a statewide association representing cities, counties and towns before the CPUC that is committed to maintaining fair and equitable streetlight electricity rates and facilities charges and disseminating streetlight-related information.

CAM – Cost Allocation Mechanism: CAM is the cost recovery mechanism to cover procurement costs incurred in serving the central procurement function.

CARB – California Air Resources Board: The CARB is charged with protecting the public from the harmful effects of air pollution and developing programs and actions to fight climate change in California.

CARE – California Alternative Rates for Energy: CARE is a state program for low-income households that provides a 30% discount on monthly energy bills and a 20% discount on natural gas bills. It is funded through a rate surcharge paid by all other utility customers.

CBE – Communities for a Better Environment: CBE is an environmental justice organization that was founded in 1978. The mission of CBE is to build people's power in California's communities of color and low-income communities to achieve environmental health and justice by preventing and reducing pollution and building green, healthy and sustainable communities and environments.

CCA – Community Choice Aggregator: A community choice aggregator, sometimes referred to as community choice aggregation, is an entity of local governments that procure power on behalf of their residents, businesses and municipal accounts from an alternative supplier while still receiving transmission and distribution service from their existing utility provider. CCAs are an attractive option for communities that want more local control over their electricity sources, more green power than is offered by the default utility, and/or lower electricity prices. By aggregating demand, communities gain leverage to negotiate better rates with competitive suppliers and choose greener power sources.

CCSF – City and County of San Francisco: The City and County of San Francisco often engage in joint advocacy before the CPUC. San Francisco operates CleanPowerSF, a CCA.

CEC – California Energy Commission: The CEC is the primary energy policy and planning agency for California, whose core responsibilities include advancing state energy policy, achieving energy efficiency, investing in energy innovation, developing renewable energy, transforming transportation, overseeing energy infrastructure and preparing for energy emergencies.

CEE – Coalition for Energy Efficiency: CEE is a nonprofit composed of U.S. and Canadian energy-efficiency administrators working together to accelerate the development and availability of energy-efficient products and services.

CLECA – California Large Energy Consumers Association: CLECA is an organization of large, high-load factor industrial customers located throughout the state; its members are in the cement, steel, industrial gas, pipeline, beverage, cold storage, food packaging and mining industries and their electricity costs comprise a significant portion of their costs of production. Some members are bundled customers, others are Direct Access (DA) customers, and some are served by Community Choice Aggregators (CCAs); a few members have onsite renewable generation.

CPUC – California Public Utility Commission: The CPUC is a state agency that regulates privately owned electric, natural gas, telecommunications, water, railroad, rail transit and passenger transportation companies, in addition to authorizing video franchises.

C&I – Commercial and Industrial: C&I customers are business customers who generally consume much higher volumes of electricity and gas. Many utilities segment their C&I customers by energy consumption (small, medium and large).

CP – Compliance Period: A Compliance Period is the time period to become Renewables Portfolio Standard (RPS) compliant, set by the California Public Utilities Commission (CPUC).

DA – Direct Access: Direct Access is an option that allows eligible customers to purchase their electricity directly from third-party providers known as Electric Service Providers (ESPs).

DA Cap: The DA Cap is the maximum amount of electric usage that may be allocated to Direct Access customers in California or, more specifically, within an investor-owned utility service territory.

DACC – Direct Access Customer Coalition: DACC is a regulatory advocacy group composed of educational, governmental, commercial and industrial customers that utilize direct access for all or a portion of their electrical energy requirements.

DA Lottery: The DA Lottery is a random drawing by which DA waitlist customers become eligible to enroll in DA service under the currently applicable Direct Access Cap.

DA Waitlist: The DA Waitlist consists of customers that have officially registered their interest in becoming a DA customer but are not yet able to enroll in service because of DA cap limitations.

DAC – Disadvantaged Community: "Disadvantaged communities" refers to the areas throughout California that most suffer from a combination of economic, health and environmental burdens. These burdens include poverty, high unemployment, air and water pollution and the presence of hazardous wastes as well as high incidences of asthma and heart disease. One way that the state identifies these areas is by collecting and analyzing information from communities statewide. CalEnviroScreen, an analytical tool created by the California Environmental Protection Agency (CalEPA), combines different types of census tract-specific information into a score to determine which communities are the most burdened or "disadvantaged."

DASR – Direct Access Service Request: DASR is a request submitted by C&I customers to become direct access eligible.

Demand: Demand refers to the rate at which electric energy is delivered to or by a system or part of a system, generally expressed in kilowatts (kW), megawatts (MW) or gigawatts (GW), at a given instant or averaged over any designated interval of time. Demand should not be confused with Load or Energy.

DER – Distributed Energy Resource: A DER is a small-scale physical or virtual asset (e.g., EV charger, smart thermostat, behind-the-meter solar/storage, energy efficiency) that operates locally and is connected to a larger power grid at the distribution level.

Distribution: Distribution refers to the delivery of electricity to the retail customer's home or business through low-voltage distribution lines.

DLAP – Default Load Aggregation Point: In the CAISO's electricity optimization model, DLAP is the node at which all bids for demand should be submitted and settled.

DR – Demand Response: DR is an opportunity for consumers to play a significant role in the operation of the electric grid by reducing or shifting their electricity usage during peak periods in response to time-based rates or other forms of financial incentives.

DRP – Distributed Resource Plans: Distributed Resource Plans are required by statute and intended to identify optimal locations for the deployment of distributed resources.

DWR – Department of Water Resources: DWR is the state agency charged with managing California's water resources, systems and infrastructure in a responsible, sustainable way.

ECR – Enhanced Community Renewable: ECR is an IOU (Investor-Owned Utility) program that reflects the "Community Solar" model of renewable energy purchasing. Customers sign up to purchase a portion of a local solar project directly from a developer at a level that meets at least 25% and up to 100% of their monthly electricity demand. The customer pays the developer for the subscribed output and receives a credit on their utility bill that reflects their enrollment level.

ED – Energy Division: The CPUC's Energy Division develops and administers energy policy and programs to serve the public interest, advise the Commission and ensure compliance with Commission decisions and statutory Mandates.

EE – Energy Efficiency: Energy Efficiency refers to the use of less energy to perform the same task or produce the same result. Energy-efficient homes and buildings use less energy to heat and cool and run appliances and electronics, and energy-efficient manufacturing facilities use less energy.

ELCC – Effective Load Carrying Capacity: ELCC is the additional load met by an incremental generator while maintaining the same level of system reliability. For solar and wind resources, the ELCC is the amount of capacity that can be counted for Resource Adequacy purposes.

EPIC – Electric Program Investment Charge: The EPIC program was created by the CPUC to support investments in clean energy technologies that provide benefits to the electricity ratepayers of Pacific Gas and Electric (PG&E), San Diego Gas & Electric Company (SDG&E) and Southern California Edison Company (SCE).

ERRA – Energy Resource Recovery Account: ERRA proceedings are used to determine fuel and purchased power costs that can be recovered in rates. The utilities do not earn a rate of return on these costs and recover only actual costs. The costs are forecast for the year ahead. If the actual costs are lower than forecast, then the utility gives money back, and vice versa.

ES – Energy Storage: Energy Storage is the capture of energy produced at one time for use at a later time to reduce imbalances between energy demand and energy production.

ESA – Energy Storage Agreement: An ESA refers to a battery services contract, a capacity contract, demand response contract or similar agreement.

ESP – Energy Service Provider: An Energy Service Provider is an energy entity that provides service to a retail or end-use customer.

EV – Electric Vehicle: An EV is a vehicle that uses one or more electric motors for propulsion.

FCR – Flexible Capacity Requirements: "Flexible capacity need" is defined as the quantity of resources needed by the CAISO to manage grid reliability during the greatest three-hour continuous ramp in each month. Resources will be considered as "flexible capacity" if they can sustain or increase output or reduce ramping needs during the hours of "flexible need." FCR means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC decisions.

GHG – Greenhouse gas: Water vapor, carbon dioxide, tropospheric ozone, nitrous oxide, methane and chlorofluorocarbons (CFCs) are gases that cause the atmosphere to trap heat radiating from the earth. The most common GHG is carbon dioxide.

GRC – General Rate Case: General Rate Cases are proceedings used to address the costs of operating and maintaining the utility system and the allocation of those costs among customer classes. For California's three large IOUs, the GRCs are parsed into two phases. Phase I of a GRC determines the total amount the utility is authorized to collect, while Phase II determines the share of the cost each customer class is responsible for and the rate schedules for each class. Each large electric utility files a GRC application every three years for review by the Public Advocate's Office and interested parties and for approval by the CPUC.

GTSR – Green Tariff Shared Renewables: The GTSR program enables customers to receive 50 to 100 percent of their electricity demand from renewable sources. The GTSR program has two components: the Green Tariff (GT) component and the Enhanced Community Renewables (ECR) component. Through GT, a customer may pay the difference between their current generation charge and the cost of procuring 50 to 100 percent renewables. With ECR, a customer agrees to purchase a share of a community renewable (typically solar) project directly from a developer and in exchange will receive a credit from their utility for the customer's avoided generation procurement.

GWh – Gigawatt-hour: This is the unit of energy equal to that expended in one hour at a rate of one billion watts. One GWh equals 1,000 megawatt-hours.

ICA – Integration Capacity Analysis: The enhanced integrated capacity and locational net benefit analysis quantify the capability of the system to integrate Distributed Energy Resources (DERs) within the distribution system. Results are dependent on the most limiting element of the various power system criteria such as thermal ratings, power quality, system protection limits and safety standards of existing equipment.

IDER – Integrated Distributed Energy Resources: A CPUC proceeding that aims to more effectively coordinate the integration of demand-side resources in order to better meet customer and grid needs, while enabling California to attain its greenhouse gas reduction goals.

IDSM – Integrated Demand-Side Management: This is an approach that joins together all the resources utilities have at their disposal to plan, generate and supply electricity in the most efficient manner possible.

IEPA – Independent Energy Producers Association: IEPA is California's oldest and leading nonprofit trade association, representing the interest of developers and operators of independent energy facilities and independent power marketers.

IMD – Independent Marketing Division: Under state law, IOUs are prohibited from lobbying or marketing on community choice unless the IOU forms an independent marketing division funded by shareholders rather than ratepayers. SDG&E and its parent company Sempra were permitted by the CPUC to create such an independent marketing division, which allowed SDG&E to lobby against plans to create a CCA program.

IOU – Investor-Owned Utility: An IOU is a private electricity and natural gas provider, such as SDG&E, PG&E or SCE, which are the three largest IOUs in California.

IRP – Integrated Resource Plan: An Integrated Resource Plan outlines an electric utility's resource needs in order to meet expected electricity demand long-term.

kW – Kilowatt: This is a measure of power where power (watts) = voltage (volts) x amperage (amps) and 1 kW = 1,000 watts.

kWh – Kilowatt-hour: This is a measure of consumption. It is the amount of electricity that is used over some period of time, typically a one-month period for billing purposes. Customers are charged a rate per kWh of electricity used.

LCE – Lancaster Choice Energy: LCE is the CCA that serves the City of Lancaster, California.

LCFS – Low Carbon Fuel Standard: This is a CARB program designed to encourage the use of cleaner low-carbon fuels in California, encourage the production of those fuels and, therefore, reduce greenhouse gas emissions.

LCR – Local (RA) Capacity Requirements: This is the amount of Resource Adequacy capacity required to be demonstrated in a specific location or zone.

LMP – Locational Marginal Price: Each generator unit and load pocket is assigned a node in the CAISO optimization model. The model will assign a LMP to the node in both the day-ahead and real-time market as it balances the system using the least cost. The LMP is composed of three components: the marginal cost of energy, congestion and losses. The LMP is used to financially settle transactions in the CAISO.

LNBA – Locational Net Benefits Analysis: This is a cost-benefit analysis of distributed resources that incorporates location-specific net benefits to the electric grid.

Load: Load refers to an end-use device or customer that receives power from an energy delivery system. Load should not be confused with Demand, which is the measure of power that a load receives or requires. See Demand.

LSE – Load-serving Entity: Load-serving Entities have been granted authority by state, local law or regulation to serve their own load directly through wholesale energy purchases and have chosen to exercise that authority.

LTPP – Long-Term Procurement Rulemaking: This is an "umbrella" proceeding to consider, in an integrated fashion, all of the CPUC's electric procurement policies and Programs.

MCE – Marin Clean Energy: MCE was the first CCA in California and began serving customers in 2010. It serves customers in Contra Costa, Marin, Napa and Solano counties in Northern California.

MEO – Marketing Education and Outreach: This is a term generally used to describe various strategies to inform customers, such as to motivate consumers to take action on energy efficiency or conservation measures and change their behavior.

MW – Megawatt: A megawatt hour (Mwh) is equal to 1,000 Kilowatt hours (Kwh) or 1,000 kilowatts of electricity used continuously for one hour.

MWH – Megawatt-hour: This is a measure of energy.

NAESCO – National Association of Energy Service Companies: NAESCO is an advocacy and accreditation organization for energy service companies (ESCOs). Energy service companies contract with private and public-sector energy users to provide cost-effective energy efficiency retrofits across a wide spectrum of client facilities.

NBC – Non-Bypassable Charge: Non-Bypassable Charges are fees that are paid on every kilowatt-hour of electricity that is consumed from the grid. These charges can be used to fund things like energy assistance programs for low-income households and energy efficiency programs. These charges apply even if customers buy grid-supplied power from an outside power company such as a CCA.

NDA – Non-Disclosure Agreement: An NDA is a contract by which one or more parties agree not to disclose confidential information that they have shared with each other.

NEM – Net Energy Metering: NEM is a program in which solar customers receive credit for excess electricity generated by solar panels.

NRDC – Natural Resources Defense Council: NRDC is a nonprofit international environmental advocacy group.

NP-15 – North Path 15: NP-15 is a CAISO pricing zone usually used to approximate wholesale electricity prices in Northern California in PG&E's service territory.

OIR – Order Instituting Rulemaking: An OIR is a procedural document that is issued by the CPUC to start a formal proceeding. A draft OIR is issued for comment by interested parties and made final by vote of the five commissioners of the CPUC.

OSC – Order to Show Cause: OSC is an order requiring an individual or entity to explain, justify or prove something.

ORA – Office of Ratepayer Advocates: The ORA is an independent consumer advocate within the CPUC, now called the Public Advocates Office.

PA – Program Administrator (for EE Business Plans): IOUs and local government agencies can be authorized to implement CPUC-directed energy efficiency programs.

PCE – Peninsula Clean Energy Authority: PCE is the CCA serving San Mateo County and all 20 of its cities and towns as well as the City of Los Banos.

PCC1 – RPS Portfolio Content Category 1: RPS Portfolio Content Category 1 includes bundled renewables where the energy and Renewable Energy Certificate (REC) are dynamically scheduled into a California Balancing Authority (CBA) such as the CAISO, also known as "in-state" renewables.

PCC2 – RPS Portfolio Content Category 2: RPS Portfolio Content Category 2 includes bundled renewables where the energy and Renewable Energy Certificate (REC) are from out of state and not dynamically scheduled to a CBA.

PCC3 – RPS Portfolio Content Category 3: RPS Portfolio Content Category 3 includes Unbundled Renewable Energy Certificate (REC).

PCIA or "exit fee" – Power Charge Indifference Adjustment: The Power Charge Indifference Adjustment (PCIA) is an "exit fee" based on stranded costs of utility generation set by the California Public Utilities Commission. It is calculated annually and assessed to customers of CCAs and paid to the IOU that lost those customers as a result of the formation of a CCA.

PCL – Power Content Label: The PCL is a user-friendly way of displaying information to California consumers about the energy resources used to generate the electricity they sell, as required by AB 162 (Chapter 313, Statutes of 2009) and SB 1305 (Chapter 796, Statutes of 1997).

PD – Proposed Decision: A PD is a procedural document in a CPUC Rulemaking that is formally commented on by parties to the proceeding. A PD is a precursor to a final decision voted on by the five commissioners of the CPUC.

PG&E – Pacific Gas & Electric: PG&E is the IOU that serves 16 million people over a 70,000-square-mile service area in Northern California.

PHC – Prehearing Conference: A PHC is a CPUC hearing to discuss the scope of a proceeding, among other matters. Interested stakeholders can request party status during these conferences.

Pnode – Pricing Node: In the CAISO optimization model, this is a point where a physical injection or withdrawal of energy is modeled and for which an LMP is calculated.

PPA – Power Purchase Agreement: A PPA is a contract used to purchase the energy, capacity and attributes from a renewable resource project.

PRP – Priority Review Project: These are transportation electrification pilot projects approved by the CPUC pursuant to SB 350 (Chapter 547, Statutes of 2015).

PRRR – Progress on Residential Rate Reform: Pursuant to a CPUC decision, the IOUs must submit to the CPUC and other parties periodic updates on the progress of their efforts to assist customers with residential rate design changes related to rate reform, including tier collapse and transition to a default time of use rate.

PUC – Public Utilities Code: The PUC is a California statute that contains 33 divisions; the range of topics within this code includes natural gas restructuring, private energy producers, telecommunication services, and specific municipal utility districts and transit authorities; the primary statute for governance of utilities as well as CCAs in California.

PURPA – Public Utilities Regulatory Policy Act: The PURPA is a federal statute passed in 1978 by Congress in response to the 1973 energy crisis to encourage fuel diversity via alternative energy sources and to introduce competition into the electric sector. It was intended to promote energy conservation (reduce demand) and promote greater use of domestic energy and renewable energy (increase supply).

RA – Resource Adequacy: Under its Resource Adequacy (RA) program, the California Public Utilities Commission (CPUC) requires load-serving entities — investor-owned utilities, electricity service providers and CCAs — to demonstrate in both monthly and annual filings that they have purchased capacity commitments of no less than 115% of their peak loads.

RAM – Renewables Auction Mechanism: This is a procurement program the investor-owned utilities (IOUs) may use to procure RPS eligible generation. The IOUs may use RAM to satisfy authorized procurement needs, for example, system Resource Adequacy needs, local Resource Adequacy needs, RPS needs, reliability needs, Local Capacity Requirements, Green Tariff Shared Renewables needs and any need arising from commission or legislative mandates.

RE – Renewable Energy: Renewable energy is energy from a source that is not depleted when used, such as wind or solar power.

REC - Renewable Energy Certificate: A REC is the property right to the environmental benefits associated with generating renewable electricity. For instance, homeowners who generate solar electricity are credited with 1 solar REC for every megawatt-hour of electricity they produce. Utilities obligated to fulfill an RPS requirement can purchase these RECs on the open market.

RES-BCT – Renewables Energy Self-Generation Bill Credit Transfer: This program enables local governments and universities to share generation credits from a system located on one government-owned property with billing accounts at other government-owned properties. The system size limit under RES-BCT is 5 MW, and bill credits are applied at the generation-only portion of a customer's retail rate.

RFO – Request for Offers: This is a competitive procurement process used by organizations to solicit the submission of proposals from interested parties in response to a scope of services.

RPS - Renewable Portfolio Standard: RPS is a law that requires California utilities and other load-serving entities (including CCAs) to provide an escalating percentage of California qualified renewable power (culminating at 33% by 2020) in their annual energy portfolio.

SB – Senate Bill: A Senate Bill is a piece of legislation that is introduced in the Senate. In other words, the Senate, rather than the Assembly, is the house of origin in the Legislature for the Legislation.

SBP – Solar Billing Plan: The Solar Billing Plan, also known as the Net Billing Tariff or NEM 3.0, is the new method of compensating customer-sited renewable energy self-generation, intended to promote grid reliability and incentivize solar and battery storage.

SCE – Southern California Edison: SCE is the large IOU that serves the Los Angeles and Orange County area.

SCP – Sonoma Clean Power Authority: SCP is the CCA serving Sonoma County and surrounding areas in Northern California.

SDG&E – San Diego Gas & Electric: SDG&E is the IOU that serves San Diego County and owns the infrastructure that delivers Community Power energy to our customers.

SGIP – Self-Generation Incentive Program: SGIP is a program that provides incentives to support existing, new and emerging distributed energy resources (storage, wind turbines, waste heat to power technologies, etc.).

SUE – Super User Electric: This is an electric surcharge intended to penalize consumers for excessive energy use.

SVCE – Silicon Valley Clean Energy: SVCE is the CCA serving the communities in Santa Clara County.

TCR EPS Protocol – The Climate Registry Electric Power Sector Protocol: This refers to online tools and resources provided by The Climate Registry to assist organizations to measure, report and reduce carbon emissions.

TE – Transportation Electrification: For the transportation sector, electrification means replacing fossil fuels with electricity as the means of powering light-duty vehicles and medium- and heavy-duty trucks and buses. The primary goal is to reduce greenhouse gas (GHG) emissions and, ultimately, contribute to mitigating the effects of climate change on the planet.

Time-of-Use (TOU) Rates: TOU Rates refers to the pricing of delivered electricity based on the estimated cost of electricity during a particular time block. Time-of-use rates are usually divided into three or four time blocks per 24 hour period (on-peak, mid-peak, off-peak and sometimes super off-peak) and by seasons of the year (summer and winter). Real-time pricing differs from TOU rates in that it is based on actual (as opposed to forecasted) prices that may fluctuate many times a day and are weather sensitive, rather than varying with a fixed schedule.

TM – Tree Mortality: This is a term that refers to the death of forest trees and provides a measure of forest health. In the context of energy, as part of the Governor's Tree Mortality Emergency Proclamation, the CPUC is tasked with utilizing its authority to extend contracts and take actions to authorize new contracts on bioenergy facilities that receive feedstock from high hazard zones.

TURN – The Utility Reform Network: TURN is a ratepayer advocacy group charged with ensuring that California IOUs implement just and reasonable rates.

Unbundled RECs: Unbundled RECs are renewable energy certificates that verify a purchase of a MWH unit of renewable power where the actual power and the certificate are "unbundled" and sold to different buyers.

VPP – Virtual Power Plant: A Virtual Power Plant is a cloud-based network that leverages an aggregation of distributed energy resources (DERs) to shift energy demand or provide services to the grid. For example, thousands of EV chargers could charge at a slower speed and hundreds of home batteries could discharge to the grid during a demand peak to significantly reduce the procurement of traditional supply resources.

VAMO – Voluntary Allocation, Market Offer: VAMO is the process for SDG&E to allocate a proportional share of its renewable portfolio to Community Power and other LSEs within the service territory.