



2026 Open Season Request for Offers

**Issuance Date: June 17, 2026
Response Due Date: July 20, 2026
Procedural Overview & Instructions**

As part of MCE’s mission to confront the climate crisis by eliminating fossil fuel greenhouse gas emissions, producing renewable energy, supporting grid stability and resilience, and creating equitable community benefits, MCE is soliciting competitive proposals from qualified respondents (“Respondents”) to meet MCE’s future resource requirements for renewable energy and Resource Adequacy (“RA”) through MCE’s 2026 Open Season procurement process (“Open Season 2026” or “RFO”).

As further detailed in Section II, MCE is seeking offers for prospective full-toll agreements (i.e., all applicable products from the project) from renewable energy (PCC1-eligible) generating facilities, renewable energy generating facilities paired with energy storage projects, and standalone energy storage projects, with minimum delivery terms of at least ten (10) years from new projects and five (5) years from existing renewable facilities. Energy generating facilities should have at least 5 MW of generating capacity for 24x7 load profiles (e.g., geothermal) and no less than 25 MW of generating capacity for intermittent resources. Subject to the foregoing eligibility criteria, Responses are not limited in any other respect (e.g., deliverability status, queue status, online date).

MCE is also accepting proposals for Queue Cluster 16 projects that otherwise meet the RFO eligibility criteria. MCE will utilize Open Season 2026, in part, to allocate MCE’s Commercial Interest Points to selected projects consistent with the California Independent System Operator’s (CAISO) Interconnection Process Enhancements.

I. About MCE

MCE is a public, not-for-profit agency that has been setting the standard for clean energy in California since 2010. MCE provides retail electric power on behalf of more than 600,000 customer accounts, serving 1.8 million residents and businesses across four Bay Area counties: Contra Costa, Marin, Napa, and Solano. MCE serves a peak load of 1,400 MW and offers 60-100% renewable power at stable rates, significantly reducing greenhouse emissions and reinvesting millions in local programs. For more information about MCE, visit mceCleanEnergy.org, or follow us on your preferred social platform @mceCleanEnergy.

MCE's audited financial statements are available at <https://www.mcecleanenergy.org/key-documents/>.

II. Introduction

As part of its ongoing effort to deliver environmentally responsible, competitively priced retail electric service options, MCE has established the Open Season 2026 to provide a competitive, objectively administered opportunity for qualified suppliers of various energy products to fulfill certain portions of MCE's future energy resource requirements. MCE's Open Season 2026 includes a request for the following products:

- i. Renewable Energy. MCE is seeking PCC1-eligible Renewable Energy and expects projects to include both Green Attributes/Renewable Energy Credits and Capacity Attributes (RA). Note: Resources utilizing a PV fuel source must be paired with integrated energy storage to be considered. This product category includes, but is not limited to:
 - a. Mid-term Reliability (MTR) Eligible "Clean Firm" Renewable Energy: Zero emissions generation capacity or capacity that is eligible under the requirements of California's Renewable Portfolio Standard (RPS) program and has an expected annual capacity factor of at least 80%. The resources must not be use-limited or weather-dependent and must meet all requirements for Baseload/Firm renewable energy under the CPUC Mid-Term Reliability Decision 21-06-035 and Decision 26-02-040. No storage projects shall qualify under this product category. Projects in this category should have a generation size of 5 MW to 100 MW and a COD between January 1, 2029, and June 1, 2032. Contract tenor must be no less than 10 years.
- ii. Renewable Energy Paired with Energy Storage. In addition to the requirements for the Renewable Energy product above, MCE is interested in projects that also include an energy storage component. Note: Both four-hour and long-duration (eight-hours or more) will be considered, as well as any storage technology type.
- iii. Standalone Energy Storage. MCE is interested in standalone energy storage projects, with the same considerations as energy storage paired with renewables.

III. Required Content of Responses, Multiple Responses, and Cluster 16 Responses

For purposes of this RFO, the terms "Offer" and "Response" are used interchangeably to refer to a Respondent's submitted proposal. For avoidance of doubt, an "Offer" or "Response" includes the complete submission package, including the Offer Form, Term Sheet, and all required attachments.

Offers must include the following components in sufficient detail for MCE to evaluate the Offer under the criteria in Section V. In addition, MCE will only consider complete Offers that conform to the product-specific requirements outlined in Appendix A.

To be deemed a complete, conforming Offer, each Offer shall:

- i. Be submitted electronically through the "Proposal Submission" link at <http://mcecleanenergy.org/solicitations/> during the Offer Window and no later than 11:59 p.m. Pacific Prevailing Time on the Offer Window Closure date, as further described in Section V;
- ii. Include a completed Standard Offer Form which is available on MCE's website via the following link: <http://mcecleanenergy.org/solicitations/>. Standard Offer Forms have been prepared for certain requested products, and Respondents should review the applicable Offer Form and related instructions carefully to ensure submission of a conforming Offer;
- iii. Include a completed Term Sheet and indicate acceptance of MCE's Term Sheet(s) in the Instructions & Acknowledgments section of the Offer Form. If any modification to a Term Sheet provision is a requirement of an Offer or a condition of pricing, the modification must be clearly identified in the applicable section of the Term Sheet. MCE will favor Offers that propose minimal edits to the Term Sheet. Any proposed edits must be accompanied by clear and reasonably detailed explanatory comments. Redlined comments stating only "discuss," "to be discussed," or similar non-specific language, without supporting detail, may cause the Offer to be deemed incomplete and, even if considered, will not be treated as part of the Offer. Selection for further negotiations will be contingent on execution of a Term Sheet by MCE and the Respondent. Respondents are also responsible for reviewing the required provisions set forth in Appendix B, which apply to MCE's Term Sheets and PPAs, and must acknowledge acceptance of those provisions in the Offer Form and the Term Sheet;
- iv. Include a complete Offer Package (one package per Offer) with the following attachments:
 - Completed Standard Offer Form
 - Attachment A – Interconnection Study or Interconnection Agreement
 - Attachment B – Completed Term Sheet
- v. If an Offer is shortlisted, MCE may request the following items:
 - Permitting, Use and Zoning Information
 - Project Development Timeline (if applicable)
 - Site Plan
 - Single Line Diagram

- Project Financing Plan
- Financial Statements
- Organizational Chart
- Pollinator Scorecard (Most recent Pollinator Scorecards are available on MCE's website via the following link: <http://mcecleanenergy.org/energy-procurement/>)

For Cluster 16 projects, a complete Offer must include a completed Standard Offer Form and either: (i) an acknowledgment that the Respondent will accept MCE's Cluster 16 Exclusive Negotiating Agreement without modification, or (ii) a tracked-changes version of MCE's form of Cluster 16 Exclusive Negotiating Agreement clearly identifying any proposed edits or comments; provided that execution of the Cluster 16 Exclusive Negotiating Agreement will be required only upon selection and in accordance with Section X below.

IV. Conforming Responses to Pricing Questions

In addition, MCE will evaluate indicative pricing in Responses that reflect the following commercial assumptions. There will be an opportunity to provide information about alternative pricing assumptions, but for the purposes of comparing Responses in a commercially consistent manner, Respondents must price Responses according to these assumptions:

- i. Resource Adequacy must be guaranteed starting on the Commercial Operations Date of the project, otherwise Seller shall face obligations to replace the RA product or pay liquidated damages.
- ii. Buyer is permitted uncompensated economic curtailments per year in the amount of 50 hours multiplied by the Guaranteed Capacity of the generating facility. (Not applicable to Offers for standalone energy storage.)
- iii. Seller is subject to an outside termination date and termination penalty for failure to achieve the Guaranteed Commercial Operations Date, as may be extended for permitted extensions including Force Majeure by not more than 180 days.
- iv. Seller will post a Development Security of \$125/kW and performance security of \$105/kW in the form of cash or letter of credit.
- v. For Cluster 16 submissions, Seller has not included any speculative interconnection facilities and/or network upgrades costs which may be assigned to the project through the Cluster 16 study process in their pricing. Per the Cluster 16 Exclusive Negotiating Agreement, there will be an opportunity for Seller to incorporate reasonable cost updates for interconnection facilities and/or network upgrades costs following the results from the Cluster 16 study process.

V. Evaluation Criteria

Each Offer will be evaluated based upon the same set of criteria, a partial list of which is included below. This list may be revised at MCE's sole discretion and includes:

- i. Overall quality of Response, including completeness, timeliness, and conformity;
- ii. Price and relative value within MCE's portfolio;
- iii. Acceptance of pro forma terms and conditions as set forth in MCE's standard Term Sheet;
- iv. Project development status, including but not limited to progress toward interconnection, deliverability, siting, zoning, permitting, and financing requirements;
- v. Qualifications, experience, financial stability, and structure of the prospective project team (including its ownership);
- vi. Project location and unique characteristics;
- vii. Development milestone schedule, if applicable;
- viii. Environmental impacts and related mitigation requirements;
- ix. Optional Elements as detailed in Section VI.

VI. Optional Elements

In addition to the required contents outlined in Section III above, there are several project characteristics that are of particular interest to MCE. While these elements are not required, MCE has a preference for projects that include the following:

- i. Projects that do not share capacity on a single point of interconnection (POI).
- ii. Projects with a POI capacity that is equal to or greater than the combined nameplate capacity of the project's generation and storage components.
- iii. Participation of contractors, subcontractors or businesses that are owned by Disabled Veterans.
- iv. Participation of contractors, subcontractors or businesses that are located in or employ workers living in a Disadvantaged Community (DAC Zone) as identified by California Environmental Protection Agency's ("CalEPA") CalEnviroScreen Tool.
- v. A plan that includes the participation of local residents in the construction of the project, as well as the ongoing operations and maintenance of the facility after

completion. The plan should include permanent residents who live within the jurisdictional county and/or those who reside within a 50-mile radius of the installation.

- vi. Projects that commit to sourcing a high percentage of materials and components from suppliers located within the jurisdictional county or within a 50-mile radius of the installation.
- vii. Projects that commit to including components and materials manufactured and/or assembled in the United States.
- viii. Projects that make a commitment to recycle system components and construction material at the end of their useful life.
- ix. Projects that provide benefits to the local community including financial contributions, volunteer hours and in-kind contributions. Examples include, but are not limited to:
 - Support of educational programs:
 - Classroom equipment
 - Scholarships to college-bound students
 - Support of climate and energy education
 - Support of Environmental Justice Initiatives:
 - Installation of solar panels and energy efficiency upgrades for low-income households or non-profit institutions.
 - Partnering with environmental justice nonprofits to address air pollution and other environmental burdens.
 - Support of Workforce Development Initiatives:
 - Partnering with nonprofits that provide classroom or on-the-job training to local residents.
 - Offer apprenticeships or summer internships for local youth.
 - Other:
 - Open space preservation
 - Habitat restoration
 - Food programs

If an Offer is shortlisted, Respondents will be given the opportunity to provide a detailed description of each proposed element and include a specific commitment for each item. As a condition precedent to commencement of the delivery term under the PPA, Seller must certify that it complied with the commitments and is able to demonstrate, upon request, compliance with these commitments.

VII. Key Deadlines and Submission Requirements

MCE’s Open Season 2026 will be administered based on the following schedule (all times in Pacific Prevailing Time):

Issue RFO	6/17/2026
Respondent Q&A Window	6/17/2026 – 6/29/2026
Response Window	6/17/2026 – 7/20/2026
Response Window Closure	7/20/2026 11:59 PM
Shortlist Notification	Rolling basis through end of Q3 2026 (Target)
Finalize Cluster 16 Contracts	Rolling basis through end of Q3 2026
Finalize Contracts	Rolling basis through end of Q1 2027 (Target)

- i. Offer Window. MCE will launch Open Season on June 17, 2026. Complete Responses must be submitted within the Offer Window indicated above.
- ii. Respondent Q&A Window. Any questions related to the content of this RFO must be submitted at rfo@mcecleanenergy.org during the “Respondent Q&A window.”
- iii. Deadline for Q&A Responses. On a weekly basis, MCE will reply to questions and will post responses to questions posed by more than one party on the MCE Procurement page.
- iv. Offer Window Closure. To be eligible for consideration, Responses must be submitted via the Open Season Submission form on MCE’s website no later than the Response Window Closure.

Figure 1 below is a screenshot of the link to upload Responses. In the “Name” field please enter the Respondent Name (**NOT your personal name**). In the “Email Address” field, please enter your counterparty email address. In the “Company (optional)” field, please re-enter the Respondent Name/Organization name used for the “Name” field. At any time prior to the Offer Window Closure, Respondent can upload documents as long as the same name and email address are used. MCE, however, will only evaluate complete, conforming Offers per the requirements in Section III above.

Figure 1

Send files to MCE

MCE RFO has invited you to send files

Name

Email Address

Company (optional)

- v. Supplier Interviews/Q&A. As necessary, MCE may submit clarifying questions to certain Respondents or conduct interviews, based on information provided in the Offer Form. MCE shall retain the right, in its sole discretion, to request information without notifying other Respondents. MCE shall establish due dates for any request(s) for additional information, which shall be communicated to the Respondent(s).
- vi. Short List Notifications. Following MCE's review of Offers and clarifying materials, as well as any interview(s) that may be conducted during this process, MCE will notify selected Respondents on a rolling basis of its intent to pursue contract negotiations. Those Respondents not selected during this process will be notified accordingly.
- vii. Contract Approval and Execution. MCE aims to negotiate and execute contracts for selected Offers on a rolling basis through the end of Q1 2027 (target), subject to approval by the MCE Board.

VIII. Supplier Diversity and Labor Practices

Consistent with the California Public Utilities Code and California Public Utilities Commission policy objectives, MCE collects information regarding supplier diversity and labor practices from project developers and their subcontractors regarding past, current and/or planned efforts and policies. Pursuant to Senate Bill 255, Respondents that execute a PPA with MCE will be required to complete a Supplier Diversity questionnaire.

MCE does not give preferential treatment based on race, sex, color, ethnicity, or national origin; providing such information to MCE will not influence the selection process.

IX. General Terms and Conditions

No Obligation to Contract; Reservation of Rights

By participating in the Open Season 2026 process, the Respondent acknowledges that it has read, understood, and agreed to the terms and conditions set forth in these Procedural Overview & Instructions. The Open Season 2026 does not constitute an offer to buy and creates no obligation of MCE to execute any agreement or enter into any transaction with any party as a result of the RFO. MCE will not be required to enter into a PPA with any Respondent or Seller, including those with Offers that are shortlisted or allocated Interest Points to CAISO for interconnection study consideration. MCE reserves the sole and discretionary right to (i) reject any Offers received in response to this RFO for any reason, (ii) request additional information at any time during the solicitation process, and (iii) accept any Offers received after the deadline for submittals as indicated herein. MCE shall have no obligation to negotiate, continue negotiations, or enter into any agreement with any Respondent, whether or not such Respondent is shortlisted, selected for further evaluation, or has executed any preliminary agreement, and no course of conduct or prior dealings shall give rise to any such obligation.

MCE shall not be obligated to respond to any Offer or proposal submitted, nor be legally bound in any manner by submission of the proposal. Each Respondent acknowledges and agrees that it is solely responsible for its own evaluation of this RFO and any transaction contemplated hereby and that it is not relying on any representation or warranty (whether express or implied) by MCE or its respective advisors, except as may be expressly set forth in a final executed agreement. Without limiting the foregoing, neither this RFO nor any related materials or communications are intended to constitute a representation as to the completeness, accuracy, or finality of any information provided. MCE reserves the right to modify the terms and conditions of this RFO and/or its form Term Sheets, Exclusive Negotiating Agreement, and/or form PPAs at any time for any reason, including to comply with applicable laws or reflect evolving procurement needs. Notwithstanding anything to the contrary, no proposal, bid, offer, or proposed transaction (however described) shall be binding upon MCE except pursuant to a written agreement signed by the authorized representatives of MCE and Seller. For the avoidance of doubt, in the event of any inconsistency or conflict among this RFO, any proposal or Offer, any Term Sheet, any Exclusive Negotiating Agreement, and any subsequent power purchase agreement (including any amended and restated agreement), the terms of the final executed agreement signed by the authorized representatives of MCE and Seller shall govern and supersede all prior communications, documents, and understandings. All prior materials are provided for informational purposes only and are non-binding unless expressly incorporated into such executed agreement. MCE shall not be liable, in any way or at any time, for any costs Respondents may incur in preparing or submitting a Response to this RFO or participating in any negotiations, whether by reason of withdrawal, rejection, suspension, delay, or termination of the RFO, and whether any Offer is submitted or not. Notwithstanding the foregoing, Respondents that elect to enter into an Exclusive Negotiating Agreement or Term Sheet with MCE will be subject to the binding terms and obligations set forth in such agreements in accordance with their respective terms.

During the evaluation process MCE may request additional information from Respondents which MCE deems necessary to determine the Respondent's ability to perform the required services. If such information is requested, the Respondent shall provide such information within a commercially reasonable amount of time.

Public Records

All Responses and documents submitted into this RFO will become the property of MCE upon submittal and will be subject to the provisions of the California Public Records Act (the "Act") and any other applicable disclosure laws. To the extent permissible by law, upon submission all Responses shall be treated as confidential until the Open Season process concludes, at which point all Responses shall be deemed public record subject to disclosure. Notwithstanding the foregoing and to the extent permissible by law, MCE intends to treat as confidential for a period of one (1) year from the submittal date the following: Responses to questions related to pricing, project locations, financing, contracting, equipment procurement plans, and ownership structure. MCE is required to comply with the Act as it relates to the treatment of any information marked "confidential." Respondents requesting that additional

portions of its Response(s) be exempt from disclosure must contact MCE separately to identify such elements. MCE will consider a Respondent's request for an exemption from disclosure; however, if MCE receives a request for documents under the Act, or any other applicable disclosure laws, MCE will decide based upon applicable laws. Respondents should not over-designate material as confidential, and any requests or assertions by a Respondent that designate the entire submittal, or significant portions thereof, as being exempt from disclosure may not be honored.

X. Shortlist Deposit and Exclusive Negotiating Agreement

Selected Respondent(s) will be notified of MCE's interest in further discussions and will be offered an Exclusive Negotiating Agreement for placement on the Open Season 2026 shortlist. Respondents interested in being placed on the shortlist and negotiating a PPA shall sign and return an Exclusive Negotiating Agreement within seven (7) business days of such notification, and provide the required Shortlist Deposit of \$3.00/kW multiplied by, as applicable, (a) the Guaranteed Capacity, or (b) the sum of the Guaranteed Capacity and the Storage Contract Capacity for renewable energy resources that are paired with energy storage resources as set forth in the Respondent's Offer.

Selected Cluster 16 Respondent(s) will be notified of MCE's interest in further discussions and will be offered a Cluster 16 Exclusive Negotiating Agreement. Respondents interested in receiving Commercial Interest Points shall sign and return a Cluster 16 Exclusive Negotiating Agreement no later than September 18, 2026, and provide the required Shortlist Deposit of \$12.00/kW multiplied by, as applicable, (a) the Guaranteed Capacity, or (b) the sum of the Guaranteed Capacity and the Storage Contract Capacity for renewable energy resources that are paired with energy storage resources as set forth in the Respondent's Offer.

XI. Questions

To promote accuracy and consistency of information provided to all participants, questions will only be accepted via email to MCE's RFO Manager at rfo@mcecleanenergy.org with the subject line of such emails reading "MCE Open Season 2026." The deadline for submitting questions is indicated in Section VII above.

MCE will use reasonable efforts to respond to submitted questions within a week of receipt. MCE will post frequently asked questions and responses to the solicitation page of MCE's website.

MCE reserves the right to combine similar questions, rephrase questions, or decline to answer questions, at its sole discretion. All questions must be submitted through the above process. No questions will be answered over the telephone or in person. Respondents may not have any contact regarding this procurement with any MCE official or staff from the time of issuance of this solicitation until the award of contract, other than through the process for submitting questions. Any contact in violation of these provisions will be grounds for disqualification.

Thank you for your interest!

Appendix A

Product Specifications: PCC1 Renewable Energy, Renewable Energy Paired with Energy Storage, Standalone Storage

- I. **Contract Structure:** MCE's standard pro forma power purchase agreement or energy storage services agreement.
- II. **Resource Location:** Facility must be physically interconnected to, or capable of delivering product to a California balancing authority; MCE's preference is for resources physically located within the state of California with added preference for those projects located in MCE's service area.
- III. **Products:** PCC1-eligible Renewable Energy, Green Attributes/Renewable Energy Credits and Capacity Attributes (RA) from a renewable energy generating facility, which may be paired with integrated energy storage, and included storage-related products.
- IV. **Delivery Term:** MCE's preference is for a delivery term of at least five years from existing facilities and ten years but not more than twenty years from COD for new facilities.
- V. **Deliverability:** MCE's preference is for resources that will obtain and maintain Full Capacity Deliverability Status from COD and lasting throughout the Contract term.
- VI. **Resource Eligibility:** All renewable energy deliveries shall meet PCC1-eligibility criteria, as applicable under California's Renewable Portfolio Standard ("RPS") Program. All generating resources shall be registered with the Western Renewable Energy Generation Information System (WREGIS) and all related renewable energy certificate transfers shall be arranged via WREGIS. Respondents proposing out-of-state PCC1 deliveries that require eTag/REC matching shall accordingly arrange for such functionality in WREGIS and shall electronically match such eTags/RECs within WREGIS before transferring any certificates to MCE.
- VII. **Initial Date of Delivery:** Respondents may submit multiple Offers per facility (maximum 3 per project). MCE has a preference for guaranteed commercial operation dates that range from January 1, 2029 through June 1, 2032; please see the "Term, Price and Offer Type" section of the "Project Information" tab in the Standard Offer Form.
- VIII. **Proposed Pricing:** Respondents should provide a single, flat price for each MWh of electric energy to be delivered by the proposed renewable generating resource(s). This energy price shall remain constant throughout the entire delivery term and shall not be adjusted by periodic escalators or time of delivery factors. This energy price shall include the energy commodity, all Green Attributes/Renewable Energy Credits related thereto, Capacity Attributes (if available), transmission charges to the delivery point, including but not limited to CAISO imbalance costs, fees and penalties as well as scheduling fees associated with delivered energy volumes.

Appendix A

Product Specifications: PCC1 Renewable Energy, Renewable Energy Paired with Energy Storage, Standalone Storage

For Offers incorporating energy storage, capacity pricing (kW/month) is acceptable for the storage component and the capacity price should be fixed for the entire delivery term and not be subject to escalation.

Alternative pricing options may be proposed so long as the aforementioned single flat pricing requirements have been satisfied.

- IX. **Point of Delivery:** Respondent shall be financially and operationally responsible for delivery of all electric energy to the Delivery Point.
- X. **Minimum Development Progress:** To the extent that a proposed Facility is not yet commercially operational, documentation substantiating achievement of the following development milestones must be provided by the Respondent once the Offer has been shortlisted, including:
- i. Documentation demonstrating full site control via ownership, lease or an option to lease upon PPA execution. Any site lease shall reflect a term length no less than the delivery term of the PPA.
 - ii. Documentation substantiating that the proposed generating resource has (a) passed all Fast-Track screens, (b) passed Supplemental Review, (c) completed a System Impact Study in the Independent Study process (d) completed a Phase 1 Study in the Cluster Study Process with the interconnecting utility or (e) a signed Generator Interconnection Agreement.
- XI. **Energy Storage:** An Offer may include storage in compliance with the current version of the CEC RPS Eligibility guidebook where the storage resource is paired with the generating resource.
- a. Regarding projects that pair renewable energy with storage projects, MCE has the following preferences:
 - i. Standard Duration: A minimum daily dispatch capacity of four (4) hours
 - ii. A minimum of 365 cycles per contract year
 - iii. Grid-charging (any additional costs associated with grid charging to be identified)
 - iv. Minimum uptime availability of 98% (measured monthly)
 - v. Minimum round-trip efficiency of 86%
 - vi. Buyer's option for hybrid or co-located resource

Appendix A

Product Specifications: PCC1 Renewable Energy, Renewable Energy Paired with Energy Storage, Standalone Storage

- XII. **Scheduling:** MCE prefers to maintain Scheduling Coordinator responsibility and dispatch rights for generating and storage facilities, but will consider exceptions on a case-by-case basis.

Appendix B Required Provisions for Power Purchase Agreements

Respondents are responsible for reading and understanding the following provisions, which shall be included in each MCE PPA. By submitting an Offer, Respondent is deemed to have reviewed and acknowledged the following provisions. If Respondent is unable to accept any of the following provisions, Respondent must identify its requested modifications in its Offer by indicating its requested change in its Term Sheet.

- I. **Local Hire:** If a proposed Project is to be located within MCE's service area, Seller will ensure that fifty percent (50%) of the construction workhours from its workforce (including contractors and subcontractors) at the project site during the Construction Phase (e.g., the period from Full Notice to Proceed (NTP) through receipt of a Permission To Operate (PTO) letter from the interconnecting utility) are obtained from permanent residents who live within the same county in which the Eligible Resource will be located (the "Local Hire Requirement"). Seller's construction of the Eligible Resource is also subject to any local hire requirements specific to the city or town where the proposed generating resource is located. As a condition precedent to commencement of the Delivery Term under the PPA, Seller must certify that it met the Local Hire Requirement and be able to demonstrate, upon request, compliance with this requirement via a certified payroll system and such other documentation reasonably requested by Buyer, including an audit. Failure to comply with this requirement may, in MCE's sole discretion, result in termination of the PPA.
- II. **Prevailing Wage Requirements:** Seller shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, including, without limitation employment discrimination laws and prevailing wage laws. Seller shall enter into a project labor agreement for construction of the Facility, and shall provide a copy of same prior to Construction Start. As a condition precedent to commencement of the Delivery Term, Seller must certify that it complied with the foregoing requirements, and be able to demonstrate, upon request, compliance with this requirement via copies of executed PLAs or similar agreements, a certified payroll system and such other documentation reasonably requested by Buyer, including pursuant to an audit.
- III. **Responsible Procurement:** MCE will not accept any proposals for generating and/or storage facilities that rely on equipment or resources built with forced labor. Consistent with the business advisory jointly issued by the U.S. Departments of State, Treasury, Commerce and Homeland Security on July 1, 2020, equipment or resources sourced from the Xinjiang region of China are presumed to involve forced labor. Seller must certify that it will not utilize such equipment or resources in connection with the construction, operation or maintenance of the Facility.
- IV. **Pollinator Friendly Habitat:** For generating resources using solar PV technology, PPAs shall include the following requirements:
 - a. **Ground-Mounted Solar Requirements for Pollinator-Friendly Habitats.** Seller is required to establish and maintain at Seller's sole expense a pollinator-friendly

Appendix B Required Provisions for Power Purchase Agreements

habitat at the Site as provided herein ("Pollinator-Friendly Habitat"). Pollinator reference materials can be found at Pollinator Partnership at www.pollinator.org and EPRI at <https://www.epri.com/pages/sa/pollinators>.

- b. Seller shall provide a written narrative of Seller's proposal to establish a Pollinator-Friendly Habitat that describes the proposed vegetation rehabilitation design and management plan for the Site, including site preparation, landscape drawings and/or seed/plant listing, implementation, and long-term management plans for Buyer's review and approval, not to be unreasonably withheld. Seller shall provide such narrative to Buyer no later than the Construction Start Date.
- c. In addition, within thirty (30) days of the Commercial Operation Date Seller shall submit to Buyer a pollinator-friendly solar scorecard ("Pollinator Scorecard") (a form of which is attached as an Exhibit to the PPA). The Pollinator Scorecard includes language that deems planning for the implementation of a Pollinator-Friendly Habitat as acceptable. Not all planned activities need to be completed upon submission of the first Pollinator Scorecard, however, planning documentation must be provided with the first Pollinator Scorecard that details the upcoming activities. Seller shall use commercially reasonable efforts to achieve a score that meets pollinator standards of 80 or above on each Pollinator Scorecard.
- d. Seller shall complete installation of the Pollinator-Friendly Habitat within two (2) years of Commercial Operation and supply an updated Pollinator Scorecard to MCE that reflects the habitat installed. Documentation of work performed relating to site preparation and seed installation will be provided to Buyer with the updated scorecard.
- e. Seller shall provide MCE with an updated Pollinator Scorecard within sixty (60) days of the 5th, 10th, and 15th anniversary of Commercial Operation.
- f. Seller is strongly encouraged to consider, but is not required to implement, the following solar array design elements to encourage and support the Pollinator-Friendly Habitat and reduce maintenance costs:
 - 36-inch minimum height above ground of the lowest edge of the solar panels;
 - Burying conduits and wiring with homeruns tight to bottom of panels;
 - Designing inter-row access/spacing to enable vegetation management; and
 - Utilizing 'BeeWhere' registration if beehives are placed onsite.
- g. Rare exceptions to the Pollinator-Friendly Habitat requirements may be considered by Buyer in its sole discretion.
- h. Notwithstanding the foregoing subsections (c) through (f) (the "Pollinator Scorecard Requirements"), Seller agrees that, upon written request of Buyer, Seller shall work with EPRI to implement a pollinator habitat that conforms to the Bee Better Certified

Appendix B Required Provisions for Power Purchase Agreements

Electric program (or its successor). The Bee Better Certified Electric certification program is expected to have pollinator habitat requirements of similar scope to the Pollinator Scorecard Requirements. Seller's completion of the Bee Better Certified Electric certification program shall be deemed to satisfy the foregoing Pollinator Scorecard requirements.

- V. **Diversity Reporting:** Seller shall be required under the PPA to complete the Supplier Diversity and Labor Practices questionnaire in MCE's Offer Form, or a similar questionnaire, and agrees to comply with similar regular reporting requirements related to diversity and labor practices.
- VI. **Permits and Approvals:** Seller shall obtain any and all permits and approvals, including without limitation, environmental clearance under the California Environmental Quality Act ("CEQA") or other environmental law, from the local jurisdiction where the Facility is or will be constructed. Seller agrees and acknowledges that Buyer is simply purchasing energy and storage services under the PPA and does not intend to be the lead agency for the Facility.
- VII. **Non-Modifiable California Renewables Portfolio Standard Terms & Conditions:**
 - a. **Eligibility.** Seller, and, if applicable, its successors, represents and warrants that throughout the Delivery Term of this Agreement that: (i) the Project qualifies and is certified by the CEC as an Eligible Renewable Energy Resource ("ERR") as such term is defined in Public Utilities Code Section 399.12 or Section 399.16; and (ii) the Project's output delivered to Buyer qualifies under the requirements of the California Renewables Portfolio Standard. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law. [STC 6].
 - b. **Transfer of Renewable Energy Credits.** Seller and, if applicable, its successors, represents and warrants that throughout the Delivery Term of this Agreement the Renewable Energy Credits transferred to Buyer conform to the definition and attributes required for compliance with the California Renewables Portfolio Standard, as set forth in California Public Utilities Commission Decision 08-08-028, and as may be modified by subsequent decision of the California Public Utilities Commission or by subsequent legislation. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law. [STC REC-1].
 - c. **Tracking of RECs in WREGIS.** Seller warrants that all necessary steps to allow the Renewable Energy Credits transferred to Buyer to be tracked in the Western Renewable Energy Generation Information System will be taken prior to the first delivery under the contract. [STC REC-2].

Appendix B
Required Provisions for Power Purchase Agreements

- d. **Governing Law.** This Agreement and the rights and duties of the Parties hereunder shall be governed by and construed, enforced and performed in accordance with the laws of the state of California, without regard to principles of conflicts of Law. To the extent enforceable at such time, each Party waives its respective right to any jury trial with respect to any litigation arising under or in connection with this Agreement. [STC 17].