

MARIN COUNTY | NAPA COUNTY | UNINCORPORATED CONTRA COSTA COUNTY | UNINCORPORATED SOLANO COUNTY BENICIA | CONCORD | DANVILLE | EL CERRITO | FAIRFIELD | LAFAYETTE | MARTINEZ | MORAGA | OAKLEY PINOLE | PITTSBURG | PLEASANT HILL | RICHMOND | SAN PABLO | SAN RAMON | VALLEJO | WALNUT CREEK

Technical Committee Meeting Thursday, May 5, 2022 8:30 A.M.

This Meeting will be conducted via teleconference pursuant to the requirements of <u>Assembly Bill No. 361</u>. By using teleconference for this meeting, MCE continues to promote social distancing measures recommended by local officials.

Members of the public who wish to observe the Meeting and/or offer public comment may do so telephonically via the following teleconference call-in number and meeting ID:

For Viewing Access Join Zoom Meeting: <u>https://us02web.zoom.us/j/88221162906?pwd=anRLWVI0czBmRINWVjV0UDBQcGJ3UT09</u>

Dial: 1-669-900-9128 Webinar ID: 882 2116 2906 Meeting Password: 589877

Agenda Page 1 of 2

- 1. Roll Call/Quorum
- 2. Board Announcements (Discussion)
- 3. Public Open Time (Discussion)
- 4. Resolution No. 2022-06 Authorizing Remote Teleconference Meetings for the Technical Committee Pursuant to Government Code Section 54953(e) (Discussion/Action)
- 5. Report from Chief Executive Officer (Discussion)
- 6. Consent Calendar (Discussion/Action) C.1 Approval of 3.3.22 Meeting Minutes
- 7. Renewable Portfolio Standard Voluntary Allocations from PG&E (Discussion/Action)

- 8. Overview of Open Season 2022 (Discussion)
- 9. Committee Matters & Staff Matters (Discussion)
- 10. Adjourn

The Technical Committee may discuss and/or take action on any or all of the items listed on the agenda irrespective of how the items are described.

DISABLED ACCOMMODATION: If you are a person with a disability which requires an accommodation, or an alternative format, please contact the Clerk of the Board at (925) 378-6732 as soon as possible to ensure arrangements for accommodation.



May 5, 2022

TO:	MCE Technical Committee
FROM:	Catalina Murphy, Legal Counsel
RE:	Resolution No. 2022-06 Authorizing Remote Teleconference Meetings for the Technical Committee Pursuant to Government Code Section 54953(e) (Agenda Item #04)
ATTACHMENTS:	 A. Proposed Resolution No. 2022-06 Authorizing Remote Teleconference Meetings for the Technical Committee Pursuant to Government Code Section 54953(e) B. Resolution No. 2021-12 Delegating Authority to Technical Committee to Adopt Findings Pursuant to Government Code Section 54953(e)

MCE Technical Committee:

SUMMARY:

Assembly Bill (AB) No. 361 (Rivas), signed by Governor Gavin Newsom on September 16, 2021, amends the Brown Act¹ to allow a local agency to continue using teleconferencing during a state-proclaimed state of emergency without meeting certain Brown Act teleconference requirements.

On December 16, 2021, your Board delegated the authority to the Technical Committee to consider whether the Governor-designated state of emergency continues to directly impact the ability of the MCE Technical Committee to meet safely in person, and to make the required AB 361 findings for authorizing remote teleconference meetings under California Government Code section 54953(e).

Given the current emergency-state of the Covid-19 pandemic, there is an ongoing need for holding teleconference meetings for the MCE Technical Committee. Therefore, in order to hold teleconference meetings, the Technical Committee must make the following findings by majority vote:

¹ Gov. Code, §§ 54950 et seq.

- 1. The Technical Committee has reconsidered the circumstances of the state of emergency, as designated by the Governor.
- 2. The Technical Committee finds that one or both of the following circumstances still exists:
 - a. The state of emergency continues to directly impact the ability of members to meet safely in person; or
 - b. State or local officials continue to impose or recommend measures to promote social distancing.

Staff recommends adopting proposed Resolution No. 2022-06 Authorizing Remote Teleconference Meetings for the Technical Committee Pursuant to Government Code Section 54953(e), which makes the initial required AB 361 findings for authorizing remote teleconference meetings.

Fiscal Impacts: None.

Recommendation:

Adopt proposed Resolution No. 2022-06 Authorizing Remote Teleconference Meetings for the Technical Committee Pursuant to Government Code Section 54953(e).

RESOLUTION 2022-06

A RESOLUTION OF THE TECHNICAL COMMITTEE OF MARIN CLEAN ENERGY AUTHORIZING REMOTE TELECONFERENCE MEETINGS FOR THE TECHNICAL COMMITTEE PURSUANT TO GOVERNMENT CODE SECTION 54953(e)

WHEREAS, Marin Clean Energy (MCE) is a joint powers authority established on December 19, 2008, and organized under the Joint Exercise of Powers Act (Government Code Section 6500 et seq.); and

WHEREAS, MCE members include the following communities: the County of Marin, the County of Contra Costa, the County of Napa, the County of Solano, the City of American Canyon, the City of Belvedere, the City of Benicia, the City of Calistoga, the City of Concord, the Town of Corte Madera, the Town of Danville, the City of El Cerrito, the Town of Fairfax, the City of Fairfield, the City of Lafayette, the City of Larkspur, the City of Martinez, the City of Mill Valley, the Town of Moraga, the City of Napa, the City of Novato, the City of Oakley, the City of Pinole, the City of Pittsburg, the City of Pleasant Hill, the City of San Ramon, the City of Richmond, the Town of Ross, the Town of San Anselmo, the City of San Pablo, the City of San Rafael, the City of Sausalito, the City of St. Helena, the Town of Tiburon, the City of Vallejo, the City of Walnut Creek, and the Town of Yountville; and

WHEREAS, MCE is subject to various provisions of the California Government Code; and

WHEREAS, Government Code section 54953(e), as amended by Assembly Bill No. 361, allows legislative bodies to hold open meetings by teleconference without reference to otherwise applicable requirements in Government Code section 54953(b)(3), so long as the legislative body complies with certain requirements, there exists a declared state of emergency, and one of the following circumstances is met:

- 1. State or local officials have imposed or recommended measures to promote social distancing.
- 2. The legislative body is holding the meeting for the purpose of determining whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.
- 3. The legislative body has determined that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

WHEREAS, the Governor of California proclaimed a state of emergency pursuant to Government Code section 8625 on March 4, 2020; and

WHEREAS, the MCE Board of Directors previously adopted Resolution No. 2021-12 delegating authority to the MCE Technical Committee to adopt certain findings in accordance with Government Code section 54953(e) for remote teleconference meetings for the Technical Committee;

WHEREAS, the MCE Technical Committee desires to hold the MCE Technical Committee public meeting by teleconference consistent with Government Code section 54953(e);

NOW, THEREFORE, BE IT RESOLVED, by the MCE Technical Committee:

- A. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.
- B. The Technical Committee hereby finds and declares the following, as required by Government Code section 54953(e)(3):
 - 1. The Governor of California proclaimed a state of emergency on March 4, 2020, pursuant to Government Code section 8625, which remains in effect.
 - 2. State and local officials have imposed or recommended measures to promote social distancing.
 - 3. The legislative body has determined that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

PASSED AND ADOPTED at a regular meeting of the MCE Technical Committee on this 5th day of May, 2022, by the following vote:

	AYES	NOES	ABSTAIN	ABSENT
County of Marin				
Contra Costa County				
City of Lafayette				
City of Larkspur				
Town of Moraga				
City of Pinole				
City of San Ramon				
Town of San Anselmo				
City of Vallejo				

CHAIR, MCE

Attest:

SECRETARY, MCE

RESOLUTION NO. 2021-12

A RESOLUTION OF THE BOARD OF DIRECTORS OF MARIN CLEAN ENERGY DELEGATING AUTHORITY TO TECHNICAL COMMITTEE TO ADOPT FINDINGS PURSUANT TO GOVERNMENT CODE SECTION 54953(e)

WHEREAS, Marin Clean Energy ("MCE") is a joint powers authority established on December 19, 2008, and organized under the Joint Exercise of Powers Act, constituting Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the California Government Code, as amended and supplemented (the "Act"); and

WHEREAS, MCE members include the following communities: the County of Marin, the County of Contra Costa, the County of Napa, the County of Solano, the City of American Canyon, the City of Belvedere, the City of Benicia, the City of Calistoga, the City of Concord, the Town of Corte Madera, the Town of Danville, the City of El Cerrito, the Town of Fairfax, the City of Fairfield, the City of Lafayette, the City of Larkspur, the City of Martinez, the City of Mill Valley, the Town of Moraga, the City of Napa, the City of Novato, the City of Oakley, the City of Pinole, the City of Pittsburg, the City of Pleasant Hill, the City of San Ramon, the City of Richmond, the Town of Ross, the Town of San Anselmo, the City of San Pablo, the City of San Rafael, the City of Sausalito, the City of St. Helena, the Town of Tiburon, the City of Vallejo, the City of Walnut Creek, and the Town of Yountville; and

WHEREAS, MCE is subject to various provisions of the California Government Code; and

WHEREAS, Government Code section 54953, as amended by Assembly Bill No. 361, allows legislative bodies to continue to hold open meetings by teleconference without reference to otherwise applicable requirements in Government Code section 54953(b)(3), so long as certain findings are adopted by the legislative body every 30 days under Government Code Section 54953(e); and

WHEREAS, the Board of Directors previously adopted Resolution No. 2021-08 which delegated authority to the Executive Committee to adopt certain findings pursuant to Government Code section 54953(e) for continued remote teleconference meetings for the Board of Directors and any committee of the Board of Directors; and

WHEREAS, from time to time, the Board of Directors delegates certain rights and responsibilities to the Technical Committee; and

WHEREAS, the Board of Directors shall not be divested of any such authority as described herein, but shall retain and may exercise such authority at such times as it may deem necessary and proper, at its sole discretion.

NOW, THEREFORE, BE IT RESOLVED by the MCE Board of Directors:

- A. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.
- B. The Board of Directors hereby delegates to the Technical Committee the authority to adopt findings necessary to hold meetings of the Technical Committee by teleconference in accordance with the requirements of Government Code section 54953(e) and Assembly Bill No. 361.

PASSED AND ADOPTED by the MCE Board of Directors on this 16th day of December, 2021, by the following vote:

	AYES	NOES	ABSTAIN	ABSENT
County of Marin				Х
Contra Costa County				Х
County of Napa				Х
County of Solano	X			
City of American Canyon				Х
City of Belvedere	Х			
City of Benicia	Х			
City of Calistoga				Х
City of Concord	Х			
Town of Corte Madera	Х			
Town of Danville	Х			
City of El Cerrito	Х			
Town of Fairfax	Х			
City of Fairfield	Х			
City of Lafayette	Х			
City of Larkspur	Х			
City of Martinez	Х			
City of Mill Valley	Х			
Town of Moraga	Х			
City of Napa				Х
City of Novato	Х			
City of Oakley	Х			
City of Pinole	Х			
City of Pittsburg				Х
City of Pleasant Hill	Х			

City of San Ramon	X	
City of Richmond	X	
Town of Ross	X	
Town of San Anselmo	X	
City of San Pablo		Х
City of San Rafael	X	
City of Sausalito	X	
City of St. Helena		Х
Town of Tiburon	X	
City of Vallejo	X	
City of Walnut Creek	X	
Town of Yountville		Х

-DocuSigned by:

AIR, MCE

Attest:

DocuSigned by:

Dawn Wisz SECRETARY, MCE

DRAFT MCE TECHNICAL COMMITTEE MEETING MINUTES Thursday, March 3, 2022 8:30 A.M.

The Technical Committee Meeting was conducted pursuant to the requirements of <u>Assembly</u> <u>Bill No. 361</u> (September 16, 2021) which allows a public agency to use teleconferencing during a Governor-proclaimed state of emergency without meeting usual <u>Ralph M. Brown</u> <u>Act</u> teleconference requirements. Committee Members, staff and members of the public were able to participate in the Committee Meeting via teleconference.

Present:	Gina Dawson, City of Lafayette Ford Greene, Town of San Anselmo Kevin Haroff, City of Larkspur Katie Miessner, City of Vallejo Devin Murphy, City of Pinole Scott Perkins, City of San Ramon Katie Rice, County of Marin
Absent:	John Gioia, Contra Costa County Teresa Onoda, Town of Moraga
Staff & Others:	Jesica Brooks, Assistant Board Clerk Darlene Jackson, Board Clerk Vicken Kasarjian, Chief Operating Officer Bill Pascoe, Senior Power Procurement Manager Lindsay Saxby, Director of Power Resources Enyonam Senyo-Mensah, Office Manager Dawn Weisz, Chief Executive Officer

1. <u>Roll Call</u>

Chair Greene called the regular Technical Committee meeting to order at 8:30 a.m. with quorum established by roll call.

2. <u>Board Announcements (Discussion)</u>

There were no announcements.

3. Public Open Time (Discussion)

Chair Greene opened the public comment period and there were comments made from member of the public Howdy Goudey.

4. <u>Report from Chief Executive Officer (Discussion)</u>

CEO, Dawn Weisz, reported the following:

• Welcomed to the meeting Board Alternate, Scott Tonnesen, from the City of Fairfield.

DRAFT

- Shared the passing of Doug Wilson:
 - Doug was born and raised in the Bay Area and was an active member of the Marin Conservation League since the 1980s.He most recently served as a member of their Board of Directors, and co-chaired Marin Conservation League's Climate Action Working Group.
 - Doug was a member of MCE's Community Power Coalition, and a frequent participant in our Technical Committee meetings. He will be missed, but his contributions and collaborative spirit will live on in our work.
- A thank-you to Director Mongan for being featured in MCE's Heritage History Month Blog series. Director Murphy will be featured later in the month in a spotlight focus on leadership supporting environmental equity.
- AB 1814 is CalCCA's bill that would give CCAs access to the transportation electrification funds allocated by the CPUC, and it is authored by Assemblymember Tim Grayson (MCE delegation, representing parts of Contra Costa and Solano Counties). Today, CCA customers pay into these funds, but only IOUs can tap them to support IOU programs. AB 1814 would give CCAs the opportunity to apply for a share of these funds, just like we do for Energy Efficiency today. We should have a template letter of support to circulate soon.
- MCE's Energy Efficiency Application is being submitted today for \$188M over 8 years.
- MCE's Supplier Diversity Report was submitted this week. Reading and sharing this document is highly recommended.

5. Consent Calendar (Discussion/Action)

- C.1 Approval of 2.3.22 Meeting Minutes
- C.2 Proposed First Amendment to Master Services Agreement with R Systems International Limited
- C.3 MCE Resiliency Fund Expenditure for Vulnerable, Critical Needs Customers

Chair Greene opened the public comment period and there were no comments.

Action: It was M/S/C (Perkins/Dawson) to **approve Consent Calendar items C.1** – **C.3.** Motion carried by unanimous roll call vote. (Absent: Directors Gioia and Onoda).

6. <u>Power Purchase Agreements with CES Electron Farm One, LLC</u> (Discussion/Action)

Lindsay Saxby, Director of Power Resources and Bill Pascoe, Senior Power Procurement Manager, presented this item and addressed questions from Committee members.

DRAFT

Chair Greene opened the public comment period and there were comments from member of the public Howdy Goudey.

Action: It was M/S/C (Haroff/Perkins) to **approve the proposed Power Purchase Agreements with CES Electron Farm One, LLC.** Motion carried by unanimous roll call vote. (Absent: Directors Gioia and Onoda).

7. <u>Committee Matters & Staff Matters (Discussion)</u> There were none.

8. Adjournment

Chair Greene adjourned the meeting at 8:47 a.m. to the next scheduled Technical Committee Meeting on April 7, 2022.

Ford Greene, Chair

Attest:

Dawn Weisz, Secretary



May 5, 2022	
TO:	MCE Technical Committee
FROM:	Sabrinna Soldavini, Policy Analyst II Vidhi Chawla, Manager of Power Resources
RE:	Renewable Portfolio Standard Voluntary Allocations from PG&E (Agenda Item #07)
ATTACHMENT:	PG&E Proposed Pro Forma Contract

Dear Technical Committee Members:

Summary:

MCE has the opportunity to purchase Renewables Portfolio Standard (RPS)¹ energy from Pacific Gas & Electric (PG&E), based on an allocation share from PG&E's RPS portfolio. The allocations of RPS energy are expected to begin in 2023. However, there is substantial uncertainty surrounding contract terms for the allocation. As a result of timelines controlled by the California Public Utilities Commission, MCE may need to determine allocation amounts and execute a contract for an allocation without sufficient time to return to this Committee for approval. Staff recommends the Technical Committee delegate to staff the authority to determine whether to accept an allocation and execute a contract for RPS resources from PG&E.

Background:

On May 20, 2021, the CPUC adopted D.21-05-003, which approved a new allocation process for RPS energy from Investor-Owned Utilities (IOUs) to other load-serving entities (LSEs), including MCE. The allocated RPS energy would come from IOU RPS resources that MCE customers pay for through the Power Charge Indifference Adjustment (PCIA) fee. The PCIA fee recovers above-market costs for commitments

¹ MCE, like other California load-serving entities, is required to procure electricity from eligible renewable resources to meet the state's RPS Targets. RPS targets are based on a multiyear compliance period, and compliance with the state's targets is verified by the California Public Utilities Commission through annual reporting and RPS Procurement Plans.

made by IOUs before their customers departed to other providers, like CCAs. If PG&E can allocate or sell some of its excess RPS energy from its eligible resource pool, this may help to lower the PCIA. Pursuant to D.21-05-003, the allocations of RPS resources shall include the following features:

- a) Allocations are made of a "slice" of an IOU's entire PCIA-eligible RPS portfolio to address competitive issues and cherry-picking best contracts or resources.
- b) LSEs will be offered allocations of the RPS portfolio in proportion to their share of the IOU's load.
- c) LSEs may elect to take: (1) a short-term allocation; (2) a long-term allocation; or (3) choose to decline all or a portion of their allocation.
- d) Each election shall be made in 10 percent increments of the LSE's share.
- e) LSEs accepting allocations shall pay for the energy received according to a Commission-determined price.²
- f) Long-term allocations shall last through the end of the term of the longest relevant contract, with the exclusion of particular types of resources. Once accepted, the LSE may not decline its long-term allocation election in future years.
- g) The share for each LSE will change from year to year based on the updated forecasts of load served by each LSE and the actual energy produced each year from the selected resources.
- h) LSEs can resell allocations of this energy, subject to existing compliance requirements.

Key Allocation Uncertainties:

Staff is tracking and addressing numerous uncertainties related to the allocations through the Commission processes. These issues are material and will impact MCE's decision-making.

The Allocation Form Contract is Still Pending:

The Commission has not yet approved a form contract for the allocations. If MCE chooses to accept an election, the form contract would dictate the terms. Before entering into any agreement with PG&E, MCE would need to determine if the contract terms are acceptable. The key elements of the contract include:

• <u>RPS Portfolio Content Category (PCC) Classification:</u> MCE must consider the balance of resources in its RPS portfolio. Because MCE would be required to accept any allocation based on a 'slice' of PG&E's entire portfolio, staff expects MCE's allocation share to contain a mixture of PCC resources. MCE generally procures only PCC 1, which refers to in-state resources that are bundled with a

² Any elected allocations would be paid for at the applicable year's Market Price Benchmark (MPB) for the RPS Adder, as determined by the Commission. Currently, this value is set at \$13.70 per MWh.

Renewable Energy Credit (REC). There are two other PCC classifications that are allowed under the RPS law for compliance. However, these other PCC resources are not preferred and may attribute greenhouse gas emissions to MCE under California's emissions accounting rules. These PCC resources include PCC 2, which typically denotes out of state resources that are sold with the REC bundled with the energy. MCE may also receive a "slice" of some PCC 3 resources, which are unbundled RECs paired with other energy. MCE does not generally procure PCC 2 or PCC 3 resources. It is important to note that IOUs have legacy RPS resources that predate the PCC classifications and are deemed PCC 0; ³ these are currently reclassified as PCC 1, 2 or 3 upon resale. Therefore, IOUs will always have an advantage when reselling these resources.

PG&E has proposed that upon transfer to an LSE, PCC 0 RECs should maintain their current status, allowing them to count in full for RPS compliance.⁴ MCE supports this approach because it allows the buyer to comply on an equal footing as the seller, or IOU. However, the Commission has not yet approved this treatment. If the Commission does not resolve this issue before MCE is required to make its determination to accept or deny an allocation, MCE would need to consider the risk that PCC 0 RECs could be classified as PCC 2 or 3 later.

- <u>Terms of PG&E Changes to Resource Pools</u>: PG&E's proposal for allocation allows it to remove a resource from the eligible resource pool of RPS energy.⁵ MCE must weigh the risk of potential resource pool changes before taking an allocation.
- <u>Annual Cash Settlement:</u> Allocations of RPS energy from the eligible resource pool are based on forecasted prices. A year later, these forecasts are checked against a finalized price. The forecast may be higher or lower than the finalized price. In these cases, MCE will either receive a credit or be charged for the difference. This may lead to large settlements at the end of the year, and the proposed treatment appears favorable to PG&E. MCE must consider the impact of the settlement process in its decision to take an allocation.

The Timeline to Start Allocating Energy is Uncertain:

³ Renewable energy procurement from contracts executed before June 1, 2010, have no designated PCC status, but are commonly referred to as PCC 0. PCC 0 resources maintain a special status towards RPS compliance. LSE's portfolios must currently include a minimum of 75 percent PCC 1 RECs and a maximum of 10 percent PCC 3 RECs.

⁴ See R.18-07-003 December 8, 2021, Joint IOU Motion to amend scoping memorandum to accommodate voluntary allocation structure.

⁵ PG&E could remove the resource for the following reasons: 1) if the power purchase agreement for the resource has expired or is terminated; 2) if the resource is no longer in PG&E's PCIA-eligible portfolio due to Commission order or direction; or 3) if the resource is owned by PG&E but ceases operation for PG&E.

In May 2021, the Commission directed PG&E to notify LSEs of their allocation share in February 2022 with the first allocation of energy flowing in early 2023.

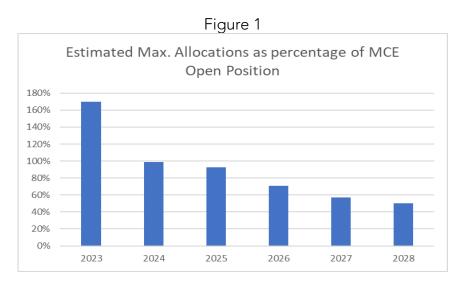
MCE has still not been informed of its allocation share by PG&E, two months past the original Commission timeline. MCE now expects to be notified of its potential allocation share by PG&E in May 2022.⁶ PG&E has currently proposed that MCE must notify PG&E of any election and execute a contract by June 2022. This truncated timeline may not provide MCE adequate time for proper planning and compliance processes, including consultation with the Technical Committee.

As a result, MCE may miss the opportunity to consider its own allocation of RPS energy.

The Allocations Volumes are Uncertain:

MCE is still lacking significant information about its potential allocation, as discussed above. In addition, MCE will not receive a guarantee of any exact volumes of energy from PG&E. Additionally, PG&E will retain the ability to unilaterally make changes to the portfolio, which could reduce available allocations.

MCE's maximum allocation volumes as a percentage of MCE's open position are estimated in Figure 1.⁷ Note that MCE expects to receive an estimate of its actual allocations from PG&E on May 16, 2022. As indicated in Figure 1, while uncertain, the volumes available through the allocation are generally consistent with MCE's resource planning needs.



⁶ <u>https://www.pge.com/en_US/for-our-business-partners/energy-supply/electric-rfo/wholesale-electric-power-procurement/2022-rps-voluntary-allocation.page?WT.mc_id=Vanity_rfo-2022-rps-voluntary-allocation.</u>

⁷ The estimated quantities do not consider PCIA load share percentages. Final allocation shares are expected to be communicated to MCE in May 2022.

Portfolio Considerations:

MCE's light green program is expected to reach 85% renewable in 2029, and the PG&E RPS allocations could help achieve this goal. MCE could benefit from PG&E's RPS allocations by reducing the number of solicitations needed to fill its open positions. Given the size of the potential allocations, MCE would likely leverage the flexibility to make elections in 10 percent increments to scale the allocation to our portfolio need.

Fiscal Impact:

Staff estimates that the fiscal impact of the allocations from PG&E would range from \$0 to \$30 million, for 2023 and 2024, depending on the percentage of, or whether an allocation is taken.

As the allocations are ordered to be paid for at market prices, and since MCE is required to procure a specific amount of renewable energy, the incremental fiscal impact associated with the allocations is expected to be marginal. This is because MCE would likely incur similar costs whether this energy is procured through the allocation process or separate solicitations.

Recommendation:

Delegate authority to staff to determine whether to accept an allocation from PG&E; elect the share from the short-term and long-term resource pools; and enter into any necessary agreements to effectuate the allocation.



Sidney Bob Dietz II Director Regulatory Relations Pacific Gas and Electric Company 77 Beale St., Mail Code B13U P.O. Box 770000 San Francisco, CA 94177

Fax: 415-973-3582

April 11, 2022

Advice 6517-E-A

(Pacific Gas and Electric Company U 39 E)

Public Utilities Commission of the State of California

<u>Subject:</u> Supplemental: Tier 2 Advice Letter of Pacific Gas and Electric Company Requesting Approval of Voluntary Allocation Contract for Power Charge Indifference Adjustment Eligible Renewables Portfolio Standard Resources

<u>Purpose</u>

Pacific Gas and Electric Company ("PG&E") submits this supplemental advice letter to provide changes to the Voluntary Allocation contract ("VA Contract") as originally submitted in Advice Letter ("AL") 6517-E submitted on February 28, 2022 in compliance with Decision ("D.") 22-01-004. The proposed changes are made to address the California Community Choice Association ("CalCCA") protest to AL 6517-E filed on March 21, 2022.

While the VA Contract is being changed in this supplemental advice letter, the rest of AL 6517-E remains unchanged.

Background

On February 28, 2022, PG&E submitted AL 6517-E in compliance with Ordering Paragraph 6 of D.22-01-004, which required PG&E to submit a Tier 2 advice letter proposing a Voluntary Allocation of Power Charge Indifference Adjustment ("PCIA") eligible renewables portfolio standard ("RPS") resource pro forma contract within 10 days of submission of its Final 2021 RPS Procurement Plan ("RPS Plan"). On March 21, 2022, the Alliance for Retail Energy Markets ("AReM") and the CalCCA each protested PG&E's AL. CalCCA's protest included several recommendations for changes to the VA Contract. On March 28, 2022, PG&E replied to the AReM and CalCCA protests, indicating that PG&E can accommodate certain of the CalCCA recommendations through revisions to its proposed VA Contract.

Advice 6517-E-A

Voluntary Allocation Contract

PG&E's proposed updated VA Contract is provided as Attachment 1 to this AL. A redline of the updated VA Contract to the contract filed on February 28, 2022 is included as Attachment 2. Below is a summary of the changes:

CalCCA Recommendation	Updated VA Contract
Permit Load Serving Entities ("LSEs") to take an entire slice of the portfolio, including the ability to take short-term volumes from long-term resources.	Product definition has been redefined to incorporate Energy and Renewable Energy Credits from both the short-term and long-term resource pools. LSEs may elect to take short-term deliveries from the short-term resource pool and/or long-term resource pool, and long-term deliveries from the long-term resource pool.
Require notice provisions for changes to resource pools.	PG&E will provide notice of any changes to the resource pool as soon as reasonably practicable, provided that expiry of a power purchase agreement already identified in the VA Contract will not require such notice.
Limit PG&E's ability to remove a resource from the resource pool if it is no longer PCIA eligible.	Include clarification that PG&E can remove the resource from the resource pool if it is no longer PCIA eligible due to an order or direction from a governmental authority or governmental entity.

Protest

PG&E asks that the Commission, pursuant to GO 96-B, General Rule 7.5.1, maintain the original protest and comment period designated in AL 6517-E and not reopen the protest period.

Effective Date

Pursuant to General Order (GO) 96-B, Rule 5.2, and OP 6 of D.22-01-004, this AL is submitted with a Tier 2 designation which is the same tier designation of the original AL 6517-E. AL 6517-E was suspended for a period up to 120 days, therefore there is no need to extend the effective date. The effective date of AL 6517-E remains suspended until disposition by Energy Division.

<u>Notice</u>

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically to parties shown on the attached list and the parties on the service list

Advice 6517-E-A

for R. 17-06-026 and R. 18-07-003. Address changes to the General Order 96-B service list should be directed to PG&E at email address PGETariffs@pge.com. For changes to any other service list, please contact the Commission's Process Office at (415) 703-2021 or at Process_Office@cpuc.ca.gov. Send all electronic approvals to PGETariffs@pge.com. Advice letter submittals can also be accessed electronically at: http://www.pge.com/tariffs/.

/S/

Sidney Bob Dietz II Director, Regulatory Relations

Attachments:

Attachment 1: VA Contract - CLEAN Attachment 2: VA Contract - REDLINE

cc: Service Lists R. 17-06-026 and R. 18-07-003

Califo	rnia Public Utilities Commission
	07_Att: PG&E Proposed Pro Forma Contract
ADVICE LETTE	
SUMMAR	Y
ENERGY UTILITY	CE OF CALIFOR
MUST BE COMPLETED BY UT	ILITY (Attach additional pages as needed)
Company name/CPUC Utility No.: Pacific Gas as	nd Electric Company (ID U39 E)
Utility type: ELC GAS WATER PLC HEAT	Contact Person: Kimberly Loo Phone #: (415)973-4587 E-mail: PGETariffs@pge.com E-mail Disposition Notice to: KELM@pge.com
EXPLANATION OF UTILITY TYPE ELC = Electric GAS = Gas WATER = Water PLC = Pipeline HEAT = Heat WATER = Water	(Date Submitted / Received Stamp by CPUC)

Advice Letter ((AL) #: 6517-]	E-A
/ COLLOC FOLLOL 1		

S

Tier Designation: 2

ubject of AL:	Supplemental: Tier 2 Advice Letter of Pacific Gas and Electric Company Requesting Approval of
	Voluntary Allocation Contract for Power Charge Indifference Adjustment Eligible Renewables Portfolio
	Standard Resources

Keywords (choose from CPUC listing): Compliance

AL Type: Mor	nthly 🔲 Quarte	erly 🗌 Annual	One-	Time 🗌 Other:
--------------	----------------	---------------	------	---------------

If AL submitted in compliance with a Commission order, indicate relevant Decision/I	Resolution #:
D.22-01-004	

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: $_{No}$

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested? Yes Vo

If yes, specification of confidential information:

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

Resolution required? Yes Vo

Requested effective date: 3/30/22 No. of tariff sheets: 0

Estimated system annual revenue effect (%): $\rm _{N/A}$

Estimated system average rate effect (%): $\rm N/A$

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

Tariff schedules affected: $_{\rm N/A}$

Service affected and changes proposed $^{\scriptscriptstyle 1:}$ $_{N/A}$

Pending advice letters that revise the same tariff sheets: $\mathrm{N/A}$

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

California Public Utilities Commission Energy Division Tariff Unit Email: EDTariffUnit@cpuc.ca.gov Contact Name: Sidney Bob Dietz II. c/o Megan Lawson Title: Director, Regulatory Relations Utility/Entity Name: Pacific Gas and Electric Company

Telephone (xxx) xxx-xxxx: Facsimile (xxx) xxx-xxxx: Email: PGETariffs@pge.com

Contact Name: Title: Utility/Entity Name:

Telephone (xxx) xxx-xxxx: Facsimile (xxx) xxx-xxxx: Email:

CPUC Energy Division Tariff Unit 505 Van Ness Avenue San Francisco, CA 94102

Advice 6517-E-A April 11, 2022

Attachment 1

VA Contract - CLEAN

MASTER POWER PURCHASE AND SALE AGREEMENT RENEWABLES PORTFOLIO STANDARD ENERGY ALLOCATION CONFIRMATION LETTER BETWEEN [NAME] ("PARTY A") AND PACIFIC GAS AND ELECTRIC COMPANY ("PARTY B")

This confirmation letter ("Confirmation") confirms the Transaction between [Name, place of formation, and type of entity] ("Party A" or "Buyer"), and Pacific Gas and Electric Company, a California corporation, ("Party B" or "Seller"), each individually a "Party" and together the "Parties", which becomes effective on the date fully executed by both Parties (the "Confirmation Effective Date"), in which Seller agrees to provide to Buyer Product, as such term is defined in this Confirmation. This Transaction is governed by the Master Power Purchase and Sale Agreement between the Parties, effective as of [Date of EEI Master between Parties], together with the Cover Sheet, [the Collateral Annex and Paragraph 10 to the Collateral Annex,] and any other annexes thereto (collectively, as amended, restated, supplemented, or otherwise modified from time to time, the "Master Agreement"). The Master Agreement and this Confirmation are collectively referred to herein as the "Agreement". Capitalized terms used but not otherwise defined in this Confirmation, have the meanings specified for such terms in the Master Agreement, the RPS (defined herein) or the Tariff (defined herein), as applicable. If there is a conflict between the terms in this Confirmation and those in the Master Agreement, this Confirmation shall control. Section references herein are to this Confirmation unless otherwise noted.

[Standard contract terms and conditions shown in shaded text are those that "may not be modified" per CPUC Decisions ("D.") 07-11-025; D.10-03-021, as modified by D.11-01-025; and D.13-11-024.]

ARTICLE 1 PRODUCT

1.1 <u>Product.</u> "Product" means (a) all RPS Energy and Green Attributes generated and associated with the non-Greengate Resources in the Resource Pools, and (b) all Green Attributes associated with the Greengate Resources in the Resource Pools. During the Delivery Period, Seller shall provide Buyer Product equal to the Total Allocation Amount.

1.2 <u>Buyer's Exclusive Right</u>. Buyer has exclusive right to Product for the Total Allocation Amount, including the right to account for or report Product equal to the Total Allocation Amount to a Governmental Entity.

ARTICLE 2 TOTAL ALLOCATION AMOUNT

2.1 <u>Total Allocation Amount</u>. "Total Allocation Amount" means the sum of the Total Short-Term Allocation Amount and the Total Long-Term Allocation Amount.

2.2 <u>Total Short-Term Allocation Amount</u>. The "Total Short-Term Allocation Amount" is the sum of all Monthly Short-Term Allocation Amounts in the Delivery Period. For every month in the Delivery Period, the "Monthly Short-Term Allocation Amount" will be the sum of all PCIA Short-Term Allocation Amounts in the month, where a "PCIA Short-Term Allocation Amount" will be calculated for every PCIA vintage applicable to Buyer as the sum of (a) the product of (i) Short-Term A Allocation Election, multiplied by (ii) Allocation Share for the applicable PCIA vintage, multiplied by (iii) the difference between (x) total RPS Energy for that month for every Resource in the Short-Term Resource Pool with the corresponding PCIA vintage, minus (y) any applicable Third Party Sales, plus (b) the product of (i) Short-Term B Allocation Election, multiplied by (ii) Allocation Share for the applicable PCIA vintage, multiplied by (iii) the difference between (x) total RPS Energy for that month for every Resource in the Long-Term Resource Pool with the corresponding PCIA vintage, minus (y) any applicable Third Party Sales.

2.3 <u>Total Long-Term Allocation Amount</u>. The "Total Long-Term Allocation Amount" is the sum of all Monthly Long-Term Allocation Amounts in the Delivery Period. For every month in the Delivery Period, the "Monthly Long-Term Allocation Amount" for a month will be the sum of all PCIA Long-Term Allocation Amounts in the month, where a "PCIA Long-Term Allocation Amount" will be calculated for every PCIA vintage applicable to Buyer as the product of (i) Long-Term Allocation Election, multiplied by (ii) Allocation Share for the applicable PCIA vintage, multiplied by (iii) the difference between (x) total RPS Energy for that month for every Resource in the Long-Term Resource Pool with the corresponding PCIA vintage, minus (y) any applicable Third Party Sales.

2.4 <u>Allocation Election</u>. The "Short-Term A Allocation Election," "Short-Term B Allocation Election," and "Long-Term Allocation Election" are the percentages specified in the table below and must be denoted in ten (10) percent increments. The sum of the Short-Term B Allocation Election and Long-Term Allocation Election must be equal to or less than one hundred percent (100%).

Product	Allocation Election
Short-Term A	[Buyer to fill in] %
Short-Term B	[Buyer to fill in] %
Long-Term	[Buyer to fill in] %

2.5 <u>Change in Resource Pools</u>. Seller may remove a Resource from the Resource Pools for the following reasons: (i) if Seller's power purchase agreement corresponding to the Resource has expired or is terminated, (ii) if the Resource is no longer in Seller's PCIA-eligible portfolio due to an order or direction from a Governmental Authority or Governmental Entity, or (iii) if the Resource is owned by Seller but ceases operation for Seller. Seller may add Resources to the Resource Pools in the following ways: (a) Seller may add Resources with PCIA vintages corresponding to the PCIA vintages where Buyer has an Allocation Share, or (b) Seller may add Resources from Customer Programs listed in Appendix D. With the exception of expirations of Seller's power purchase agreements listed in Appendix B, Appendix C, and Appendix D, Seller will provide Notice to Buyer identifying the facility or facilities that constitute the Resources being removed or added to the Resource Pools as soon as reasonably practicable. Seller shall retain the sole and absolute discretion to modify, enforce, or terminate its power purchase

agreements for Resources during the Delivery Period. Buyer shall not have any right to or discretion to request changes to the Resources or the Resource Pools during the Delivery Period.

2.6 <u>Third Party Sales</u>. From the Confirmation Effective Date throughout the Delivery Period, Seller shall have the right to sell all or any portion of Product to a third party ("Third Party Sale"). The amount of Third Party Sales will be incorporated in the calculation of the Monthly Short-Term Allocation Amount and Monthly Long-Term Allocation Amount for the applicable month in accordance with Article 2.

ARTICLE 3 DELIVERY

3.1 <u>Delivery.</u> Throughout the Delivery Period, Seller shall deliver, and Buyer shall receive, Product in accordance with the Confirmation. Seller, or a qualified third party designated by Seller, will act as Scheduling Coordinator to deliver Product in each hour to the CAISO at the Delivery Point. Buyer shall take title and risk of loss of Product at the applicable Delivery Point selected by Seller.

3.2 <u>Delivery Point</u>. The "Delivery Point" is and shall mean where Seller, or a qualified third party designated by Seller, shall deliver to, and Buyer shall take possession of, Product, which shall be NP 15, SP 15, and/or ZP 26, as selected by Seller, except for Product from Greengate Resources, which will be conveyed in accordance with Article 4.

3.3 <u>Delivery Period</u>. The "Delivery Period" shall commence on January 1, 2023 and last through and until (a) December 31, 2024 for deliveries of the Short-Term Allocation Amount and/or (b) the Long-Term End Date for deliveries of the Long-Term Allocation Amount; provided that with regards to the Green Attributes portion of Product, the Delivery Period shall last through and until that date upon which the amount of Green Attributes conveyed to Buyer meets the Total Allocation Amount. The Long-Term End Date will be determined by comparing the end dates of all power purchase agreements for Resources in the Long-Term Resource Pool with a PCIA vintage applicable to Buyer, and the latest end date will be the "Long-Term End Date."

ARTICLE 4 CONVEYANCE OF GREEN ATTRIBUTES

4.1 <u>Green Attributes</u>. Seller represents and warrants that Seller holds the rights to such Green Attributes from the Resources in the Resource Pools and Seller agrees to convey such Green Attributes to Buyer as included in the delivery of Product from the Resources in the Resource Pools subject to the terms and conditions of this Agreement.

4.2 <u>Conveyance of Green Attributes</u>. Seller shall convey to Buyer the Green Attributes associated with Product no later than twenty-five (25) Business Days once the following have occurred: (a) Seller has obtained the WREGIS Certificates for the Green Attributes for the applicable Calculation Period or calendar year and (b) Seller has received Buyer's payment of the Monthly Cash Settlement Amount in accordance with Article 5 herein. Since WREGIS Certificates will only be created for whole MWh amounts of RPS 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. During the Delivery Period, Seller shall transfer all right, title, and interest in and to the WREGIS Certificates to Buyer's WREGIS account in an aggregate amount equivalent to the Total Allocation Amount.

4.3 <u>WREGIS Certificate True-Up</u>. A "WREGIS Certificate True-Up" means any deficit or surplus in WREGIS Certificates delivered to Buyer for a calendar month as compared to the sum of the (a) Monthly Short-Term Allocation Amount, plus (b) the Monthly Long-Term Allocation Amount for the same calendar month ("True-Up Month"). Any adjustments to resolve a WREGIS Certificate True-Up will be made as an adjustment on Seller's monthly invoice to Buyer in accordance with Article 5, provided that no adjustments will be made for any WREGIS Certificate True-Up after twenty-four (24) months from the True-Up Month.

ARTICLE 5 COMPENSATION

5.1 <u>Calculation Period.</u> The "Calculation Period" shall be each calendar month or portion thereof that Delivery was conveyed to Buyer.

5.2 <u>Monthly Cash Settlement Amount.</u> Buyer shall pay Seller the Monthly Cash Settlement Amount, in arrears, for each Calculation Period.

The "Monthly Cash Settlement Amount" for a particular Calculation Period shall be equal to (a) plus (b) minus (c), where:

(a) equals the product of the (i) Index Price multiplied by (ii) the sum of (x) Monthly Short-Term Allocation Amount, plus (y) Monthly Long-Term Allocation Amount; and

(b) equals the product of (i) either (x) the forecasted RPS MPB for the applicable year, or (y) if available, the final RPS MPB for the applicable year, multiplied by (ii) the sum of (a) Monthly Short-Term Allocation Amount, plus (b) Monthly Long-Term Allocation Amount; and

(c) equals the product of the (i) Index Price multiplied by (ii) the sum of (x) Monthly Short-Term Allocation Amount, plus (y) Monthly Long-Term Allocation Amount.

5.3 <u>Annual Cash Settlement Amount</u>. By March 31 of each calendar year, Seller will perform a true-up process for every Monthly Cash Settlement Amount from the previous year ("Annual Cash Settlement Amount"), where Seller will recalculate every Monthly Cash Settlement Amount from the prior calendar year that used the forecasted RPS MPB to instead use the final RPS MPB in congruence with Section 5.2.

(a) If, after determination of the Annual Cash Settlement Amount, Buyer owes Seller, Seller will invoice Buyer on the next monthly invoice.

(b) If, after determination of the Annual Cash Settlement Amount, Seller owes Buyer, Seller shall credit Buyer within each future monthly invoice until the Annual Cash Settlement Amount is paid. If Seller owes Buyer and there are no remaining Calculation Periods, Seller shall pay Buyer the remaining Annual Cash Settlement Amount balance on the last monthly invoice.

5.4 <u>Payment.</u> Notwithstanding anything to the contrary in Article Six of the Master Agreement, Buyer shall pay Seller the Monthly Cash Settlement Amount four (4) calendar months following the applicable Calculation Period and on or before the later of: (a) the twentyfifth (25th) day of the month in which Buyer receives from Seller an invoice for the Calculation Period to which the Monthly Cash Settlement Amount pertains, or (b) within fifteen (15) days following receipt of an invoice issued by Seller for such applicable Calculation Period, provided that if such payment due date is not a Business Day, then on the next Business Day. This provision shall survive termination or expiration of the Agreement for all amounts due prior to such termination or expiration.

ARTICLE 6 CREDIT TERMS

The credit and collateral terms set forth in the Master Agreement shall not apply to either Party to this Confirmation.

ARTICLE 7 SELLER'S REPRESENTATIONS, WARRANTIES, AND COVENANTS

7.1 <u>Seller Representations and Warranties</u>. 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.

(a) For the avoidance of doubt, the term "Project" as used in the immediately preceding paragraph means Resources in the Resource Pool, and the phrase "Delivery Term" means the Delivery Period.

7.2 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.

(a) For the avoidance of doubt, the phrase "Delivery Term" as used in the immediately preceding paragraph means the Delivery Period.

7.3 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.

(a) For the avoidance of doubt, the term "contract" as used in the immediately preceding paragraph means this Confirmation, and the phrase "first delivery" means the first date of the Delivery Period.

7.4 In addition to the foregoing, Seller warrants, represents and covenants, as of the Confirmation Effective Date and throughout the Delivery Period, that:

(a) Seller has the contractual rights to sell all right, title, and interest in Product required to be delivered hereunder;

(b) at the time of delivery, all rights, title, and interest in Product required to be delivered hereunder are free and clear of all liens, taxes, claims, security interests, or other encumbrances of any kind whatsoever;

(c) Seller shall not substitute or purchase any Product from any generating resource other than the Resources in the Resource Pools hereunder; and

(d) the facility(s) designated by Seller as the Resources in the Resource Pools and all electrical output from the facility(s) designated as the Resources in the Resource Pools are, or will be, by the first date of the Delivery Period, registered with WREGIS as RPS-eligible.

ARTICLE 8 TERMINATION AND CALCULATION OF TERMINATION PAYMENT

In the event this Transaction becomes a Terminated Transaction pursuant to Section 5.2 of the Master Agreement, then the Settlement Amount with respect to this Transaction shall not be calculated in accordance with the Master Agreement, but instead shall be calculated as follows:

The Non-Defaulting Party shall determine its Gains and Losses by determining the Market Quotation Average Price for the Terminated Transaction. In the event the Non-Defaulting Party is not able, after commercially reasonable efforts, to obtain the Market Quotation Average Price with respect to the Terminated Transaction, then the Non-Defaulting Party shall calculate its Gains and Losses for the Terminated Transaction in a commercially reasonable manner by calculating the arithmetic mean of the quotes of at least three (3) Broker or Index Quotes based on the offers to sell or bids to buy, as applicable, obtained for transactions substantially similar to the Terminated Transaction. Such Broker or Index Quotes must be obtained assuming that the Party obtaining the quote will provide sufficient credit support for the proposed transaction. In the event the Non-Defaulting Party is not able, after commercially reasonable efforts to obtain at least three (3) such Broker or Index Quotes with respect to the Terminated Transaction, then the Non-Defaulting Party shall calculate its Gains and Losses for such Terminated Transaction in a commercially reasonable manner by reference to information supplied to it by one or more third parties including, without limitation, quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets. Third parties supplying such information may include, without limitation, dealers in the relevant markets, end-users of the relevant product, information vendors and other sources of market information; provided, however, that such third parties shall not be Affiliates of either Party. Only in the event the Non-Defaulting Party is not able, after using commercially reasonable efforts, to obtain such third-party information, then the Non-Defaulting Party shall calculate its Gains and Losses for such Terminated Transaction in a commercially reasonable manner using relevant market data it has available to it internally. If the Non-Defaulting Party's aggregate Gains exceed its aggregate Losses and Costs, if any, resulting from the termination of this Transaction, the Settlement Amount for this Transaction will be zero.

ARTICLE 9 GENERAL PROVISIONS

9.1 <u>Buyer Audit Rights</u>. In addition to any audit rights provided under the Master Agreement, Seller shall, upon the Confirmation Effective Date and continuing until the end of the Delivery Period, provide documentation (which may include, for example, WREGIS reports) sufficient to demonstrate that Product has been conveyed and delivered to Buyer.

9.2 <u>Governing Law</u>.

(a) Notwithstanding any provision to the contrary in the Master Agreement, the Governing Law applicable to this Agreement shall be as set forth herein. This Section 9.2 does not change the Governing Law applicable to any other confirmation or transaction entered into between the Parties under the Master Agreement.

(b) <u>Governing Law</u>. 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.

ACKNOWLEDGED AND AGREED TO:

Buyer, or Party A: [NAME, place of formation, and type of entity]	Seller, or Party B: PACIFIC GAS AND ELECTRIC COMPANY, a California corporation
Sign:	Sign:
Print:	Print:

Title:	Title:
Date:	Date:

APPENDIX A

DEFINED TERMS

Any capitalized terms used in this Confirmation but not otherwise defined below shall have the meaning ascribed to such term in the Master Agreement:

"<u>Allocation Share</u>" means Buyer's most recent PCIA-vintaged share of RPS Energy, as determined by Seller, through Seller's load forecasting processes to establish energy procurement revenue requirements for rate-setting purposes, within Energy Resource Recovery Account and/or Resource Adequacy proceedings, or successor proceedings. As of the Confirmation Effective Date, Buyer's Allocation Share is listed in Appendix E.

"<u>Applicable Law</u>" means any statute, law, treaty, rule, tariff, regulation, ordinance, code, permit, enactment, injunction, order, writ, decision, authorization, judgment, decree or other legal or regulatory determination or restriction by a court or Governmental Authority of competent jurisdiction, or any binding interpretation of the foregoing, as any of them is amended or supplemented from time to time, that apply to either or both of the Parties, the Product, or the terms of the Agreement.

"Annual Cash Settlement Amount" has the meaning set forth in Section 5.3.

"Balancing Authority" has the meaning set forth in the Tariff.

"<u>Business Day</u>" means all calendar days other than those days on which the Federal Reserve member banks in New York City are authorized or required by law to be closed, and shall be between the hours of 8:00 a.m. and 5:00 p.m. Pacific Prevailing Time for the relevant Party's principal place of business where the relevant Party, in each instance unless otherwise specified, shall be the Party from whom written communications or payment or delivery is being sent and by whom written communications or payment or delivery is to be received.

"Buyer" means Party A.

"<u>CAISO</u>" means the California Independent System Operator Corporation or the successor organization to the functions thereof.

"<u>Confirmation Effective Date</u>" means the date in which the Confirmation is fully executed by both Parties.

"<u>CPUC</u>" means the California Public Utilities Commission.

"<u>California Renewables Portfolio Standard</u>" or "<u>RPS</u>" means the California renewables portfolio standard, as set forth in Cal. Pub. Util. Code §§ 399.11 et seq. and Cal. Pub. Res. Code §§ 25740-25751, and as administered by the CEC as set forth in the CEC RPS Eligibility Guidebook (9th Ed.), as may be subsequently modified by the CEC, and the California Public Utilities Commission ("CPUC") as set forth in CPUC Decision ("D") 08-08-028, D.08-04-009, D.11-01-025, D.11-12-020, D.11-12-052, D.12-06-038 and D.14-12-023, and as may be modified

by subsequent decision of the CPUC or by subsequent legislation, and regulations promulgated with respect thereto.

"CEC" means the California Energy Commission.

"CPUC" means the California Public Utilities Commission.

"<u>Customer Programs</u>" means Green Tariff Shared Renewables (GTSR) and Disadvantaged Communities (DAC) programs.

"<u>Disadvantaged Communities</u>" or "<u>DAC</u>" means the DAC-Green Tariff program, as set forth in CPUC Decision 18-06-027, as such decision may be amended from time to time or as further defined or supplemented by any law, rule, regulation, or other legal or regulatory determination by a court or Governmental Authority.

"<u>Delivery Period</u>" has the meaning set forth in Section 3.3.

"<u>Delivery Point</u>" has the meaning set forth in Section 3.2.

"Energy" means electrical energy, measured in MWh.

"<u>Energy Resource Recovery Account</u>" means the balancing account where utilities, including Seller, record and track energy procurement costs, as described in CPUC Decision D.02-10-062 and subsequent CPUC decisions addressing Energy Resource Recovery Account issues, as those obligations may be altered from time to time.

"FERC" means the Federal Energy Regulatory Commission.

"Green Attributes" means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Resource, and its avoided emission of pollutants. Green Attributes include but are not limited to Renewable Energy Credits, as well as: (a) any avoided emission 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 Tag Reporting Rights are the right of a Green Tag Purchaser to report the ownership of accumulated Green Tags in compliance with federal or state Law, if applicable, and to a federal or state agency or any other party at the Green Tag Purchaser's discretion, and include without limitation those Green Tag Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local Law, regulation or bill, and international or foreign emissions trading program. Green Tags are accumulated on a MWh basis and one Green Tag represents the Green Attributes associated with one (1) MWh of Electric Energy. Green Attributes do not include (i) any Electric Energy, capacity, reliability or other power attributes from the Resource, (ii) production tax credits associated with the construction or operation of the Resource and other financial incentives in the form of credits, reductions, or

allowances associated with the Resource 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 Resource for compliance with local, state, or federal operating and/or air quality permits. If the Resource is a biomass or biogas facility and Seller receives any tradable Green Attributes based on the greenhouse gas reduction benefits or other emission offsets attributed to its fuel usage, it shall provide Buyer with sufficient Green Attributes to ensure that there are zero net emissions associated with the production of electricity from the Resource.

"<u>Green Tariff Shared Renewables</u>" or "<u>GTSR</u>" means the Green Tariff Shared Renewables Program implemented per Senate Bill (SB) 43 (Stats. 2013, ch. 413 (Wolk)) and CPUC Decision 15-01-051.

"<u>Greengate Resources</u>" means the Halkirk I Wind Project, Blackspring Ridge IA Wind Project, and Blackspring Ridge IB Wind Project (all affiliates of Greengate Power Corporation).

"<u>Governmental Authority</u>" or "<u>Governmental Entity</u>" means any federal, state, local or municipal government, governmental department, commission, board, bureau, agency, or instrumentality, or any judicial, regulatory or administrative body, or the CAISO or any other transmission authority, having or asserting jurisdiction over a Party or the Agreement.

"<u>Index Price</u>" means the Trading Hub price (as defined in the Tariff) measured in \$/MWh, for each MWh of Product, and associated with the Product to the Delivery Point for each applicable hour as published by the CAISO on the CAISO website; or any successor thereto, unless a substitute publication and/or index is mutually agreed to by the Parties.

"Long-Term Allocation Election" is the percentage specified in Section 2.4.

"Long-Term End Date" has the meaning set forth in Section 3.3.

"<u>Long-Term Resource Pool</u>" means Seller's Resources in Appendix C reflecting power purchase agreements with terms that have 10 years or more remaining from the start of the Delivery Period.

"<u>MWh</u>" means megawatt-hour.

"Monthly Cash Settlement Amount" has the meaning set forth in Section 6.2.

"Monthly Long-Term Allocation Amount" has the meaning set forth in Section 2.3.

"Monthly Short-Term Allocation Amount" has the meaning seat forth in Section 2.2.

"<u>PG&E</u>" means the Pacific Gas and Electric Company, its successors and assigns.

"<u>PCIA</u>" or "<u>Power Charge Indifference Adjustment</u>" is a charge to ensure that both PG&E customers and those who have left PG&E service to purchase electricity from other providers pay for the above-market costs for electric generation resources that were procured by PG&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.

"PCIA Long-Term Allocation Amount" has the meaning set forth in Section 2.3.

"PCIA Short-Term Allocation Amount" has the meaning set forth in Section 2.2.

"Product" has the meaning set forth in Section 1.1.

"<u>Renewable Energy Credits</u>" or "<u>REC</u>" has the meaning set forth in California Public Utilities Code Section 399.12(h) and CPUC Decision 08-08-028, as may be amended from time to time or as further defined or supplemented by Law.

"<u>Resource(s)</u>" means generation units owned by Seller or contracted by Seller, which corresponding costs are recovered through the PCIA.

"<u>Resource Adequacy</u>" or "<u>RA</u>" means the procurement obligation of load serving entities, as such obligations are described in CPUC Decisions D.04-10-035 and D.05-10-042 and subsequent CPUC decisions addressing Resource Adequacy issues, as those obligations may be altered from time to time, and all other capacity procurement obligations established by any other entity, including the CAISO.

"<u>Resource Pools</u>" means the Short-Term Resource Pool (Appendix B) and Long-Term Resource Pool (Appendix C).

"<u>RPS Energy</u>" means the Energy generated from Resources from the applicable Resource Pool(s).

"<u>RPS Market Price Benchmark</u>" or "<u>RPS MPB</u>" means the estimated incremental value of each unit of RPS-eligible energy that is attributable to the fact of that eligibility, in \$/MWh, as defined in CPUC D.19-10-001 or subsequent CPUC Decisions defining calculations of the RPS MPB for PCIA purposes.

"<u>Scheduling Coordinator (SC)</u>" means an entity certified by the CAISO to perform the functions as described in the Tariff.

"Seller" means Party B.

"Short-Term A Allocation Election" is the percentage specified Section 2.4.

"Short-Term B Allocation Election" is the percentage specified in Section 2.4.

"<u>Short-Term Resource Pool</u>" means Seller's Resources in Appendix B reflecting power purchase agreements with terms that have less than 10 years remaining from the start of the Delivery Period.

"<u>Tariff</u>" means the FERC-approved California Independent System Operator Tariff, including any current CAISO-published "Operating Procedures" and "Business Practice Manuals," as may be amended, supplemented or replaced from time to time.

"Third Party Sale" has the meaning set forth in Section 2.6.

"Total Allocation Amount" has the meaning set forth in Section 2.1.

"Total Long-Term Allocation Amount" has the meaning set forth in Section 2.3.

"Total Short-Term Allocation Amount" has the meaning set forth in Section 2.2.

"<u>WREGIS</u>" means the Western Renewable Energy Generation Information System or any successor renewable energy tracking program.

"<u>WREGIS Certificate</u>" 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.

APPENDIX B LIST OF RESOURCES IN SHORT-TERM RESOURCE POOL

Resource Name	Technology	CEC RPS ID	PCIA	End Date
			Vintage	
Olsen Power Partners	Small Hydro	60175	Non-Vintaged	12/31/2026
El Nido Biomass Facility	Biomass	60473	2005	2/8/2031
Chowchilla Biomass Facility	Biomass	60471	2005	2/8/2031
Klondike Wind Power III Project	Wind	60602	2007	3/31/2023
CalRenew-1	Solar PV	60475	2015	4/29/2030
Shiloh II Wind Project	Wind	60639	2007	1/31/2029
Rattlesnake Road Wind Power				
Project	Wind	60553	2008	1/4/2024
Hatchet Ridge	Wind	60741	2008	12/13/2025
CM10	Solar PV	60713	2008	12/31/2028
CM48	Solar PV	60786	2009	1/31/2031
Mt. Poso	Biomass	60695	2009	2/20/2027
Vantage Wind Energy Center	Wind	60712	2009	10/3/2025
Big Creek Waterworks	Small Hydro	60900	2009	6/22/2030
Norman Ross Burgess - Three Forks				
Water Power Project	Small Hydro	60502	2010	10/31/2031
Avenal Park	Solar PV	60912	2009	8/4/2031
Sun City Project	Solar PV	60913	2009	8/4/2031
Sand Drag	Solar PV	60914	2009	8/4/2031
Halkirk I Wind Project	Wind	60989	2010	12/18/2032
Coram Brodie	Wind	60973	2010	6/5/2032
Shiloh III Wind Project	Wind	61069	2010	3/8/2032
Wind Resource II	Wind	61468	2012	9/30/2023
ABEC Bidart-Old River	Digester Gas	62369	2012	3/9/2029
ABEC Bidart-Stockdale	Digester Gas	60886	2012	9/11/2023
Diablo Winds	Wind	60030	2013	6/30/2031

Resource Name	Technology	CEC RPS ID	PCIA Vintage	End Date
Montezuma Wind Energy				
Center	Wind	60543	2010	1/27/2036
High Plains Ranch II	Solar PV	60603	2008	10/30/2038
Topaz Solar Farm	Solar PV	61698	2008	10/26/2039
Ivanpah Unit 1	Solar Thermal	62273	2009	1/20/2039
Ivanpah Unit 3	Solar Thermal	62275	2009	1/26/2039
AV Solar Ranch One	Solar PV	60790	2009	11/20/2039
Alpine Solar Project	Solar PV	60755	2010	1/17/2033
Agua Caliente Solar Project	Solar PV	60894	2009	6/22/2039
High Plains Ranch III	Solar PV	60603	2010	9/30/2038
Mojave Solar Project	Solar Thermal	60848	2009	12/3/2039
Genesis Solar Energy Project	Solar Thermal	60605	2009	3/6/2039
DTE Stockton	Biomass	60964	2009	2/20/2039
Alpaugh 50	Solar PV	60945	2010	3/7/2038
Alpaugh North	Solar PV	60946	2010	3/7/2038
Atwell Island	Solar PV	60947	2010	3/11/2038
Corcoran	Solar PV	60948	2010	8/14/2038
White River	Solar PV	60949	2010	6/26/2038
Sunshine Landfill	Landfill Gas	60815	2010	8/31/2034
Potrero Hills Landfill	Landfill Gas	63116	2010	4/12/2041
Blackspring Ridge IA	Wind	60987	2010	5/11/2034
Blackspring Ridge IB	Wind	60988	2010	5/11/2034
Desert Center Solar Farm	Solar PV	61068	2010	12/16/2039
Mesquite Solar 1	Solar PV	60875	2010	3/7/2033
North Star Solar	Solar PV	61198	2010	6/18/2035
Vasco Wind Energy Center	Wind	61344	2010	3/12/2037
Montezuma II Wind Energy Center	Wind	61345	2010	3/13/2037
Kansas South	Solar PV	61264	2011	6/24/2033
Westlands Solar Farms	Solar PV	61755	2011	4/30/2034
Orion Solar	Solar PV	61570	2011	6/25/2034
North Sky River Energy Center	Wind	61385	2011	12/20/2037
Copper Mountain Solar 2	Solar PV	60990	2011	5/12/2040
Shiloh IV Wind Project	Wind	61617	2011	1/27/2038
Mammoth G3	Geothermal	60315	2012	3/31/2033
West Antelope	Solar PV	61850	2012	2/8/2035

APPENDIX C LIST OF RESOURCES IN LONG-TERM RESOURCE POOL

Western Antelope Blue Sky Ranch A	Solar PV	61517	2012	2/16/2035
Nevada Irrigation District	Solur I V		2012	2,10,2000
(NID) - Dutch Flat / Rollins / Bowman	Small Hydro	60264 / 60265 / 60171	2012	6/30/2033
SPI Biomass Portfolio –	Sillali Hydro	61146 / 60087 /	2012	0/30/2033
Anderson 2 / Burney / Lincoln		60088 / 60576 /		
/ Sonora / Quincy	Biomass	60089	2012	9/8/2035
Kansas	Solar PV	61263	2012	12/31/2037
Lost Hills Solar	Solar PV	61893	2012	12/31/2043
Cuyama Solar Array	Solar PV	61891	2012	12/31/2043
Blackwell Solar	Solar PV	61892	2012	12/31/2043
Henrietta Solar	Solar PV	61841	2012	9/30/2036
Kent South	Solar PV	61262	2012	2/18/2035
Algonquin SKIC 20 Solar	Solar PV	61558	2012	5/14/2035
White River Solar 2	Solar PV	62045	2012	10/1/2034
Mammoth G1	Geothermal	60306	2012	12/25/2033
Alamo Solar, LLC	Solar PV	61453	2012	6/29/2035
CID Solar PV Project	Solar PV	62285	2012	3/19/2035
Old River One	Solar PV	60853	2013	2/8/2035
Shafter Solar	Solar PV	62325	2013	7/15/2035
Rising Tree Wind Farm II	Wind	62426	2013	8/6/2035
Kekawaka Creek				
Hydroelectric Facility	Small Hydro	60186	2013	5/31/2035
RE Astoria	Solar PV	62284	2013	1/2/2034
Midway Solar Farm I	Solar PV	61295	2013	5/31/2040
California Flats Solar Project	Solar PV	62552	2013	4/9/2034
Portal Ridge Solar C Project	Solar PV	61684	2014	4/20/2037
Sunray 2	Solar PV	62694	2014	8/24/2037
Bayshore Solar A	Solar PV	63133	2015	1/22/2038
Bayshore Solar B	Solar PV	63134	2015	1/22/2038
Bayshore Solar C	Solar PV	63135	2015	1/22/2038
Java Solar	Solar PV	63137	2016	12/31/2039
RE Gaskell West 3	Solar PV	63619	2017	1/14/2038
RE Gaskell West 4	Solar PV	63617	2017	1/14/2038
RE Gaskell West 5	Solar PV	63618	2017	1/14/2038
PGE Alta	Small Hydro	60033	Pre-2002	N/A
PGE Coleman	Small Hydro	60037	Pre-2002	N/A
PGE Cow Creek	Small Hydro	60038	Pre-2002	N/A
PGE Crane Valley	Small Hydro	60039	Pre-2002	N/A
PGE Deer Creek	Small Hydro	60040	Pre-2002	N/A
PGE De Sabla	Small Hydro	60041	Pre-2002	N/A
PGE Dutch Flat 1	Small Hydro	60042	Pre-2002	N/A

PGE Halsey	Small Hydro	60043	Pre-2002	N/A
PGE Hat 1	Small Hydro	60045	Pre-2002	N/A
PGE Hat 2	Small Hydro	60046	Pre-2002	N/A
PGE Newcastle	Small Hydro	60053	Pre-2002	N/A
PGE Oak Flat	Small Hydro	60276	Pre-2002	N/A
PGE Phoenix	Small Hydro	60054	Pre-2002	N/A
PGE Potter Valley	Small Hydro	60055	Pre-2002	N/A
PGE Five Points	Solar PV	61432	2010	N/A
PGE Stroud	Solar PV	61434	2010	N/A
PGE Westside	Solar PV	61433	2010	N/A
PGE Cantua	Solar PV	61823	2011	N/A
PGE Giffen	Solar PV	61822	2011	N/A
PGE Huron	Solar PV	61821	2011	N/A
PGE Gates	Solar PV	62353	2012	N/A
PGE Guernsey	Solar PV	62354	2012	N/A
PGE West Gates	Solar PV	62352	2012	N/A
PGE Rock Creek RPS	Small Hydro	62269	Pre-2002	N/A
PGE San Joaquin 1A	Small Hydro	60056	Pre-2002	N/A
PGE San Joaquin 2	Small Hydro	60057	Pre-2002	N/A
PGE South	Small Hydro	60059	Pre-2002	N/A
PGE Spaulding 1	Small Hydro	60060	Pre-2002	N/A
PGE Spaulding 2	Small Hydro	60061	Pre-2002	N/A
PGE Spaulding 3	Small Hydro	60062	Pre-2002	N/A
PGE Spring Gap	Small Hydro	60063	Pre-2002	N/A
PGE Toadtown	Small Hydro	60064	Pre-2002	N/A
Vaca-Dixon Solar (PG&E)	Solar PV	60966	2010	N/A
PGE Volta 1	Small Hydro	60066	Pre-2002	N/A
PGE Volta 2	Small Hydro	60067	Pre-2002	N/A
PGE West Point	Small Hydro	60068	Pre-2002	N/A
PGE Wise 1	Small Hydro	60069	Pre-2002	N/A
PGE Wise 2	Small Hydro	60070	Pre-2002	N/A
PGE A.G.Wishon	Small Hydro	60032	Pre-2002	N/A

Resource Name	Resource	Technology	CEC RPS	PCIA	End Date
	Pool		ID	Vintage	
Shafter Solar	GTSR	Solar PV	62325	2013	7/15/2035
Columbia Solar Energy	GTSR	Solar PV	62051	2012	12/13/2035
Morelos del Sol	GTSR	Solar PV	62272	2013	2/29/2036
	GTSR,				
Woodmere Solar Farm	DAC	Solar PV	62429	2013	2/24/2036
CED Corcoran Solar 3	GTSR	Solar PV	62783	2015	11/30/2036
CED Oro Loma Solar	GTSR				
Project A		Solar PV	62841	2014	2/23/2037
Avenal Solar Project A	GTSR	Solar PV	62840	2014	3/9/2037
CED Oro Loma Solar	GTSR				
Project B		Solar PV	62841	2014	3/9/2037
Avenal Solar Project B	GTSR	Solar PV	62840	2014	3/9/2037
Westside Solar	GTSR	Solar PV	61185	2015	5/1/2037
Aspiration Solar G	GTSR	Solar PV	61486	2015	10/26/2037
	GTSR,				
Summer Wheat	DAC	Solar PV	61837	2015	12/9/2038
White River Solar 2	GTSR	Solar PV	62045	2012	10/1/2034

APPENDIX D LIST OF PCIA-ELIGIBLE RESOURCES IN TEMPORARY RESOURCE POOLS

APPENDIX E BUYER'S ALLOCATION SHARE

PCIA Vintage	Buyer's Allocation Share (%)
2009	
2010	
2011	
2012	
2013	
2014	
2015	
2016	
2017	
2018	
2019	
2020	
2021	
2022	
2023	
2024	

Advice 6517-E-A April 11, 2022

Attachment 2

VA Contract - REDLINE

-MASTER POWER PURCHASE AND SALE AGREEMENT RENEWABLES PORTFOLIO STANDARD ENERGY ALLOCATION CONFIRMATION LETTER BETWEEN [NAME] ("PARTY A") AND PACIFIC GAS AND ELECTRIC COMPANY ("PARTY B")

This confirmation letter ("Confirmation") confirms the Transaction between [Name, place of formation, and type of entity] ("Party A" or "Buyer"), and Pacific Gas and Electric Company, a California corporation, ("Party B" or "Seller"), each individually a "Party" and together the "Parties", which becomes effective on the date fully executed by both Parties (the "Confirmation Effective Date"), in which Seller agrees to provide to Buyer the ProductsProduct, as such term is defined in this Confirmation. This Transaction is governed by the Master Power Purchase and Sale Agreement between the Parties, effective as of [Date of EEI Master between Parties], together with the Cover Sheet, [the Collateral Annex and Paragraph 10 to the Collateral Annex,] and any other annexes thereto (collectively, as amended, restated, supplemented, or otherwise modified from time to time, the "Master Agreement"). The Master Agreement and this Confirmation are collectively referred to herein as the "Agreement". Capitalized terms used but not otherwise defined in this Confirmation, have the meanings specified for such terms in the Master Agreement, the RPS (defined herein) or the Tariff (defined herein), as applicable. If there is a conflict between the terms in this Confirmation and those in the Master Agreement, this Confirmation shall control. Section references herein are to this Confirmation unless otherwise noted.

[Standard contract terms and conditions shown in shaded text are those that "may not be modified" per CPUC Decisions ("D.") 07-11-025; D.10-03-021, as modified by D.11-01-025; and D.13-11-024.]

ARTICLE 1 PRODUCT

1.1—<u>Product.</u> "Products" means collectively, Short-Term Product and Long-Term Product. During the Delivery Period, Seller shall provide Buyer the Products equal to the Total Allocation Amount.

1.2<u>1.1 Short-Term Product</u>. "Short-Term "Product" means (a) all RPS Energy and Green Attributes generated and associated with the non-Greengate Resources in the Short-Term Resource PoolPools, and (b) all Green Attributes associated with the Greengate Resources in the Short-Term Resource Pool. Pools. During the Delivery Period, Seller shall provide Buyer Product equal to the Total Allocation Amount.

1.3 <u>Long-Term Product</u>. "Long-Term Product" means (a) all RPS Energy and Green Attributes generated and associated with the non-Greengate Resources in the Long-Term Resource Pool, and (b) all Green Attributes associated with the Greengate Resources in the Long-Term Resource Pool.

1

<u>1.41.2 Buyer's Exclusive Right</u>. Buyer has exclusive right to <u>ProductsProduct</u> for the Total Allocation Amount, including the right to account for or report <u>ProductsProduct</u> equal to the Total Allocation Amount to a Governmental Entity.

ARTICLE 2 TOTAL ALLOCATION AMOUNT

2.1 <u>Total Allocation Amount</u>. "Total Allocation Amount" means the sum of the Total Short-Term Allocation Amount and the Total Long-Term Allocation Amount.

2.2 <u>Total Short-Term Allocation Amount</u>. The "Total Short-Term Allocation Amount" is the sum of all Monthly Short-Term Allocation Amounts in the Delivery Period. For every month in the Delivery Period, the "Monthly Short-Term Allocation Amount" will be the sum of all PCIA Short-Term Allocation Amounts in the month, where a "PCIA Short-Term Allocation Amount" will be calculated for every PCIA vintage applicable to Buyer as the <u>sum of (a) the</u> product of (i) Short-Term <u>A</u> Allocation Election, multiplied by (ii) Allocation Share for the applicable PCIA vintage, multiplied by (iii) the difference between (x) total RPS Energy for that month for every Resource in the Short-Term Resource Pool with the corresponding PCIA vintage, minus (y) any applicable Third Party Sales-, plus (b) the product of (i) Short-Term B Allocation <u>Election, multiplied by (ii) Allocation Share for the applicable PCIA vintage, multiplied by (iii)</u> the difference between (x) total RPS Energy for that month for every Resource in the Long-Term <u>Resource Pool with the corresponding PCIA vintage, minus (y) any applicable Third Party Sales.</u>

2.3 <u>Total Long-Term Allocation Amount</u>. The "Total Long-Term Allocation Amount" is the sum of all Monthly Long-Term Allocation Amounts in the Delivery Period. For every month in the Delivery Period, the "Monthly Long-Term Allocation Amount" for a month will be the sum of all PCIA Long-Term Allocation Amounts in the month, where a "PCIA Long-Term Allocation Amount" will be calculated for every PCIA vintage applicable to Buyer as the product of (i) Long-Term Allocation Election, multiplied by (ii) Allocation Share for the applicable PCIA vintage, multiplied by (iii) the difference between (x) total RPS Energy for that month for every Resource in the Long-Term Resource Pool with the corresponding PCIA vintage, minus (y) any applicable Third Party Sales.

2.4 <u>Allocation Election</u>. The "Short-Term <u>A</u> Allocation Election", "Short-Term <u>B</u> <u>Allocation Election</u>," and "Long-Term Allocation Election" are <u>the percentages</u> specified in the table below and must be denoted in ten (10) percent increments: <u>The sum of the Short-Term B</u> <u>Allocation Election and Long-Term Allocation Election must be equal to or less than one hundred</u> <u>percent (100%)</u>.

Product	Allocation Election		
Short-Term <u>A</u>	[Buyer to fill in] %		
Short-Term B	[Buyer to fill in] %		
Long-Term	[Buyer to fill in] %		

2.5 <u>Change in Resource Pools</u>. Seller may remove a Resource from the Resource Pools for the following reasons: (i) if Seller's power purchase agreement corresponding to the Resource has expired or is terminated, (ii) if the Resource is no longer in Seller's PCIA-eligible portfolio

for any other reasondue to an order or direction from a Governmental Authority or Governmental Entity, or (iii) if the Resource is owned by Seller but ceases operation for Seller. Seller may add Resources to the Resource Pools in the following ways: (a) Seller may add Resources with PCIA vintages corresponding to the PCIA vintages where Buyer has an Allocation Share, or (b) Seller may add Resources from Customer Programs listed in Appendix D. With the exception of expirations of Seller's power purchase agreements listed in Appendix B, Appendix C, and Appendix D, Seller will provide Notice to Buyer identifying the facility or facilities that constitute the Resources being removed or added to the Resource Pools at least three (3) Business Days prior to the delivery of RPS Energy from such facility or facilities soon as reasonably practicable. Seller shall retain the sole and absolute discretion to modify, enforce, or terminate its power purchase agreements for Resources during the Delivery Period. Buyer shall not have any right to or discretion to request changes to the Resources or the Resource Pools during the Delivery Period.

2.6 <u>Third Party Sales</u>. From the Confirmation Effective Date throughout the Delivery Period, Seller shall have the right to sell all or any portion of <u>ProductsProduct</u> to a third party ("Third Party Sale"). The amount of Third Party Sales will be incorporated in the calculation of the Monthly Short-Term Allocation Amount and Monthly Long-Term Allocation Amount for the applicable month in accordance with Article 2.

ARTICLE 3 DELIVERY

3.1 <u>Delivery</u>. Throughout the Delivery Period, Seller shall deliver, and Buyer shall receive, the <u>ProductsProduct</u> in accordance with the Confirmation. Seller, or a qualified third party designated by Seller, will act as Scheduling Coordinator to deliver the <u>ProductsProduct</u> in each hour to the CAISO at the Delivery Point. Buyer shall take title and risk of loss of the <u>ProductsProduct</u> at the applicable Delivery Point selected by Seller.

3.2 <u>Delivery Point</u>. The "Delivery Point" is and shall mean where Seller, or a qualified third party designated by Seller, shall deliver to, and Buyer shall take possession of, the <u>ProductsProduct</u>, which shall be NP 15, SP 15, and/or ZP 26, as selected by Seller, except for the <u>ProductsProduct</u> from Greengate Resources, which will be conveyed in accordance with Article 4.

3.3 <u>Delivery Period</u>. The "Delivery Period" shall commence on January 1, 2023 for the Products and last through and until (a) December 31, 2024 for <u>deliveries of</u> the Short-Term <u>ProductAllocation Amount</u> and/or (b) the Long-Term <u>Product</u> End Date for <u>deliveries of</u> the Long-Term <u>ProductAllocation Amount</u>; provided that with regards to the Green Attributes portion of the <u>ProductsProduct</u>, the Delivery Period shall last through and until that date upon which the amount of Green Attributes conveyed to Buyer meets the Total Allocation Amount. The Long-Term<u>Product</u> End Date will be determined by comparing the end dates of all power purchase agreements for Resources in the Long-Term Resource Pool with a PCIA vintage applicable to Buyer, and the latest end date will be the "Long-Term <u>Product</u> End Date."

ARTICLE 4 CONVEYANCE OF GREEN ATTRIBUTES

4.1 <u>Green Attributes</u>. Seller represents and warrants that Seller holds the rights to such Green Attributes from the Resources in the Resource Pools and Seller agrees to convey such Green Attributes to Buyer as included in the delivery of <u>the ProductsProduct</u> from the Resources in the Resource Pools subject to the terms and conditions of this Agreement.

4.2 <u>Conveyance of Green Attributes</u>. Seller shall convey to Buyer the Green Attributes associated with <u>the ProductsProduct</u> no later than twenty-five (25) Business Days once the following have occurred: (a) Seller has obtained the WREGIS Certificates for the Green Attributes for the applicable Calculation Period or calendar year and (b) Seller has received Buyer's payment of the Monthly Cash Settlement Amount in accordance with Article 5 herein. Since WREGIS Certificates will only be created for whole MWh amounts of RPS Energy generated, any fractional MWh amounts (i.e., kWh) will be carried forward until sufficient generation is accumulated for the creation of a WREGIS Certificates to Buyer's WREGIS account in an aggregate amount equivalent to the Total Allocation Amount.

4.3 <u>WREGIS Certificate True-Up</u>. A "WREGIS Certificate True-Up" means any deficit or surplus in WREGIS Certificates delivered to Buyer for a calendar month as compared to the sum of the (a) Monthly Short-Term Allocation Amount, plus_(b) the Monthly Long-Term Allocation Amount for the same calendar month ("True-Up Month"). Any adjustments to resolve a WREGIS Certificate True-Up will be made as an adjustment on Seller's monthly invoice to Buyer in accordance with Article 5, provided that no adjustments will be made for any WREGIS Certificate True-Up after twenty-four (24) months from the True-Up Month.

ARTICLE 5 COMPENSATION

5.1 <u>Calculation Period.</u> The "Calculation Period" shall be each calendar month or portion thereof that Delivery was conveyed to Buyer.

5.2 <u>Monthly Cash Settlement Amount.</u> Buyer shall pay Seller the Monthly Cash Settlement Amount, in arrears, for each Calculation Period.

The "Monthly Cash Settlement Amount" for a particular Calculation Period shall be equal to (a) plus (b) minus (c), where:

(a) equals the product of the (i) Index Price multiplied by (ii) the sum of (x) Monthly Short-Term Allocation Amount, plus (y) Monthly Long-Term Allocation Amount; and

(b) equals the product of (i) either (x) the forecasted RPS MPB for the applicable year, or (y) if available, the final RPS MPB for the applicable year, multiplied by (ii) the sum of (a) Monthly Short-Term Allocation Amount, plus (b) Monthly Long-Term Allocation Amount; and

(c) equals the product of the (i) Index Price multiplied by (ii) the sum of (x) Monthly Short-Term Allocation Amount, plus (y) Monthly Long-Term Allocation Amount.

5.3 <u>Annual Cash Settlement Amount</u>. By March 31 of each calendar year, Seller will perform a true-up process for every Monthly Cash Settlement Amount from the previous year ("Annual Cash Settlement Amount"), where Seller will recalculate every Monthly Cash Settlement Amount from the prior calendar year that used the forecasted RPS MPB to instead use the final RPS MPB in congruence with Section 5.2.

(a) If, after determination of the Annual Cash Settlement Amount, Buyer owes Seller, Seller will invoice Buyer on the next monthly invoice.

(b) If, after determination of the Annual Cash Settlement Amount, Seller owes Buyer, Seller shall credit Buyer within each future monthly invoice until the Annual Cash Settlement Amount is paid. If Seller owes Buyer and there are no remaining Calculation Periods, Seller shall pay Buyer the remaining Annual Cash Settlement Amount balance on the last monthly invoice.

5.4 <u>Payment.</u> Notwithstanding anything to the contrary in Article Six of the Master Agreement, Buyer shall pay Seller the Monthly Cash Settlement Amount four (4) calendar months following the applicable Calculation Period and on or before the later of: (a) the twentyfifth (25th) day of the month in which Buyer receives from Seller an invoice for the Calculation Period to which the Monthly Cash Settlement Amount pertains, or (b) within fifteen (15) days following receipt of an invoice issued by Seller for such applicable Calculation Period, provided that if such payment due date is not a Business Day, then on the next Business Day. This provision shall survive termination or expiration of the Agreement for all amounts due prior to such termination or expiration.

ARTICLE 6 CREDIT TERMS

The credit and collateral terms set forth in the Master Agreement shall not apply to either Party to this Confirmation.

ARTICLE 7 SELLER'S REPRESENTATIONS, WARRANTIES, AND COVENANTS

7.1 <u>Seller Representations and Warranties</u>. 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.

(a) For the avoidance of doubt, the term "Project" as used in the immediately preceding paragraph means Resources in the Resource Pool, and the phrase "Delivery Term" means the Delivery Period.

7.2 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.

(a) For the avoidance of doubt, the phrase "Delivery Term" as used in the immediately preceding paragraph means the Delivery Period.

7.3 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.

(a) For the avoidance of doubt, the term "contract" as used in the immediately preceding paragraph means this Confirmation, and the phrase "first delivery" means the first date of the Delivery Period.

7.4 In addition to the foregoing, Seller warrants, represents and covenants, as of the Confirmation Effective Date and throughout the Delivery Period, that:

(a) Seller has the contractual rights to sell all right, title, and interest in the ProductsProduct required to be delivered hereunder;

(b) at the time of delivery, all rights, title, and interest in the <u>ProductsProduct</u> required to be delivered hereunder are free and clear of all liens, taxes, claims, security interests, or other encumbrances of any kind whatsoever;

(c) Seller shall not substitute or purchase any <u>ProductsProduct</u> from any generating resource other than the Resources in the Resource Pools hereunder; and

(d) the facility(s) designated by Seller as the Resources in the Resource Pools and all electrical output from the facility(s) designated as the Resources in the Resource Pools are, or will be, by the first date of the Delivery Period, registered with WREGIS as RPS-eligible.

ARTICLE 8 TERMINATION AND CALCULATION OF TERMINATION PAYMENT

In the event this Transaction becomes a Terminated Transaction pursuant to Section 5.2 of the Master Agreement, then the Settlement Amount with respect to this Transaction shall not be calculated in accordance with the Master Agreement, but instead shall be calculated as follows:

The Non-Defaulting Party shall determine its Gains and Losses by determining the Market Quotation Average Price for the Terminated Transaction. In the event the Non-Defaulting Party

is not able, after commercially reasonable efforts, to obtain the Market Quotation Average Price with respect to the Terminated Transaction, then the Non-Defaulting Party shall calculate its Gains and Losses for the Terminated Transaction in a commercially reasonable manner by calculating the arithmetic mean of the quotes of at least three (3) Broker or Index Quotes based on the offers to sell or bids to buy, as applicable, obtained for transactions substantially similar to the Terminated Transaction. Such Broker or Index Quotes must be obtained assuming that the Party obtaining the quote will provide sufficient credit support for the proposed transaction. In the event the Non-Defaulting Party is not able, after commercially reasonable efforts to obtain at least three (3) such Broker or Index Quotes with respect to the Terminated Transaction, then the Non-Defaulting Party shall calculate its Gains and Losses for such Terminated Transaction in a commercially reasonable manner by reference to information supplied to it by one or more third parties including, without limitation, quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets. Third parties supplying such information may include, without limitation, dealers in the relevant markets, end-users of the relevant product, information vendors and other sources of market information; provided, however, that such third parties shall not be Affiliates of either Party. Only in the event the Non-Defaulting Party is not able, after using commercially reasonable efforts, to obtain such third-party information, then the Non-Defaulting Party shall calculate its Gains and Losses for such Terminated Transaction in a commercially reasonable manner using relevant market data it has available to it internally. If the Non-Defaulting Party's aggregate Gains exceed its aggregate Losses and Costs, if any, resulting from the termination of this Transaction, the Settlement Amount for this Transaction will be zero.

ARTICLE 9 GENERAL PROVISIONS

9.1 <u>Buyer Audit Rights</u>. In addition to any audit rights provided under the Master Agreement, Seller shall, upon the Confirmation Effective Date and continuing until the end of the Delivery Period, provide documentation (which may include, for example, WREGIS reports) sufficient to demonstrate that <u>the Products haveProduct has</u> been conveyed and delivered to Buyer.

9.2 <u>Governing Law</u>.

(a) Notwithstanding any provision to the contrary in the Master Agreement, the Governing Law applicable to this Agreement shall be as set forth herein. This Section 9.2 does not change the Governing Law applicable to any other confirmation or transaction entered into between the Parties under the Master Agreement.

(b) <u>Governing Law</u>. 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.

ACKNOWLEDGED AND AGREED TO:

Buyer, or Party A: [NAME, place of formation, and type of entity]

Seller, or Party B: PACIFIC GAS AND ELECTRIC COMPANY, a California corporation

Sign:	Sign:
Print:	Print:
Title:	Title:
Date:	Date:

APPENDIX A

DEFINED TERMS

Any capitalized terms used in this Confirmation but not otherwise defined below shall have the meaning ascribed to such term in the Master Agreement:

"<u>Allocation Share</u>" means Buyer's most recent PCIA-vintaged share of RPS Energy, as determined by Seller, through Seller's load forecasting processes to establish energy procurement revenue requirements for rate-setting purposes, within Energy Resource Recovery Account and/or Resource Adequacy proceedings, or successor proceedings. As of the Confirmation Effective Date, Buyer's Allocation Share is listed in Appendix E.

"<u>Applicable Law</u>" means any statute, law, treaty, rule, tariff, regulation, ordinance, code, permit, enactment, injunction, order, writ, decision, authorization, judgment, decree or other legal or regulatory determination or restriction by a court or Governmental Authority of competent jurisdiction, or any binding interpretation of the foregoing, as any of them is amended or supplemented from time to time, that apply to either or both of the Parties, the Product, or the terms of the Agreement.

"Annual Cash Settlement Amount" has the meaning set forth in Section 5.3.

"Balancing Authority" has the meaning set forth in the Tariff.

"<u>Business Day</u>" means all calendar days other than those days on which the Federal Reserve member banks in New York City are authorized or required by law to be closed, and shall be between the hours of 8:00 a.m. and 5:00 p.m. Pacific Prevailing Time for the relevant Party's principal place of business where the relevant Party, in each instance unless otherwise specified, shall be the Party from whom written communications or payment or delivery is being sent and by whom written communications or payment or delivery is to be received.

"Buyer" means Party A.

"<u>CAISO</u>" means the California Independent System Operator Corporation or the successor organization to the functions thereof.

"<u>Confirmation Effective Date</u>" means the date in which the Confirmation is fully executed by both Parties.

"<u>CPUC</u>" means the California Public Utilities Commission.

"<u>California Renewables Portfolio Standard</u>" or "<u>RPS</u>" means the California renewables portfolio standard, as set forth in Cal. Pub. Util. Code §§ 399.11 et seq. and Cal. Pub. Res. Code §§ 25740-25751, and as administered by the CEC as set forth in the CEC RPS Eligibility Guidebook (9th Ed.), as may be subsequently modified by the CEC, and the California Public Utilities Commission ("CPUC") as set forth in CPUC Decision ("D") 08-08-028, D.08-04-009, D.11-01-025, D.11-12-020, D.11-12-052, D.12-06-038 and D.14-12-023, and as may be modified

by subsequent decision of the CPUC or by subsequent legislation, and regulations promulgated with respect thereto.

"CEC" means the California Energy Commission.

"CPUC" means the California Public Utilities Commission.

"<u>Customer Programs</u>" means Green Tariff Shared Renewables (GTSR) and Disadvantaged Communities (DAC) programs.

"<u>Disadvantaged Communities</u>" or "<u>DAC</u>" means the DAC-Green Tariff program, as set forth in CPUC Decision 18-06-027, as such decision may be amended from time to time or as further defined or supplemented by any law, rule, regulation, or other legal or regulatory determination by a court or Governmental Authority.

"<u>Delivery Period</u>" has the meaning set forth in Section 3.3.

"<u>Delivery Point</u>" has the meaning set forth in Section 3.2.

"Energy" means electrical energy, measured in MWh.

"<u>Energy Resource Recovery Account</u>" means the balancing account where utilities, including Seller, record and track energy procurement costs, as described in CPUC Decision D.02-10-062 and subsequent CPUC decisions addressing Energy Resource Recovery Account issues, as those obligations may be altered from time to time.

"FERC" means the Federal Energy Regulatory Commission.

"Green Attributes" means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Resource, and its avoided emission of pollutants. Green Attributes include but are not limited to Renewable Energy Credits, as well as: (a) any avoided emission 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 Tag Reporting Rights are the right of a Green Tag Purchaser to report the ownership of accumulated Green Tags in compliance with federal or state Law, if applicable, and to a federal or state agency or any other party at the Green Tag Purchaser's discretion, and include without limitation those Green Tag Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local Law, regulation or bill, and international or foreign emissions trading program. Green Tags are accumulated on a MWh basis and one Green Tag represents the Green Attributes associated with one (1) MWh of Electric Energy. Green Attributes do not include (i) any Electric Energy, capacity, reliability or other power attributes from the Resource, (ii) production tax credits associated with the construction or operation of the Resource and other financial incentives in the form of credits, reductions, or

allowances associated with the Resource 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 Resource for compliance with local, state, or federal operating and/or air quality permits. If the Resource is a biomass or biogas facility and Seller receives any tradable Green Attributes based on the greenhouse gas reduction benefits or other emission offsets attributed to its fuel usage, it shall provide Buyer with sufficient Green Attributes to ensure that there are zero net emissions associated with the production of electricity from the Resource.

"<u>Green Tariff Shared Renewables</u>" or "<u>GTSR</u>" means the Green Tariff Shared Renewables Program implemented per Senate Bill (SB) 43 (Stats. 2013, ch. 413 (Wolk)) and CPUC Decision 15-01-051.

"<u>Greengate Resources</u>" means the Halkirk I Wind Project, Blackspring Ridge IA Wind Project, and Blackspring Ridge IB Wind Project (all affiliates of Greengate Power Corporation).

"<u>Governmental Authority</u>" or "<u>Governmental Entity</u>" means any federal, state, local or municipal government, governmental department, commission, board, bureau, agency, or instrumentality, or any judicial, regulatory or administrative body, or the CAISO or any other transmission authority, having or asserting jurisdiction over a Party or the Agreement.

"Index Price" means the Trading Hub price (as defined in the Tariff) measured in \$/MWh, for each MWh of Product, and associated with the Product to the Delivery Point for each applicable hour as published by the CAISO on the CAISO website; or any successor thereto, unless a substitute publication and/or index is mutually agreed to by the Parties.

"<u>Long-Term Product</u>" has<u>Allocation Election</u>" is the meaning set forthpercentage specified in Section <u>1.3. 2.4.</u>

"Long-Term-Product End Date" has the meaning set forth in Section 3.3.

"<u>Long-Term Resource Pool</u>" means Seller's Resources in Appendix C reflecting power purchase agreements with terms that have 10 years or more remaining from the start of the Delivery Period.

"<u>MWh</u>" means megawatt-hour.

"Monthly Cash Settlement Amount" has the meaning set forth in Section 6.2.

"Monthly Long-Term Allocation Amount" has the meaning set forth in Section 2.3.

"Monthly Short-Term Allocation Amount" has the meaning seat forth in Section 2.2.

"<u>PG&E</u>" means the Pacific Gas and Electric Company, its successors and assigns.

"<u>PCIA</u>" or "<u>Power Charge Indifference Adjustment</u>" is a charge to ensure that both PG&E customers and those who have left PG&E service to purchase electricity from other providers pay

for the above-market costs for electric generation resources that were procured by PG&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.

"PCIA Long-Term Allocation Amount" has the meaning set forth in Section 2.3.

"<u>PCIA Short-Term Allocation Amount</u>" has the meaning set forth in Section 2.2.

"<u>ProductsProduct</u>" has the meaning set forth in Section 1.1.

"<u>Renewable Energy Credits</u>" or "<u>REC</u>" has the meaning set forth in California Public Utilities Code Section 399.12(h) and CPUC Decision 08-08-028, as may be amended from time to time or as further defined or supplemented by Law.

"<u>Resource(s)</u>" means generation units owned by Seller or contracted by Seller, which corresponding costs are recovered through the PCIA.

"<u>Resource Adequacy</u>" or "<u>RA</u>" means the procurement obligation of load serving entities, as such obligations are described in CPUC Decisions D.04-10-035 and D.05-10-042 and subsequent CPUC decisions addressing Resource Adequacy issues, as those obligations may be altered from time to time, and all other capacity procurement obligations established by any other entity, including the CAISO.

"<u>Resource Pools</u>" means the Short-Term Resource Pool (Appendix B) and Long-Term Resource Pool (Appendix C).

"<u>RPS Energy</u>" means the Energy generated from Resources from the applicable Resource Pool(s).

"<u>RPS Market Price Benchmark</u>" or "<u>RPS MPB</u>" means the estimated incremental value of each unit of RPS-eligible energy that is attributable to the fact of that eligibility, in \$/MWh, as defined in CPUC D.19-10-001 or subsequent CPUC Decisions defining calculations of the RPS MPB for PCIA purposes.

"<u>Scheduling Coordinator (SC)</u>" means an entity certified by the CAISO to perform the functions as described in the Tariff.

"Seller" means Party B.

"<u>Short-Term Product</u>" has <u>A Allocation Election</u>" is the meaning set forthpercentage specified Section 2.4.

"Short-Term B Allocation Election" is the percentage specified in Section 1.2.4.

"<u>Short-Term Resource Pool</u>" means Seller's Resources in Appendix B reflecting power purchase agreements with terms that have less than 10 years remaining from the start of the Delivery Period.

"<u>Tariff</u>" means the FERC-approved California Independent System Operator Tariff, including any current CAISO-published "Operating Procedures" and "Business Practice Manuals," as may be amended, supplemented or replaced from time to time.

"Third Party Sale" has the meaning set forth in Section 2.6.

"Total Allocation Amount" has the meaning set forth in Section 2.1.

"Total Long-Term Allocation Amount" has the meaning set forth in Section 2.3.

"Total Short-Term Allocation Amount" has the meaning set forth in Section 2.2.

"<u>WREGIS</u>" means the Western Renewable Energy Generation Information System or any successor renewable energy tracking program.

"<u>WREGIS Certificate</u>" 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.

APPENDIX B LIST OF RESOURCES IN SHORT-TERM RESOURCE POOL

Resource Name	Technology	CEC RPS ID	PCIA	End Date
			Vintage	
Olsen Power Partners	Small Hydro	60175	Non-Vintaged	12/31/2026
El Nido Biomass Facility	Biomass	60473	2005	2/8/2031
Chowchilla Biomass Facility	Biomass	60471	2005	2/8/2031
Klondike Wind Power III Project	Wind	60602	2007	3/31/2023
CalRenew-1	Solar PV	60475	2015	4/29/2030
Shiloh II Wind Project	Wind	60639	2007	1/31/2029
Rattlesnake Road Wind Power				
Project	Wind	60553	2008	1/4/2024
Hatchet Ridge	Wind	60741	2008	12/13/2025
CM10	Solar PV	60713	2008	12/31/2028
CM48	Solar PV	60786	2009	1/31/2031
Mt. Poso	Biomass	60695	2009	2/20/2027
Vantage Wind Energy Center	Wind	60712	2009	10/3/2025
Big Creek Waterworks	Small Hydro	60900	2009	6/22/2030
Norman Ross Burgess - Three Forks				
Water Power Project	Small Hydro	60502	2010	10/31/2031
Avenal Park	Solar PV	60912	2009	8/4/2031
Sun City Project	Solar PV	60913	2009	8/4/2031
Sand Drag	Solar PV	60914	2009	8/4/2031
Halkirk I Wind Project	Wind	60989	2010	12/18/2032
Coram Brodie	Wind	60973	2010	6/5/2032
Shiloh III Wind Project	Wind	61069	2010	3/8/2032
Wind Resource II	Wind	61468	2012	9/30/2023
ABEC Bidart-Old River	Digester Gas	62369	2012	3/9/2029
ABEC Bidart-Stockdale	Digester Gas	60886	2012	9/11/2023
Diablo Winds	Wind	60030	2013	6/30/2031

Resource Name	Technology	CEC RPS ID	PCIA Vintage	End Date
Montezuma Wind Energy				
Center	Wind	60543	2010	1/27/2036
High Plains Ranch II	Solar PV	60603	2008	10/30/2038
Topaz Solar Farm	Solar PV	61698	2008	10/26/2039
Ivanpah Unit 1	Solar Thermal	62273	2009	1/20/2039
Ivanpah Unit 3	Solar Thermal	62275	2009	1/26/2039
AV Solar Ranch One	Solar PV	60790	2009	11/20/2039
Alpine Solar Project	Solar PV	60755	2010	1/17/2033
Agua Caliente Solar Project	Solar PV	60894	2009	6/22/2039
High Plains Ranch III	Solar PV	60603	2010	9/30/2038
Mojave Solar Project	Solar Thermal	60848	2009	12/3/2039
Genesis Solar Energy Project	Solar Thermal	60605	2009	3/6/2039
DTE Stockton	Biomass	60964	2009	2/20/2039
Alpaugh 50	Solar PV	60945	2010	3/7/2038
Alpaugh North	Solar PV	60946	2010	3/7/2038
Atwell Island	Solar PV	60947	2010	3/11/2038
Corcoran	Solar PV	60948	2010	8/14/2038
White River	Solar PV	60949	2010	6/26/2038
Sunshine Landfill	Landfill Gas	60815	2010	8/31/2034
Potrero Hills Landfill	Landfill Gas	63116	2010	4/12/2041
Blackspring Ridge IA	Wind	60987	2010	5/11/2034
Blackspring Ridge IB	Wind	60988	2010	5/11/2034
Desert Center Solar Farm	Solar PV	61068	2010	12/16/2039
Mesquite Solar 1	Solar PV	60875	2010	3/7/2033
North Star Solar	Solar PV	61198	2010	6/18/2035
Vasco Wind Energy Center	Wind	61344	2010	3/12/2037
Montezuma II Wind Energy				
Center	Wind	61345	2010	3/13/2037
Kansas South	Solar PV	61264	2011	6/24/2033
Westlands Solar Farms	Solar PV	61755	2011	4/30/2034
Orion Solar	Solar PV	61570	2011	6/25/2034
North Sky River Energy Center	Wind	61385	2011	12/20/2037
Copper Mountain Solar 2	Solar PV	60990	2011	5/12/2040
Shiloh IV Wind Project	Wind	61617	2011	1/27/2038
Mammoth G3	Geothermal	60315	2012	3/31/2033
West Antelope	Solar PV	61850	2012	2/8/2035

APPENDIX C LIST OF RESOURCES IN LONG-TERM RESOURCE POOL

PV 61517 60264 / 60265 ydro 60171 61146 / 60087 60088 / 60576 60088 / 60576 60089 PV 61263 PV 61893 PV 61893 PV 61891 PV 61262 PV 61262 PV 61262 PV 61262 PV 61262 PV 61263 PV 61262 PV 61891 PV 61262 PV 61262 PV 61263 PV 62045 mal 60306 PV 62285 PV 62285 PV 62325 d 62426	2012	2/16/2035 6/30/2033 9/8/2035 12/31/2037 12/31/2043 12/31/2043 12/31/2043 9/30/2036 2/18/2035 5/14/2035 5/14/2035 10/1/2034 12/25/2033 6/29/2035 3/19/2035 2/8/2035 7/15/2035 8/6/2035
ydro 60171 61146 / 60087 60088 / 60576 60088 / 60576 60089 PV 61263 PV 61893 PV 61891 PV 61892 PV 61262 PV 61558 PV 61262 PV 61558 PV 62045 mal 60306 PV 61453 PV 62285 PV 62325	2012 7 / 5 / 2012 2012 2012 2012 2012 2012 2012 201	9/8/2035 12/31/2037 12/31/2043 12/31/2043 12/31/2043 9/30/2036 2/18/2035 5/14/2035 10/1/2034 12/25/2033 6/29/2035 3/19/2035 2/8/2035 7/15/2035
61146 / 60087 60088 / 60576 60089 PV 61263 PV 61893 PV 61891 PV 61891 PV 61892 PV 61891 PV 61892 PV 61841 PV 61262 PV 61558 PV 61453 PV 61453 PV 60306 PV 61453 PV 60853 PV 62325	7 / 5 / 2012 2013 2013	9/8/2035 12/31/2037 12/31/2043 12/31/2043 12/31/2043 9/30/2036 2/18/2035 5/14/2035 10/1/2034 12/25/2033 6/29/2035 3/19/2035 2/8/2035 7/15/2035
60088 / 60576 60089 PV 61263 PV 61893 PV 61893 PV 61893 PV 61891 PV 61892 PV 61841 PV 61262 PV 61558 PV 62045 mal 60306 PV 61453 PV 62853 PV 62325	5/ 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2013 2013	12/31/2037 12/31/2043 12/31/2043 12/31/2043 9/30/2036 2/18/2035 5/14/2035 10/1/2034 12/25/2033 6/29/2035 3/19/2035 7/15/2035
ASS 60089 PV 61263 PV 61893 PV 61891 PV 61892 PV 61841 PV 61262 PV 61262 PV 61262 PV 61263 PV 61264 PV 61265 PV 62045 mal 60306 PV 62285 PV 62285 PV 62325	2012 2013 2013	12/31/2037 12/31/2043 12/31/2043 12/31/2043 9/30/2036 2/18/2035 5/14/2035 10/1/2034 12/25/2033 6/29/2035 3/19/2035 7/15/2035
PV 61263 PV 61893 PV 61891 PV 61891 PV 61892 PV 61841 PV 61262 PV 61558 PV 62045 mal 60306 PV 61453 PV 62285 PV 60853 PV 62325	2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2013 2013	12/31/2037 12/31/2043 12/31/2043 12/31/2043 9/30/2036 2/18/2035 5/14/2035 10/1/2034 12/25/2033 6/29/2035 3/19/2035 7/15/2035
PV 61893 PV 61891 PV 61892 PV 61841 PV 61262 PV 61558 PV 62045 mal 60306 PV 61453 PV 62285 PV 62325	2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2013 2013	12/31/2043 12/31/2043 12/31/2043 12/31/2043 9/30/2036 2/18/2035 5/14/2035 10/1/2034 12/25/2033 6/29/2035 3/19/2035 2/8/2035 7/15/2035
PV 61891 PV 61892 PV 61841 PV 61262 PV 61558 PV 62045 mal 60306 PV 61453 PV 62285 PV 60853 PV 62325	2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2013 2013	12/31/2043 12/31/2043 9/30/2036 2/18/2035 5/14/2035 10/1/2034 12/25/2033 6/29/2035 3/19/2035 2/8/2035 7/15/2035
PV 61892 PV 61841 PV 61262 PV 61558 PV 62045 mal 60306 PV 61453 PV 62285 PV 60853 PV 62325	2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2012 2013	12/31/2043 9/30/2036 2/18/2035 5/14/2035 10/1/2034 12/25/2033 6/29/2035 3/19/2035 2/8/2035 7/15/2035
PV 61841 PV 61262 PV 61558 PV 62045 mal 60306 PV 61453 PV 62285 PV 60853 PV 62325	2012 2012 2012 2012 2012 2012 2012 2012	9/30/2036 2/18/2035 5/14/2035 10/1/2034 12/25/2033 6/29/2035 3/19/2035 2/8/2035 7/15/2035
PV 61262 PV 61558 PV 62045 mal 60306 PV 61453 PV 62285 PV 60853 PV 62325	2012 2012 2012 2012 2012 2012 2012 2012 2012 2013	2/18/2035 5/14/2035 10/1/2034 12/25/2033 6/29/2035 3/19/2035 2/8/2035 7/15/2035
PV 61558 PV 62045 mal 60306 PV 61453 PV 62285 PV 60853 PV 62325	2012 2012 2012 2012 2012 2012 2013 2013	5/14/2035 10/1/2034 12/25/2033 6/29/2035 3/19/2035 2/8/2035 7/15/2035
PV 62045 mal 60306 PV 61453 PV 62285 PV 60853 PV 62325	2012 2012 2012 2012 2012 2013	10/1/2034 12/25/2033 6/29/2035 3/19/2035 2/8/2035 7/15/2035
mal 60306 PV 61453 PV 62285 PV 60853 PV 62325	2012 2012 2012 2013 2013	12/25/2033 6/29/2035 3/19/2035 2/8/2035 7/15/2035
PV 61453 PV 62285 PV 60853 PV 62325	2012 2012 2013 2013	6/29/2035 3/19/2035 2/8/2035 7/15/2035
PV 62285 PV 60853 PV 62325	2012 2013 2013	3/19/2035 2/8/2035 7/15/2035
PV 60853 PV 62325	2013 2013	2/8/2035 7/15/2035
PV 62325	2013	7/15/2035
d 62426	2012	
	2013	0/0/2033
ydro 60186	2013	5/31/2035
PV 62284	2013	1/2/2034
PV 61295	2013	5/31/2040
PV 62552	2013	4/9/2034
PV 61684	2014	4/20/2037
PV 62694	2014	8/24/2037
PV 63133	2015	1/22/2038
PV 63134	2015	1/22/2038
		1/22/2038
		12/31/2039
		1/14/2038
		1/14/2038
		1/14/2038
		N/A
		N/A N/A
		N/A
<i>f</i> are <i>f f</i> are <i>f</i> are <i>f fa fa fa fa fa fa fa</i>		N/A
Jero		N/A
60039	\square Dra 2002	11/21
ydro 60039 ydro 60040	Pre-2002 Pre-2002	N/A
	PV 63134 PV 63135 PV 63137 PV 63619 PV 63617 PV 63618 iydro 60033 iydro 60037 iydro 60038 iydro 60038	PV 63135 2015 PV 63137 2016 PV 63619 2017 PV 63617 2017 PV 63618 2017 PV 63618 2017 iydro 60033 Pre-2002 iydro 60037 Pre-2002 iydro 60038 Pre-2002

PGE Dutch Flat 1	Small Hydro	60042	Pre-2002	N/A
PGE Halsey	Small Hydro	60043	Pre-2002	N/A
PGE Hamilton Branch	Small Hydro	60044	Pre-2002	N/A
PGE Hat 1	Small Hydro	60045	Pre-2002	N/A
PGE Hat 2	Small Hydro	60046	Pre-2002	N/A
PGE Inskip	Small Hydro	60047	Pre-2002	N/A
PGE Kerckhoff 1	Small Hydro	62360	Pre-2002	N/A
PGE Kilare	Small Hydro	60049	Pre-2002	N/A
PGE Lime Saddle	Small Hydro	60050	Pre-2002	N/A
PGE Newcastle	Small Hydro	60053	Pre-2002	N/A
PGE Oak Flat	Small Hydro	60276	Pre-2002	N/A
PGE Phoenix	Small Hydro	60054	Pre-2002	N/A
PGE Potter Valley	Small Hydro	60055	Pre-2002	N/A
PGE Five Points	Solar PV	61432	2010	N/A
PGE Stroud	Solar PV	61434	2010	N/A
PGE Westside	Solar PV	61433	2010	N/A
PGE Cantua	Solar PV	61823	2011	N/A
PGE Giffen	Solar PV	61822	2011	N/A
PGE Huron	Solar PV	61821	2011	N/A
PGE Gates	Solar PV	62353	2012	N/A
PGE Guernsey	Solar PV	62354	2012	N/A
PGE West Gates	Solar PV	62352	2012	N/A
PGE Rock Creek RPS	Small Hydro	62269	Pre-2002	N/A
PGE San Joaquin 1A	Small Hydro	60056	Pre-2002	N/A
PGE San Joaquin 2	Small Hydro	60057	Pre-2002	N/A
PGE San Joaquin 3	Small Hydro	60058	Pre-2002	N/A
PGE South	Small Hydro	60059	Pre-2002	N/A
PGE Spaulding 1	Small Hydro	60060	Pre-2002	N/A
PGE Spaulding 2	Small Hydro	60061	Pre-2002	N/A
PGE Spaulding 3	Small Hydro	60062	Pre-2002	N/A
PGE Spring Gap	Small Hydro	60063	Pre-2002	N/A
PGE Toadtown	Small Hydro	60064	Pre-2002	N/A
PGE Tule River	Small Hydro	60065	Pre-2002	N/A
Vaca-Dixon Solar (PG&E)	Solar PV	60966	2010	N/A
PGE Volta 1	Small Hydro	60066	Pre-2002	N/A
PGE Volta 2	Small Hydro	60067	Pre-2002	N/A
PGE West Point	Small Hydro	60068	Pre-2002	N/A
PGE Wise 1	Small Hydro	60069	Pre-2002	N/A
PGE Wise 2	Small Hydro	60070	Pre-2002	N/A
PGE A.G.Wishon	Small Hydro	60032	Pre-2002	N/A

Resource Name	Resource	Technology	CEC RPS	PCIA	End Date
	Pool		ID	Vintage	
Shafter Solar	GTSR	Solar PV	62325	2013	7/15/2035
Columbia Solar Energy	GTSR	Solar PV	62051	2012	12/13/2035
Morelos del Sol	GTSR	Solar PV	62272	2013	2/29/2036
	GTSR,				
Woodmere Solar Farm	DAC	Solar PV	62429	2013	2/24/2036
CED Corcoran Solar 3	GTSR	Solar PV	62783	2015	11/30/2036
CED Oro Loma Solar	GTSR				
Project A		Solar PV	62841	2014	2/23/2037
Avenal Solar Project A	GTSR	Solar PV	62840	2014	3/9/2037
CED Oro Loma Solar	GTSR				
Project B		Solar PV	62841	2014	3/9/2037
Avenal Solar Project B	GTSR	Solar PV	62840	2014	3/9/2037
Westside Solar	GTSR	Solar PV	61185	2015	5/1/2037
Aspiration Solar G	GTSR	Solar PV	61486	2015	10/26/2037
	GTSR,				
Summer Wheat	DAC	Solar PV	61837	2015	12/9/2038
White River Solar 2	GTSR	Solar PV	62045	2012	10/1/2034

APPENDIX D LIST OF PCIA-ELIGIBLE RESOURCES IN TEMPORARY RESOURCE POOLS

APPENDIX E BUYER'S ALLOCATION SHARE

PCIA Vintage	Buyer's Allocation Share (%)
2009	
2010	
2011	
2012	
2013	
2014	
2015	
2016	
2017	
2018	
2019	
2020	
2021	
2022	
2023	
2024	

PG&E Gas and Electric Advice Submittal List General Order 96-B, Section IV

AT&T Albion Power Company

Alta Power Group, LLC Anderson & Poole

Atlas ReFuel BART

Barkovich & Yap, Inc. Braun Blaising Smith Wynne, P.C. California Cotton Ginners & Growers Assn California Energy Commission

California Hub for Energy Efficiency Financing

California Alternative Energy and Advanced Transportation Financing Authority California Public Utilities Commission Calpine

Cameron-Daniel, P.C. Casner, Steve Center for Biological Diversity

Chevron Pipeline and Power City of Palo Alto

City of San Jose Clean Power Research Coast Economic Consulting Commercial Energy Crossborder Energy Crown Road Energy, LLC Davis Wright Tremaine LLP Day Carter Murphy

Dept of General Services Don Pickett & Associates, Inc. Douglass & Liddell East Bay Community Energy Ellison Schneider & Harris LLP Engineers and Scientists of California

GenOn Energy, Inc. Goodin, MacBride, Squeri, Schlotz & Ritchie Green Power Institute Hanna & Morton ICF International Power Technology

Intertie

Intestate Gas Services, Inc. Kelly Group Ken Bohn Consulting Keyes & Fox LLP Leviton Manufacturing Co., Inc.

Los Angeles County Integrated Waste Management Task Force MRW & Associates Manatt Phelps Phillips Marin Energy Authority McClintock IP McKenzie & Associates

Modesto Irrigation District NLine Energy, Inc. NRG Solar

OnGrid Solar Pacific Gas and Electric Company Peninsula Clean Energy Pioneer Community Energy

Public Advocates Office

Redwood Coast Energy Authority Regulatory & Cogeneration Service, Inc. SCD Energy Solutions San Diego Gas & Electric Company

SPURR San Francisco Water Power and Sewer Sempra Utilities

Sierra Telephone Company, Inc. Southern California Edison Company Southern California Gas Company Spark Energy Sun Light & Power Sunshine Design Tecogen, Inc. TerraVerde Renewable Partners Tiger Natural Gas, Inc.

TransCanada Utility Cost Management Utility Power Solutions Uplight Water and Energy Consulting Wellhead Electric Company Western Manufactured Housing Communities Association (WMA) Yep Energy AI #08: Open Season 2022



Open Season 2022

Technical Committee - May 5, 2022

AI #08: Open Season 2022

What is Open Season?

MCE's annual solicitation for large-scale renewable energy projects





To deliver one or more contracts that will:

- Fill open positions in MCE's portfolio
- Fulfill internal goals and regulatory obligations for clean energy, resource adequacy (RA) and longterm contracts
- Provide a hedge against market price volatility and help with budget certainty

Benefits

Annual competitive solicitations provide:

- Market intelligence for pricing and trends
- A wide variety of project types, sizes and locations
- An opportunity to secure the best deal

Products

Renewable Portfolio Content Category 1(PCC1)

- New build, repowered or existing resources
- Long term contracts (≥10 Years)
- Preference for in-state projects

Firm Block Energy

- Clean energy delivered in specific hours
- No deliveries between 9AM and 4PM

Resource Targets

- Wind and Geothermal
- Volume: 300,000 to 500,000 MWhs/year (Equivalent to annual energy usage of 50,000 80,000 homes)
- Number of projects: 1 to 3
- Online date: No later than 2026
- Generation shape: complimentary to existing portfolio

Strategy

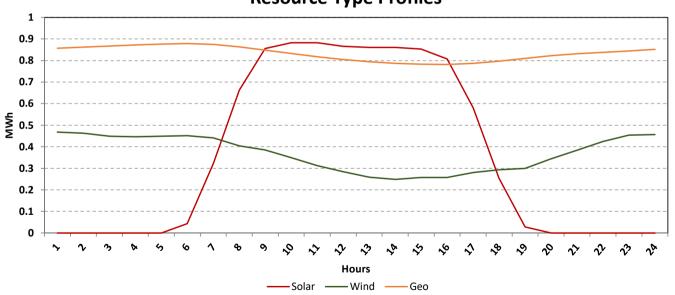
Why target wind, geothermal and firm block energy?

- Helps fill open positions during important hours
- Incremental contribution towards matching load with renewable generation
- Hedge against expensive hours

Snapshot of 2030 Load & Generation Portfolio

AI #08: Open Season 2022

Typical Generation Profile

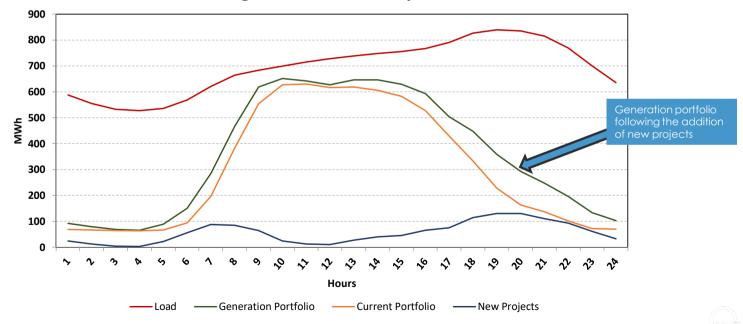


Resource Type Profiles

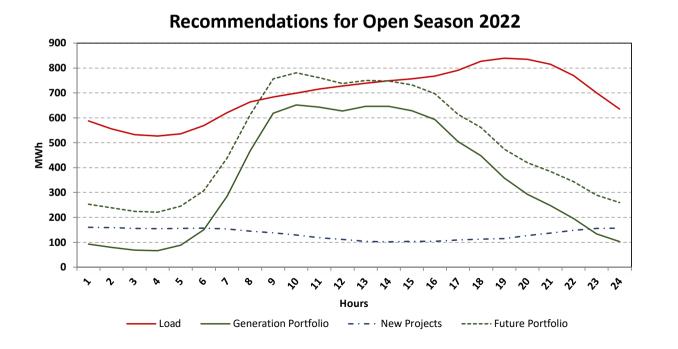
8

MCE Load and Resource Visualizer

Effect of Adding Resources from Open Season 2021



MCE Load and Resource Visualizer





- MCE website
- Distribution list to 100+ developers
- Announcement/Press Release
 - Trade organizations
 - Trade publications
 - Social media: Linked-In / Facebook / Twitter



- Generation profile
- Price
- Project viability
- Location
- Capacity & energy value
- Counterparty

Draft Schedule

- April: Solicitation launch
- May: Bids due
- June: Evaluate, rank & short list
- August:
 - Ad Hoc Committee presentation / Announce short list
 - Interviews / Final vetting
 - Contract negotiations / Internal review
- September: Tech Comm presentation / Contract execution

AI #08: Open Season 2022

Thank You

David Potovsky Principal Power Procurement Manager <u>dpotovsky@mcecleanenergy.org</u>

