

File No. 201245

Committee Item No. 2

Board Item No. \_\_\_\_\_

# COMMITTEE/BOARD OF SUPERVISORS

## AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date December 9, 2020

Board of Supervisors Meeting

Date \_\_\_\_\_

### Cmte Board

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- Introduction Form
- Department/Agency Cover Letter and/or Report
- MOU
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### OTHER (Use back side if additional space is needed)

- Request for Offers RA Supplies 2021-2022 - August 3, 2020
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Completed by: Linda Wong

Date December 3, 2020

Completed by: Linda Wong

Date \_\_\_\_\_

1 [Amendment Agreement - Retroactive - Calpine Energy Services, L.P. - Purchase of  
2 Renewable Energy and Electricity-Related Products - Not to Exceed \$220,299,120 in  
3 Purchases - Agreement - Purchase of Electricity-Related Products - Not to Exceed  
4 \$59,400,000]

5 **Resolution retroactively authorizing CleanPowerSF to execute an amendment to an**  
6 **agreement with Calpine Energy Services, L.P. for electricity-related products to**  
7 **increase the cost by \$27,000,000 for a total of \$30,240,000 and to extend the term by**  
8 **seven years for a term ending December 31, 2029; approving an amendment to an**  
9 **agreement with Calpine for renewable energy to increase the cost by \$193,299,120 for a**  
10 **total of \$242,979,817 and to extend the term by seven years for a term ending**  
11 **December 31, 2029, for a total of \$220,299,120 not to exceed in purchases; and**  
12 **approving an agreement with Calpine Energy Services, L.P. for electricity-related**  
13 **products for \$59,400,000 with a term of January 1, 2024, through December 31, 2029.**

14 WHEREAS, State law allows cities and counties to develop community choice  
15 aggregation (CCA) programs, through which local governments supply electricity to serve the  
16 needs of participating customers within their jurisdictions while the existing utility continues to  
17 provide services such as customer billing, transmission, and distribution; and

18 WHEREAS, In May 2016, the San Francisco Public Utilities Commission (PUC)  
19 launched a CCA program called CleanPowerSF to provide San Francisco residents and  
20 businesses the option to receive cleaner, more sustainable electricity at rates comparable to  
21 those offered by Pacific Gas & Electric Company (PG&E); CleanPowerSF uses clean and  
22 renewable energy purchased from various facilities, including energy from the City's municipal  
23 utility, Hetch Hetchy Power; and

24 WHEREAS, State law requires load serving entities (LSEs) that provide electric service  
25 to customers, such as CleanPowerSF and Hetch Hetchy Power, to own or procure certain

1 quantities of electricity-related products known as Resource Adequacy (RA) that is necessary  
2 to meet regulatory requirements; the RA requirements are set annually and specify quantities  
3 of different types of RA products in a number of different geographical areas that each LSE is  
4 required to own or procure; and

5 WHEREAS, In July 2020, the CPUC provided each LSE, including CleanPowerSF, with  
6 a preliminary notice of the volumes of RA the LSE is required to own or procure for each  
7 month of 2021 and 2022, and on September 18, 2020, the CPUC provided final notice of the  
8 actual volumes of each type of RA product that each LSE is required to procure by October  
9 31, 2020, in order to meet its RA compliance obligations; and

10 WHEREAS, CleanPowerSF was required to purchase additional RA products in order  
11 to meet the October 31, 2020, compliance deadline; and

12 WHEREAS, CleanPowerSF issued solicitations for RA supply on August 3, September  
13 2, September 29, and October 16, 2020, and participated in solicitations issued by other LSEs  
14 to purchase and sell RA; and

15 WHEREAS, In response to a solicitation, Calpine Energy Services, LP (Calpine)  
16 submitted offers to CleanPowerSF to increase the volumes of RA and energy sold to  
17 CleanPowerSF from the Geysers geothermal facility and an offer to sell RA from other  
18 facilities located in California pursuant to a master power purchase and sale agreement with  
19 Calpine (Calpine Agreement) which was approved by the Board in Ordinance No. 223-15 and  
20 is on file with the Clerk of the Board of Supervisors in File No. 150408; and

21 WHEREAS, CleanPowerSF seeks approval for three transactions with Calpine:

22 1) An amendment to an agreement with Calpine for purchases of RA supplies,  
23 whereby Calpine will purchase additional volumes of RA product from Calpine from the  
24 Geysers geothermal facility, increasing the total contract cost by \$27,000,000 to \$30,240,000  
25 and extending the term from December 31, 2022, to December 31, 2029. CleanPowerSF

1 executed this amendment on October 30, 2020, in order to meet the October 31 compliance  
2 deadline and seeks retroactive approval here.

3 2) An amendment to an agreement for CleanPowerSF to purchase renewable energy  
4 from the Geysers geothermal facility, increasing the amount of purchases by \$193,299,120 for  
5 a total contract amount of \$242,979,817 and extending the term by seven years to December  
6 31, 2029. This amendment would also extend Calpine's community benefits commitment.

7 3) An agreement to sell to CleanPowerSF certain RA products for the period January 1,  
8 2024, through December 31, 2029, with a total cost of \$59,400,000; now, therefore, be it

9 RESOLVED, That the Board of Supervisors retroactively authorizes the General  
10 Manager of the Public Utilities Commission to enter into an amendment to an agreement to  
11 purchase RA from Calpine in an amount not to exceed \$27,000,000 and to extend the term of  
12 the agreement by seven years to December 31, 2029; and, be it

13 FURTHER RESOLVED, That the Board of Supervisors authorizes the General  
14 Manager of the Public Utilities Commission to enter into an amendment to the Calpine  
15 Geysers renewable energy agreement in an amount not to exceed \$193,299,120, to extend  
16 the term by seven years to December 31, 2029, and to extend Calpine's community benefits  
17 commitment; and, be it

18 FURTHER RESOLVED, That the Board of Supervisors authorizes the General  
19 Manager of the Public Utilities Commission to enter into an agreement with Calpine to  
20 purchase RA in an amount not to exceed \$59,400,000; and, be it

21 FURTHER RESOLVED, That the Board of Supervisors authorizes the General  
22 Manager of the Public Utilities Commission to make amendments to the agreements, as  
23 needed, that do not materially increase the obligations or liabilities of the City or reduce the  
24 benefits to the City.

1           FURTHER RESOLVED, That within thirty (30) days of the amendments and agreement  
2 being fully executed by all parties, the San Francisco Public Utilities Commission shall provide  
3 the final amendments and agreement to the Clerk of the Board for inclusion into the official  
4 file.

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<b>Items 2 and 3</b> <b>Files 20-1245 and 20-1280</b>	<b>Department:</b> Public Utilities Commission (PUC)
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**EXECUTIVE SUMMARY**

**Legislative Objectives**

- **File 20-1245** is a resolution that would approve the following agreements for electricity-related products between San Francisco Public Utilities Commission’s (SFPUC) CleanPowerSF and Calpine Energy Services (Calpine): (1) retroactively amend an agreement to purchase Resource Adequacy (RA) products, increasing the contract amount by \$27,000,000 for a total not to exceed \$30,240,000 and extending the term through December 2029; (2) amend an agreement to purchase renewable energy, increasing the contract amount by \$193,299,120 for a total not to exceed \$242,979,817 and extending the term through December 2029; and (3) approve an agreement to purchase RA products for the period of January 2024 through December 2029 with a total amount not to exceed \$59,400,000.
- **File 20-1280** is a resolution that would retroactively approve an agreement for CleanPowerSF to sell excess RA products to Southern California Edison (SCE) for the period from January through December 2021 for an amount not to exceed \$1,273,570.

**Key Points**

- State law requires all electric service providers, including CleanPowerSF, to maintain certain quantities of RA to ensure sufficient electric generation resources to meet unusually high levels of customer demand. The California Public Utilities Commission (CPUC) provided CleanPowerSF with RA volumes for each month of 2021 and 2022, requiring CleanPowerSF to purchase additional RA products by October 31 to meet its compliance obligations.
- CleanPowerSF issued four solicitations for RA supply and participated in solicitations from other electric providers to purchase and sell RA. In response, Calpine submitted offers to increase the RA and renewable energy volumes sold to CleanPowerSF from the Geysers geothermal facility and an offer to sell RA from other facilities. CleanPowerSF also submitted an offer to sell RA to SCE. Under these contracts, CleanPowerSF does not purchase energy from the plants, but rather receives a commitment from the plant to make its power producing capability available to CAISO if the state needs it to ensure electric system reliability. SFPUC is seeking retroactive approval for two agreements due to the October 31 compliance deadline.

**Fiscal Impact**

- Over the terms of the three Calpine agreements, CleanPowerSF would have total expenditures of up to \$332,619,817 through 2029. Over the one-year term of the SCE agreement, CleanPowerSF would receive up to \$1,273,570 in revenue.

**Recommendations**

- Amend the proposed resolution in File 20-1245 to reduce the not-to-exceed amount for the second Calpine agreement by \$609,151, for a total not to exceed \$242,370,666.
- Approve the resolution in File 20-1245 as amended and approve the proposed resolution in File 20-1280.

## MANDATE STATEMENT

City Charter Section 9.118(a) states that contracts entered into by a department, board, or commission that (i) have anticipated revenues of \$1 million or more or (ii) have anticipated revenues of \$1 million or more and require modifications are subject to Board of Supervisors approval.

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of \$10 million or more, or (3) requires a modification of more than \$500,000 is subject to Board of Supervisors approval.

## BACKGROUND

In May 2016, the San Francisco Public Utilities Commission (SFPUC) launched the CleanPowerSF Community Choice Aggregation (CCA)<sup>1</sup> program to provide cleaner and more sustainable electricity at comparable rates to those offered by Pacific Gas & Electric Company (PG&E). CleanPowerSF uses clean and renewable energy purchased from various sources, including SFPUC's Hetch Hetchy Power.

State law requires all electric service providers, including CleanPowerSF, to maintain certain quantities of Resource Adequacy (RA) to ensure sufficient electric generation resources to meet unusually high levels of customer demand. RA requirements are determined by formula using demand forecasts. Retail sellers must also procure different types of RA products from different geographical areas.

In July 2020, the California Public Utilities Commission (CPUC) provided each electric service provider a preliminary notice of RA requirements for each month of 2021 and 2022. On September 18, 2020, CPUC provided final RA volumes, requiring CleanPowerSF to purchase additional RA products by October 31, 2020 to meet its compliance obligations.

CleanPowerSF issued solicitations for RA supply on August 3, September 2, September 29, and October 16, 2020, and participated in solicitations from other electric providers to purchase and sell RA. In response to a solicitation, Calpine Energy Services, LP (Calpine) submitted offers to increase the RA volumes and renewable energy sold to CleanPowerSF from the Geysers geothermal facility and an offer to sell RA from other facilities pursuant to a master power purchase and sale agreement that was approved by the Board of Supervisors in December 2015 (File 15-1123, Ordinance 223-15).<sup>2</sup> CleanPowerSF also submitted an offer to sell excess RA product to Southern California Edison (SCE).

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<sup>1</sup> Community Choice Aggregation (CCA) programs enable local governments to purchase and/or develop power on behalf of the local community.

<sup>2</sup> In January 2018, the Board of Supervisors approved an ordinance delegating authority under City Charter Section 9.118(b) to the SFPUC General Manager to enter into agreements exceeding 10 years or \$10 million for power and related products and services required for CleanPowerSF (File 17-1172, Ordinance 08-18). The delegated authority applied to power agreements procured through two Requests for Offers (RFO) issued in 2017. Since the proposed

Bids are evaluated using a least cost, best fit methodology. Proposals are evaluated by Utility Specialists on the Origination and Power Supply team and approved by the Deputy Managers of Power Operations and CleanPowerSF. Transactions with a total value greater than \$1 million also require approval of the SFPUC Assistant General Manager of Power.

### DETAILS OF PROPOSED LEGISLATION

**File 20-1245** is a resolution that would approve the following agreements with Calpine:

1. Retroactively amend an agreement for CleanPowerSF to purchase of RA products from the Geysers geothermal facility, increasing the contract amount by \$27,000,000 for a total not to exceed \$30,240,000 and extending the term seven years through December 2029;
2. Amend an agreement for CleanPowerSF to purchase renewable energy from the Geysers geothermal facility, increasing the contract amount by \$193,299,120 for a total not to exceed \$242,979,817 and extending the term by seven years through December 2029; and
3. Approve an agreement for CleanPowerSF to purchase RA products for the period of January 2024 through December 2029 with a total amount not to exceed \$59,400,000.

According to Ms. Erin Mulberg, SFPUC Power Enterprise Origination and Power Supply, the new agreement with Calpine begins in 2024 because the RA products purchased will not be available before then. As electricity prices generally increase each year, and available RA capacity is expected to tighten in the near and medium-terms as existing plants are decommissioned, SFPUC believes that this agreement will allow CleanPowerSF to secure its required RA capacity at a competitive and stable rate.

**File 20-1280** is a resolution that would retroactively approve an agreement for CleanPowerSF to sell excess RA products to SCE for the period from January through December 2021 for an amount not to exceed \$1,273,570.

According to Ms. Mulberg, SFPUC is requesting retroactive approval for two of the agreements because the agreements were already executed to meet the October 31<sup>st</sup> compliance deadline.

### Community Benefits

According to the SFPUC, Calpine's power agreement required a Community Benefits program. Calpine has provided financial contributions to the Hunter Point Family Foundation (Girls 2000) STEM Education program. Calpine has voluntarily agreed to continue this program through 2025.

### FISCAL IMPACT

The contract amounts with Calpine of \$30,240,000, \$242,979,817, and \$59,400,000 are based on the bid price per kilowatt (kW) per month and price per megawatt-hour (MWh) multiplied by the

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Calpine amendments purchase energy procured through solicitations in 2020, they are not subject to the delegated authority.



total kW of capacity or MWh of renewable energy. The actual bid price varies by the type of electricity-related product.

As noted above, CPUC requires retail sellers to procure different types of RA products from different geographical areas. The energy source for RA products in the existing Calpine agreements is the Geysers geothermal facility in Santa Rosa. According to Ms. Mulberg, the energy source for RA products in the new Calpine agreement will be from its fleet or resources, and will be confirmed 45 days before each monthly RA compliance filing.

Ms. Mulberg states that RA capacity contracts are contracts that commit power plants to be available to the state's grid operator, the California Independent System Operator (CAISO), when the demand for electricity in California is at its highest levels. Under these contracts, CleanPowerSF does not purchase energy from the plants. Instead, CleanPowerSF receives a commitment from the plant to make its power producing capability available to CAISO if the state needs it to ensure electric system reliability.

Over the terms of the three Calpine agreements, CleanPowerSF would have total expenditures of up to \$332,619,817 through 2029. Over the one-year term of the SCE agreement, CleanPowerSF would receive up to \$1,273,570 in revenue. Projected and actual expenditures by year for the Calpine agreements are shown in Table 1 below.

**Table 1: Projected and Actual Calpine RA Expenditures by Year**

<b>Calendar Year</b>	<b>Contract 1 (Existing)</b>	<b>Contract 2 (Existing)</b>	<b>Contract 3 (New)</b>	<b>Total</b>
2018 (Actual)		\$1,874,569		\$1,874,569
2019 (Actual)	720,000	10,118,503		10,838,503
2020 (Actual and Projected)	720,000	10,535,674		11,255,674
2021 (Projected)	900,000	13,271,400		14,171,400
2022 (Projected)	2,700,000	26,148,600		28,848,600
2023 (Projected)	3,600,000	25,754,400		29,354,400
2024 (Projected)	3,600,000	25,824,960	9,900,000	39,324,960
2025 (Projected)	3,600,000	25,754,400	9,900,000	39,254,400
2026 (Projected)	3,600,000	25,754,400	9,900,000	39,254,400
2027 (Projected)	3,600,000	25,754,400	9,900,000	39,254,400
2028 (Projected)	3,600,000	25,824,960	9,900,000	39,324,960
2029 (Projected)	3,600,000	25,754,400	9,900,000	39,254,400
<b>Total</b>	<b>\$30,240,000</b>	<b>\$242,370,666</b>	<b>\$59,400,000</b>	<b>\$332,010,666</b>

Source: SFPUC

SFPUC has submitted an amended resolution that reduces the not-to-exceed amount of the second Calpine agreement from \$289,599,121 to \$242,979,817 due to actual expenditures to date. According to Ms. Mulberg, underspending was due to decreased power outputs from the Geysers geothermal facility after wildfires in Sonoma County in 2019 and resulting transmission constraints in early 2020. The revised not-to-exceed amount of \$242,979,817 is approximately

\$609,151 greater than total projected expenditures through 2029 of \$242,370,666, as shown in Table 1 above.

According to Ms. Mulberg, these RA and renewable energy purchases will reduce CleanPowerSF's expected power supply costs over the FY 2022-2029, benefiting ratepayers.

### **RECOMMENDATIONS**

1. Amend the proposed resolution in File 20-1245 to reduce the not-to-exceed amount of the second Calpine agreement by \$609,151, for a total not to exceed \$242,370,666.
2. Approve the resolution in File 20-1245 as amended.
3. Approve the proposed resolution in File 20-1280.

**AMENDMENT TO THE  
MASTER POWER PURCHASE AND SALE AGREEMENT**

THIS AMENDMENT (“**Amendment**”) to the Master Power Purchase and Sale Agreement for CleanPowerSF Community Choice Aggregation (“**Master Agreement**”) is entered into and dated as of this 30th day of October, 2020 (“**Effective Date**”) by and between City and County of San Francisco, acting by and through its Public Utilities Commission, Power Enterprise (“**City**”) and Calpine Energy Services, L.P., a Delaware limited partnership (“**CES**”) referred to herein individually as “Party” and collectively as the “Parties.”

**RECITALS**

- A. The Parties entered into that certain Master Power Purchase and Sale Agreement for CleanPower SF Community Choice Aggregation on January 13, 2016, which established and provided for certain transaction terms and conditions relating to the purchase and sale of capacity, energy or other product(s) (“**Master Agreement**”).
- B. The Master Agreement, together with the exhibits, schedules and any written supplements hereto, any designated collateral, credit support or margin agreement or similar arrangement between the Parties and all Transactions (including any confirmations accepted in accordance with Section 2.1 of the Master Agreement), are referred to as the Master Agreement, a single integrated agreement between the Parties.
- C. The following conditions were satisfied by the City before the Master Agreement became effective:
  - 1. The General Manager of the San Francisco Public Utilities Commission received any necessary San Francisco Public Utilities Commission and/or San Francisco Board of Supervisors approvals to execute the Master Agreement; and
  - 2. The San Francisco Public Utilities Commission took action pursuant to SFPUC Resolution 15-0112 to authorize the General Manager to finalize the schedule of electric rates and charges and commence the opt out process for CleanPowerSF.
- D. The Parties have been operating under the terms of the Master Agreement at all times since they first executed the Master Agreement on January 13, 2016.
- E. The Parties now wish to amend and extend the term of the Master Agreement such that the Master Agreement will remain in effect until December 31, 2029.

**AGREEMENT**

NOW, THEREFORE, in consideration of the promises and the mutual agreements contained herein, the Parties agree as follows:

- 1. Definitions. Capitalized terms used and not defined herein shall have the meanings set forth in the Master Agreement.

2. Amendment to Term. Section 10.1 of the Master Agreement is hereby amended and restated to extend the term of the Master Agreement as follows:

“10.1 Term of Master Agreement. The term of this Master Agreement shall commence on the Effective Date and shall remain in effect until December 31, 2029, unless terminated pursuant to Article Five; provided, however, that such expiration or termination shall not affect or excuse the performance of either Party under any provision of this Master Agreement that by its terms survives any such expiration or termination and, provided further, that this Master Agreement and any other documents executed and delivered hereunder shall remain in effect with respect to the Transaction(s) entered into prior to the effective date of such termination until both Parties have fulfilled all of their obligations with respect to such Transaction(s), or such Transaction(s) that have been terminated pursuant to Article Five of this Master Agreement.”

3. Representations and Warranties. As of the Effective Date of this Amendment, each Party hereby re-affirms the representations and warranties set forth in Section 10.2 of the Master Agreement, as they can be read to apply to this Amendment.

4. No Further Modifications. Except as expressly set forth herein, this Amendment shall not affect any other terms and conditions of the Master Agreement, and the Master Agreement shall continue in full force and effect as if such terms and conditions were set forth fully herein.

5. Execution and Delivery. This Amendment may be executed in one or more counterparts, all of which will be considered one and the same. This Amendment may be delivered by the electronic exchange of executed signature pages (*e.g.*, by email), and any printed or copied version of any signature page so delivered will have the same force and effect as an originally executed version of such signature page.

6. Governing Law. The validity, interpretation, and effect of this Amendment are governed by and will be construed in accordance with the laws of the State of California applicable to contracts made and performed in such state and without regard to conflicts of law doctrines except to the extent that certain matters are preempted by federal law or are governed by the law of the jurisdiction of organization of the respective Parties.

IN WITNESS WHEREOF, the Parties hereto, intending to be legally bound hereby, have caused this Agreement to be signed by their respective officers hereunto duly authorized as of the day and year first set forth above.

City and County of San Francisco, acting by and through its Public Utilities Commission, CleanPowerSF

Calpine Energy Services, L.P.,  
a Delaware limited partnership

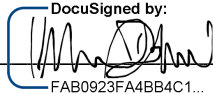
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KA

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

Harlan L. Kelly, Jr.

General Manager

San Francisco Public Utilities Commission

By:  \_\_\_\_\_  
DocuSigned by:  
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Name: Alex Makler

Title: Vice President

Approved as to Form:

Dennis J. Herrera

City Attorney


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

Deputy City Attorney

IN WITNESS WHEREOF, the Parties hereto, intending to be legally bound hereby, have caused this Agreement to be signed by their respective officers hereunto duly authorized as of the day and year first set forth above.

City and County of San Francisco, acting by and through its Public Utilities Commission, CleanPowerSF

Calpine Energy Services, L.P.,  
a Delaware limited partnership

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

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

Harlan L. Kelly, Jr.

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

General Manager


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

San Francisco Public Utilities Commission

Approved as to Form:

Dennis J. Herrera

City Attorney

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

Deputy City Attorney

**FIRST AMENDMENT TO AND RESTATEMENT OF THE MASTER POWER  
PURCHASE AND SALE AGREEMENT  
RA CONFIRMATION LETTER  
BETWEEN  
CALPINE ENERGY SERVICES, L.P.  
AND  
CITY AND COUNTY OF SAN FRANCISCO**

This FIRST AMENDMENT TO AND RESTATEMENT OF THE MASTER POWER PURCHASE AND SALE AGREEMENT RA CONFIRMATION LETTER (“Amendment”) is made and entered into as of this 30<sup>th</sup> day of October, 2020 (the “Confirmation Effective Date”) by and between Calpine Energy Services, L.P. (“Seller”) and City and County of San Francisco, acting by and through its Public Utilities Commission, CleanPowerSF (“Buyer”), each individually a “Party” and together the “Parties.”

**RECITALS**

A. WHEREAS, Buyer and Seller are parties to that certain Master Power Purchase and Sale Agreement for CleanPower SF Community Choice Aggregation dated as of January 13, 2016, as amended by that certain Amendment to the Master Power Purchase and Sale Agreement for CleanPower SF Community Choice Aggregation dated as of October 30, 2020 (as so amended, the “Master Agreement”);

B. WHEREAS, pursuant the Master Agreement, Buyer and Seller are parties to that certain RA Confirmation Letter dated as of April 24, 2018, pursuant to which Seller provides resource adequacy and related services from the Geysers geothermal resources to Buyer for the period from January 1, 2019 through December 31, 2022 (“RA Confirmation”).

C. WHEREAS, pursuant to Public Utilities Code Section 380, as implemented by the CPUC in CPUC Decisions, including but not limited to D.05-10-042, D.06-06-064, D.09-06-028, D.13-06-024, D.18-06-030, D.19-02-022, D.19-06-026, and D.19-10-02, load serving entities are required to purchase resource adequacy in connection with providing electric energy to their customers;

D. WHEREAS, Buyer wishes to amend the RA Confirmation to increase the Contract Quantity from 25 MW to 50 MW beginning on January 1, 2022, and Seller is willing to so modify the RA Confirmation;

E. WHEREAS, Buyer wishes to extend the Term of the RA Confirmation from a delivery period running through December 31, 2022 to a delivery period running through December 31, 2029, and Seller is willing to so extend the RA Confirmation;

F. WHEREAS, Buyer and Seller are intending to an enter into a separate confirmation agreement for the purchase and sale of renewable energy from the Geysers geothermal resources (“RPS Confirmation”), which shall be for the same Contract Quantity and Term as this RA Confirmation.

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth herein and in the RPS Confirmation, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties hereby agree to amend and restate the RA Confirmation in its entirety as follows, such amendment and restatement to be effective upon the Confirmation Effective Date.

## **CONFIRMATION**

### **ARTICLE 1 DEFINITIONS**

- 1.1** “Alternate Capacity” means any replacement Product which Seller has elected to provide to Buyer in accordance with the terms of Section 4.5.
- 1.2** “Availability Incentive Payments” has the meaning set forth in the Tariff.
- 1.3** “Availability Standards” has the meaning set forth in the Tariff.
- 1.4** “Buyer” has the meaning specified in the introductory paragraph hereof.
- 1.5** “CAISO” means the California Independent System Operator or its successor.
- 1.6** “Capacity Replacement Price” means (a) the price actually paid for any Replacement Capacity purchased by Buyer pursuant to Section 4.7 hereof, plus costs reasonably incurred by Buyer in purchasing such Replacement Capacity, or (b) absent a purchase of any Replacement Capacity, the market price for such Designated RA Capacity not provided at the Delivery Point. The Buyer shall determine such market prices in a commercially reasonable manner. For purposes of the definition of Section 1.65 of the Master Agreement, “Capacity Replacement Price” shall be deemed to be the “Replacement Price”, as used in the Master Agreement.
- 1.7** “Confirmation” has the meaning specified in the introductory paragraph hereof.
- 1.8** “Confirmation Effective Date” has the meaning specified in the introductory paragraph hereof.
- 1.9** “Contingent Firm RA Product” has the meaning specified in Section 3.4 hereof.
- 1.10** “Contract Price” means, for any Monthly Delivery Period, the RA Capacity Flat Price for such period.
- 1.11** “Contract Quantity” means, with respect to any particular Showing Month of the Delivery Period, the amount of Product (in MWs) set forth in table in Section 4.3 which Seller has agreed to provide to Buyer from the Unit for such Showing Month.
- 1.12** “CPUC Decisions” means CPUC Decisions 04-01-050, 04-10-035, 05-10-042, 06-06-064, 06-07-031, 07-06-029, 08-06-031, 09-06-028, 10-06-036, 11-06-022, 12-06-025, 13-06-024, 14-06-050, 15-06-063, 16-06-045, 17-06-027, 18-06-030, 18-06-031, 19-02-022 and



19-06-026, and any other existing or subsequent decisions related to resource adequacy issued from time to time by the CPUC, as amended from time to time.

- 1.13** “CPUC Filing Guide” means the annual document issued by the CPUC which sets forth the guidelines, requirements and instructions for LSE’s to demonstrate compliance with the CPUC’s resource adequacy program.
- 1.14** “Delivery Period” has the meaning specified in Section 4.1 hereof.
- 1.15** “Delivery Point” has the meaning specified in Section 4.2 hereof.
- 1.16** “Designated RA Capacity” shall be equal to, with respect to any particular Showing Month of the Delivery Period, the Contract Quantity of Product for such Showing Month including the amount of Contract Quantity that Seller has elected to provide Alternate Capacity with respect to, minus any reductions to Contract Quantity specified in Section 4.4 with respect to which Seller has not elected to provide Alternate Capacity.
- 1.17** “Effective Flexible Capacity” means the flexible capacity of a resource that can be counted towards an LSE’s FCR obligation, as identified from time to time by the Tariff, the CPUC Decisions, LRA, or other Governmental Body having jurisdiction.
- 1.18** “FCR Attributes” means, with respect to a Unit, any and all FCR attributes that can be counted toward an LSE’s FCR, as they are identified from time to time by the CPUC Decisions, the Tariff, an LRA, or other Governmental Body having jurisdiction that can be counted toward FCR and are consistent with the operational limitations and physical characteristics of such Unit. For clarity, it should be understood that if the CAISO, LRA, or other Governmental Body, defines new or redefines the FCR Attributes of a Unit, then such change will not result in a change in payments or obligations made pursuant to this Transaction.
- 1.19** “FCR Showings” means the FCR compliance showings (or similar or successor showings) an LSE is required to make to the CPUC (and, to the extent authorized by the CPUC, to the CAISO) pursuant to the CPUC Decisions and the Tariff, or to an LRA having jurisdiction over the LSE.
- 1.20** “Firm RA Product” has the meaning specified in Section 3.3 hereof.
- 1.21** “Flexible Capacity Requirements” or “FCR” means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, or by an LRA or other Governmental Body having jurisdiction.
- 1.22** “Flexible RA Product” has the meaning specified in Section 3.2 hereof.
- 1.23** “GADS” means the Generating Availability Data System or its successor.
- 1.24** “Generic RA Product” means Designated RA Capacity consisting of RAR Attributes and, if applicable, LAR Attributes, which does not include FCR Attributes.

- 1.25** “Governmental Body” means (i) any federal, state, local, municipal or other government; (ii) any governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and (iii) any court or governmental tribunal.
- 1.26** “LAR” means local area reliability, which is any program of localized resource adequacy requirements established for jurisdictional LSEs by the CPUC pursuant to the CPUC Decisions, the Tariff, or by another LRA having jurisdiction over the LSE, as implemented in the Tariff. LAR may also be known as local resource adequacy, local RAR, or local capacity requirement in other regulatory proceedings or legislative actions.
- 1.27** “LAR Attributes” means, with respect to a Unit, any and all resource adequacy attributes (or other locational attributes related to system reliability), as they are identified as of the Confirmation Effective Date by the CPUC Decisions, CAISO, LRA, or other Governmental Body having jurisdiction, associated with the physical location or point of electrical interconnection of the Unit within the CAISO Control Area, that can be counted toward LAR and are consistent with the operational limitations and physical characteristics of such Unit, but exclusive of any RAR Attributes which are not associated with where in the CAISO Control Area the Unit is physically located or electrically interconnected. For clarity, it should be understood that if the CAISO, LRA, or other Governmental Body, defines new or re-defines existing local areas, then such change will not result in a change in payments or obligations made pursuant to this Transaction.
- 1.28** “LAR Showings” means the LAR compliance showings (or similar or successor showings) an LSE is required to make to the CPUC (and, to the extent authorized by the CPUC, to the CAISO) pursuant to the CPUC Decisions, or to an LRA having jurisdiction over the LSE.
- 1.29** “LRA” means Local Regulatory Authority, as defined in the Tariff.
- 1.30** “LSE” means load-serving entity. LSEs may be an investor-owned utility, an electric service provider, a community aggregator or community choice aggregator, or a municipality serving load in the CAISO Control Area (excluding exports).
- 1.31** “Master Agreement” has the meaning specified in the introductory paragraph hereof.
- 1.32** “Monthly Delivery Period” means each calendar month during the Delivery Period and shall correspond to each Showing Month.
- 1.33** “Monthly RA Capacity Payment” has the meaning specified in Section 4.9 hereof.
- 1.34** “NERC” means the North American Electric Reliability Council, or its successor.
- 1.35** “NERC/GADS Protocols” means the GADS protocols established by NERC, as may be updated from time to time.
- 1.36** “Net Qualifying Capacity” has the meaning set forth in the Tariff.

- 1.37** “Non-Availability Charges” has the meaning set forth in the Tariff.
- 1.38** “Outage” means disconnection, separation, or reduction in the capacity of any Unit that relieves all or part of the offer obligations of the Unit consistent with the Tariff. For the avoidance of doubt, Outage shall be deemed to include Planned Outage (defined below).
- 1.39** “Outage Schedule” has the meaning specified in Article 6 hereof.
- 1.40** “Planned Outage” means, subject to and as further described in the CPUC Decisions and the Tariff (“Planned Outage”, as the term is used in this Confirmation is known as “Approved Maintenance Outage” under the Tariff), a CAISO-approved planned or scheduled disconnection, separation or reduction in capacity of the Unit that is conducted for the purposes of carrying out routine repair or maintenance of such Unit, or for the purposes of new construction work for such Unit.
- 1.41** “Product” has the meaning specified in Article 3 hereof.
- 1.42** “RA Availability” means, for each Unit, expressed as a percentage, (a) the Unit’s Designated RA Capacity for a Monthly Delivery Period, divided by (b) the Contract Quantity, provided that a Unit’s RA Availability shall not exceed 100%.
- 1.43** “RA Capacity” means the qualifying and deliverable capacity of the Unit for RAR, LAR, and FCR purposes for the Delivery Period, as determined by the CAISO, or other Governmental Body authorized to make such determination under Applicable Laws. RA Capacity encompasses the RAR Attributes, LAR Attributes and FCR Attributes of the capacity provided by a Unit, as applicable pursuant to this Confirmation. For clarity, it should be understood that if the CAISO, LRA, or other Governmental Body, defines new or re-defines existing northern or southern system areas, then such change will not result in a change in payments or obligations made pursuant to this Transaction.
- 1.44** “RA Capacity Flat Price” means the price specified in the RA Capacity Flat Price Table in Section 4.9 hereof.
- 1.45** “RAR” means the resource adequacy requirements, exclusive of LAR and FCR, established for LSEs by the CPUC, pursuant to the CPUC Decisions, or by an LRA or other Governmental Body having jurisdiction.
- 1.46** “RAR Attributes” means, with respect to a Unit, any and all resource adequacy attributes, as they are identified as of the Confirmation Effective Date by the Tariff, the CPUC Decisions, CAISO, LRA, or any Governmental Body having jurisdiction that can be counted toward RAR and are consistent with the operational limitations and physical characteristics of such Unit, exclusive of any LAR Attributes or FCR Attributes.
- 1.47** “RAR Showings” means the RAR compliance showings (or similar or successor showings) an LSE is required to make to the CPUC (and/or, to the extent authorized by the CPUC, to the CAISO), pursuant to the Tariff, the CPUC Decisions or LRA having jurisdiction.
- 1.48** “Replacement Capacity” has the meaning specified in Section 4.7 hereof.

- 1.49** “Replacement Unit” means a generating unit providing Replacement Capacity in accordance with Section 4.5 hereof.
- 1.50** “Resource Category” shall be as described in the CPUC Filing Guide, as such may be modified, amended, supplemented or updated from time to time.
- 1.51** “RMR Agreement” has the meaning set forth in the Tariff.
- 1.52** “RPS Agreement” has the meaning specified in Article 11 hereof.
- 1.53** “Scheduling Coordinator” or “SC” has the meaning set forth in the Tariff.
- 1.54** “Seller” has the meaning specified in the introductory paragraph hereof.
- 1.55** “Showing Month” shall be the calendar month during the Delivery Period that is the subject of the RAR Showing, LAR showing, and/or FCR Showing, as applicable, as set forth in the CPUC Decisions. For illustrative purposes only, pursuant to the CPUC Decisions in effect as of the Confirmation Effective Date, the monthly RAR Showing made in June is for the Showing Month of August.
- 1.56** “Supply Plan” means the supply plans, or similar or successor filings, that each Scheduling Coordinator representing RA Capacity submits to the CAISO, LRA, or other Governmental Body, pursuant to Applicable Laws, in order for that RA Capacity to count for its RAR Attributes, LAR Attributes, and/or FCR Attributes.
- 1.57** “Tariff” means the tariff and protocol provisions of the CAISO, including associated rules, procedures, and business practice manuals, as amended or supplemented from time to time.
- 1.58** “Transaction” has the meaning specified in the introductory paragraph hereof.
- 1.59** “Unit” or “Units” shall mean the generation assets described in Article 2 hereof (including any Replacement Units), from which RA Capacity is provided by Seller to Buyer.
- 1.60** “Unit EFC” means the Effective Flexible Capacity set by the CAISO for the applicable Unit. If the CAISO adjusts the Effective Flexible Capacity of a Unit after the Confirmation Effective Date, then for the period in which the adjustment is effective, the Unit EFC shall be deemed the lesser of (i) the Unit EFC as of the Confirmation Effective Date, and (ii) the CAISO-adjusted Effective Flexible Capacity. To the extent the Confirmation Effective Date of this Confirmation occurs prior to the CAISO’s setting of a Unit EFC for the applicable Unit, the Unit EFC shall be as agreed to by the Parties and specified in Article 2. To the extent the CAISO creates new categories of flexible capacity during the term of this Transaction and a Unit can count toward such new categories of flexible capacity while operating consistent with the operational limitations and physical characteristics of such Unit, any and all such new categories of flexible capacity shall be deemed to be part of the Effective Flexible Capacity of that Unit. The above notwithstanding, to the extent the CAISO decides to reduce the applicable Unit EFC, Seller shall not be liable for any costs or damages related to such reduction and the Unit EFC shall be reduced per Section 4.4 of this Confirmation.

**1.61** “Unit NQC” means the Net Qualifying Capacity set by the CAISO for the applicable Unit. If the CAISO adjusts the Net Qualifying Capacity of a Unit after the Confirmation Effective Date, then for the period in which the adjustment is effective, the Unit NQC shall be deemed the lesser of (i) the Unit NQC as of the Confirmation Effective Date, and (ii) the CAISO-adjusted Net Qualifying Capacity.

## **ARTICLE 2 UNIT INFORMATION**

**Name:** Geysers Unit 17

**Location:** Santa Rosa, California

**CAISO Resource ID:** GEYS17\_7\_UNIT17

**Resource Type:** 1\_Phys\_Res

**Resource Category (1, 2, 3 or 4):** 4

**Point of interconnection with the CAISO Controlled Grid (“Substation”):** Fulton Substation

**Path 26 (North, South or None):** North

**Deliverability restrictions, if any, as described in most recent CAISO deliverability assessment:**

None

**Run Hour Restrictions:** None

**LAR Attributes (Yes/No):** Yes

**If yes:** Local Capacity Area (as of the Confirmation Effective Date): North Coast North Bay

**Product Type:**

**If Generic:** Unit NQC (as of the Confirmation Effective Date): 56 MW

**If Flexible:** Unit EFC (as of the Confirmation Effective Date):  
Flexible Capacity Category (Base/Peak/Super-peak):

## **ARTICLE 3 RESOURCE ADEQUACY CAPACITY PRODUCT**

During the Delivery Period, Seller shall provide to Buyer, pursuant to the terms of this Confirmation, the Designated RA Capacity in the amount of the Contract Quantity of (i) RAR Attributes and, if applicable, LAR Attributes, and (ii) FCR Attributes, if Flexible RA Product is specified in Section 3.2, and the Contract Quantity shall be either a Firm RA Product or a Contingent Firm RA Product, as specified in either Section 3.3 or 3.4 (the “Product”). The Product does not confer to Buyer any right to the electrical output from the Units, other than the right to

include the Designated RA Capacity associated with the Contract Quantity in RAR Showings, LAR Showings, and FCR Showings, as applicable, and any other capacity or resource adequacy markets or proceedings as specified in this Confirmation. Specifically, Seller shall not be required to make available to Buyer any energy or ancillary services associated with any Unit as part of this Transaction, and Buyer shall not be responsible for compensating Seller for Seller's commitments to the CAISO required by this Confirmation. Seller retains the right to sell pursuant to the Tariff any RA Capacity from a Unit that is in excess of that Unit's Contract Quantity and any RAR Attributes, LAR Attributes or FCR Attributes not otherwise transferred, conveyed, or sold to Buyer under this Confirmation.

### **3.1 RAR and LAR Attributes**

Seller shall provide Buyer with the Designated RA Capacity of RAR Attributes and, if applicable, LAR Attributes from each Unit, as measured in MWs, in accordance with the terms and conditions of this Confirmation.

### **3.2 Flexible RA Product**

Seller shall provide Buyer with Designated RA Capacity of FCR Attributes from the Units in the amount of the applicable Contract Quantity.

### **3.3 Firm RA Product**

Seller shall provide Buyer with Designated RA Capacity from the Units in the amount of the Contract Quantity. If the Units are not available to provide the full amount of the Contract Quantity for any reason other than Force Majeure, including without limitation any Outage or any adjustment of the RA Capacity of any Unit, pursuant to Section 4.4, then, Seller shall provide Buyer with Designated RA Capacity from one or more Replacement Units pursuant to Section 4.5 hereof. If Seller fails to provide Buyer with replacement Designated RA Capacity from Replacement Units pursuant to Section 4.5, then Seller shall be liable for damages and/or required to indemnify Buyer for penalties or fines pursuant to the terms of Sections 4.7 and 4.8 hereof.

### **3.4 Contingent Firm RA Product**

Seller shall provide Buyer with Designated RA Capacity from the Units in the amount of the applicable Contract Quantity; provided, however, that if the Units are not available to provide the full amount of the Contract Quantity due to Force Majeure, any Planned Outage or any reduction of the RA Capacity of any Unit, then Seller may provide Buyer with Designated RA Capacity from one or more Replacement Units pursuant to Section 4.5 hereof. If Seller fails to provide Buyer with the Designated RA Capacity, then Seller shall be liable for damages and/or required to indemnify Buyer for penalties or fines pursuant to the terms of Sections 4.7 and 4.8 hereof; provided, however, that Seller shall not be liable for damages and/or required to indemnify Buyer for costs, penalties or fines pursuant to the terms of Sections 4.7 and 4.8 hereof if and only if the failure to deliver the full Contract Quantity is due to Force Majeure, any Planned Outage or any reduction of the RA Capacity of any Unit and Seller has provided Buyer with timely notice pursuant to Section 4.5(a) of Seller's intent not to provide Alternate Capacity in an amount equal to the Contract Quantity of that Showing Month.

**ARTICLE 4  
DELIVERY AND PAYMENT**

**4.1 Delivery Period**

The Delivery Period shall be January 1, 2019 through December 31, 2029, inclusive.

**4.2 Delivery Point**

The Delivery Point for each Unit shall be the CAISO Control Area, and if applicable, the LAR region in which the Unit is electrically interconnected.

**4.3 Contract Quantity**

The Contract Quantity of each Unit for each Monthly Delivery Period shall be:

**Contract Quantity (MWs)**

Year	MWs
2019	
2020	
2021	
2022	
2023	
2024	
2025	
2026	
2027	
2028	
2029	

**4.4 Adjustments to Contract Quantity**

- (a) Planned Outages: Seller's obligation to deliver the Contract Quantity for any Showing Month may be reduced at Seller's option if any portion of the Unit is scheduled for a Planned Outage during the applicable Showing Month; provided, Seller notifies Buyer, no later than ten (10) Business Days before the relevant deadlines for the corresponding RAR Showings, LAR Showings and/or FCR Showings applicable to that Showing Month, of the amount of Product from the Unit Buyer is permitted to include in Buyer's RAR Showings, LAR Showings, and/or FCR Showings applicable to that month as a result of such Planned Outage.

If Seller is unable to provide the applicable Contract Quantity for all or a portion of a Showing Month because of a Planned Outage of a Unit, Seller has the option, but not the obligation, to provide Product for such Showing Month from Replacement Units, provided, Seller provides and identifies such Replacement Units in accordance with Section 4.5. If Seller chooses not to provide Product from Replacement Units and a Unit is on a Planned Outage for the applicable Showing Month, then, the Contract Quantity shall be revised in accordance with any applicable adjustments stipulated by the CPUC Filing Guide or CAISO Tariff in effect for the applicable Showing Month in which the Planned Outage occurs.

- (b) Reductions in Unit NQC: If Product is both (i) Generic RA Product, and (ii) Contingent Firm RA Product specified under Section 3.4, then Seller's obligation to deliver the applicable Contract Quantity for any Showing Month may also be reduced if the Unit experiences a reduction in Unit NQC as determined by the CAISO. Seller's potential reduction in Contract Quantity for each remaining Showing Month shall equal the product of (a) the applicable Showing Month Contract Quantity and (b) the total amount (in MWs) Unit NQC was reduced since the Confirmation Effective Date, divided by (c) Unit NQC as of the Confirmation Effective Date. If the Unit experiences such a reduction in Unit NQC, then Seller has the option, but not the obligation, to provide the applicable Contract Quantity for such Showing Month from (i) the same Unit, provided the Unit has sufficient remaining and available Product and/or (ii) from Replacement Units, provided, that in each case Seller provides and identifies such Replacement Units in accordance with Section 4.5.
- (c) Reductions in Unit EFC: If Product is both (i) Flexible RA Product specified under Section 3.2, and (ii) Contingent Firm RA Product specified under Section 3.4, then Seller's obligation to deliver the applicable Contract Quantity of Product for any Showing Month may also be reduced if the Unit experiences a reduction in Unit EFC as determined by the CAISO. Seller's potential reduction in Contract Quantity for each remaining Showing Month shall equal the product of (a) the applicable Showing Month Contract Quantity and (b) the total amount (in MWs) Unit EFC was reduced since Confirmation Effective Date, divided by (c) Unit EFC as of the Confirmation Effective Date. If the Unit experiences such a reduction in Unit EFC, then Seller has the option, but not the obligation, to provide the applicable Contract Quantity for such Showing Month from (i) the same Unit, provided the Unit has sufficient remaining and available Product and/or (ii) from Replacement Units, provided, that in each case Seller provides and identifies such Replacement Units in accordance with Section 4.5.
- (d) UCAP: If during the Delivery Period the CAISO or the CPUC either replaces Unit NQC as the value utilized to measure the qualifying capacity of a Unit with a successor value such as unforced capacity (UCAP) or utilizes such successor value as a supplemental means of measuring the qualifying capacity of a Unit together with Unit NQC, then from and after such replacement Seller will convey the equivalent amount of qualifying capacity of such Unit on a pro rata basis (i.e. following such replacement, Seller's delivery obligation will be obtained by



calculating the product of (i) the Contract Quantity divided by the Unit NQC, multiplied by (ii) the Unit's overall qualifying capacity (in MW) as measured by such new method of measuring a Unit's qualifying capacity).

#### **4.5 Alternate Capacity and Replacement Units**

- (a) If Seller is unable to provide the full Contract Quantity for any Showing Month for any reason, including, without limitation, due to one of the reasons specified in Section 4.4, or Seller desires to provide the Contract Quantity for any Showing Month from a different generating unit other than the Unit, then Seller may, at no cost to Buyer, provide Buyer with Alternate Capacity from one or more Replacement Units, with the total amount of Product provided to Buyer from the Unit and Replacement Units up to an amount equal to the Contract Quantity for the applicable Showing Month; provided that in each case, Seller shall notify Buyer of its intent (i) not to provide or (ii) to provide Alternative Capacity and identify Replacement Units meeting the above requirements no later than ten (10) Business Days before that Showing Month's applicable deadlines for Buyer's RAR Showings, LAR Showings, and/or FCR Showings. If Seller notifies Buyer in writing as to the particular Replacement Units and such Units meet the requirements of this Section 4.5, then such Replacement Units shall be automatically deemed a Unit for purposes of this Confirmation for that Showing Month and Seller shall not be liable for damages and/or required to indemnify Buyer for penalties or fines pursuant to the terms of Section 4.7 and 4.8 hereof if the total amount of Product provided to Buyer from the Unit and/ or Replacement Units is equal to the Contract Quantity for the applicable Showing Month.
- (b) With respect to a Contingent Firm RA Product, if Seller does not provide Alternate Capacity in an amount equal to the Contract Quantity for that Showing Month, then Buyer may, but shall not be required to, purchase replacement Product. Seller shall not be liable for damages and/or required to indemnify Buyer for penalties or fines pursuant to the terms of Sections 4.7 and 4.8 hereof if the failure to deliver the full Contract Quantity is due to Force Majeure, any Planned Outage or any reduction of the RA Capacity of any Unit and Seller notified Buyer, no later than ten (10) Business Days before that Showing Month's relevant deadlines for Buyer's RAR Showings, LAR Showings, and/or FCR Showings, as applicable, of Seller's intent not to provide Alternate Capacity in an amount equal to the Contract Quantity of that Showing Month.

#### **4.6 Delivery of Product**

Seller shall provide Buyer with the Designated RA Capacity of Product for each Showing Month consistent with the following:

- (a) Seller shall, on a timely basis, submit, or cause the Unit's SC to submit, Supply Plans to identify and confirm the Designated RA Capacity provided to Buyer for each Showing Month so that the total amount of Designated RA Capacity identified

and confirmed for such Showing Month equals the Designated RA Capacity, unless specifically requested not to do so by the Buyer.

- (b) Seller shall cause the Unit's Scheduling Coordinator to submit written notification to Buyer, no later than ten (10) Business Days before the applicable RAR Showings, LAR Showings and/or FCR Showings deadlines for each Showing Month, that Buyer will be credited with the Designated RA Capacity for such Showing Month in the Unit's Scheduling Coordinator Supply Plan so that the Designated RA Capacity credited equals the Designated RA Capacity for such Showing Month.

#### **4.7 Damages for Failure to Provide Designated RA Capacity**

If Seller fails to provide Buyer with the Designated RA Capacity of Product for any Showing Month then the following shall apply:

- (a) Buyer may, but shall not be required to, replace any portion of the Designated RA Capacity not provided by Seller with capacity having equivalent RAR Attributes, LAR Attributes and/or FCR Attributes as the Designated RA Capacity not provided by Seller, provided, that, if any portion of the Designated RA Capacity that Buyer is seeking to replace is Designated RA Capacity having RAR Attributes and no LAR Attributes (such capacity shall also include FCR Attributes if this is a Flexible Capacity Product) and no such RAR capacity is available, then Buyer may replace such portion of the Designated RA Capacity with capacity having RAR Attributes and LAR Attributes (as well as FCR Attributes if this is a Flexible Capacity Product) ("Replacement Capacity"). Such Replacement Capacity may be provided by CAISO to Buyer pursuant to the Tariff. Buyer may enter into purchase transactions with one or more parties to replace any portion of Designated RA Capacity not provided by Seller. Additionally, Buyer may enter into one or more arrangements to repurchase its obligation to sell and deliver capacity to another party and, to the extent such transactions are done at prevailing market prices, such arrangements shall be considered equivalent to the procurement of Replacement Capacity. Buyer shall use commercially reasonable efforts to minimize damages when procuring any Replacement Capacity.
- (b) Seller shall pay to Buyer at the time set forth in Section 4.1 of the Master Agreement, the following damages in lieu of damages specified in Section 4.1 of the Master Agreement: an amount equal to the positive difference, if any, between (i) the sum of (A) the actual cost paid by Buyer for any Replacement Capacity, plus (B) each Capacity Replacement Price times the amount of the Designated RA Capacity neither provided by Seller nor purchased by Buyer pursuant to Section 4.7(a), and (ii) the Designated RA Capacity not provided for the applicable Showing Month times the Contract Price for that month. If Seller fails to pay these damages, then Buyer may offset those damages owed it against any future amounts it may owe to Seller under this Confirmation pursuant to Article Six of the Master Agreement.

**4.8 Indemnities for Failure to Deliver Contract Quantity**

Seller agrees to indemnify, defend and hold harmless Buyer from any penalties, fines or costs assessed against Buyer by the CPUC or the CAISO, resulting from any of the following:

- (a) Seller’s failure to provide any portion of the Designated RA Capacity;
- (b) Seller’s failure to provide notice of the non-availability of any portion of Designated RA Capacity as required under Section 4.6;
- (c) A Unit Scheduling Coordinator’s failure to timely submit Supply Plans that identify Buyer’s right to the Designated RA Capacity purchased hereunder; or
- (d) A Unit Scheduling Coordinator’s failure to submit accurate Supply Plans that identify Buyer’s right to the Designated RA Capacity purchased hereunder.

With respect to the foregoing, the Parties shall use commercially reasonable efforts to minimize such penalties, fines and costs; provided, that in no event shall Buyer be required to use or change its utilization of its owned or controlled assets or market positions to minimize these penalties and fines. If Seller fails to pay the foregoing penalties, fines or costs, or fails to reimburse Buyer for those penalties, fines or costs, then Buyer may offset those penalties, fines or costs against any future amounts it may owe to Seller under this Confirmation.

**4.9 Monthly RA Capacity Payment**

In accordance with the terms of Article Six of the Master Agreement, Buyer shall make a Monthly RA Capacity Payment to Seller for each Unit, in arrears, after the applicable Showing Month. Each Unit’s Monthly RA Capacity Payment shall be equal to the product of (a) the applicable Contract Price for that Monthly Delivery Period, (b) the Designated RA Capacity for the Monthly Delivery Period, and (c) 1,000. The final product of this Monthly RA Capacity Payment calculation shall be rounded to the nearest penny (i.e., two decimal places).

**RA CAPACITY FLAT PRICE TABLE**

<b>Year</b>	<b>RA Capacity Flat Price (\$/kW-month)</b>
2019	█
2020	█
2021	█
2022	█ (█ MW)
	█ (█ MW)
2023	█
2024	█
2025	█
2026	█

Year	RA Capacity Flat Price (\$/kW-month)
2027	██████
2028	██████
2029	██████

If the CPUC allows Buyer to apply the capacity of a Unit that is on, or is scheduled to be on, an Outage towards the Buyer’s RAR, then Seller shall be deemed to have provided Buyer the Product from the capacity of such Unit.

**4.10 Allocation of Other Payments and Costs**

Seller may retain any revenues it may receive from the CAISO or any other third party with respect to any Unit for (a) start-up, shut-down, and minimum load costs, (b) capacity revenue for ancillary services, (c) energy sales, (d) any revenues for black start or reactive power services, or (e) the sale of the unit-contingent call rights on the generation capacity of the Unit to provide energy to a third party, so long as such rights do not confer on such third party the right to claim any portion of the RA Capacity sold hereunder in order to make an RAR Showing, LAR Showing, FCR Showing, or any similar capacity or resource adequacy showing with the CAISO or CPUC. Buyer acknowledges and agrees that all Availability Incentive Payments are for the benefit of Seller and for Seller’s account, and that Seller shall receive, retain, or be entitled to receive all credits, payments, and revenues, if any, resulting from Seller achieving or exceeding Availability Standards. The Parties acknowledge and agree that any Non- Availability Charges are the responsibility of Seller, and for Seller’s account and Seller shall be responsible for all fees, charges, or penalties, if any, resulting from Seller failing to achieve Availability Standards. However, Buyer shall be entitled to receive and retain all revenues associated with the Designated RA Capacity of any Unit during the Delivery Period (including any capacity or availability revenues from RMR Agreements for any Unit, Reliability Compensation Services Tariff, and Residual Unit Commitment capacity payments, but excluding payments described in clauses (a) through (c) above). In accordance with Section 4.9 of this Confirmation and Article Six of the Master Agreement, all such revenues received by Seller, or a Unit’s SC, owner, or operator shall be remitted to Buyer, and Seller shall pay such revenues to Buyer if the Unit’s SC, owner, or operator fails to remit those revenues to Buyer. If Seller fails to pay such revenues to Buyer, Buyer may offset any amounts owing to it for such revenues pursuant to Article Six of the Master Agreement against any future amounts it may owe to Seller under this Confirmation. If a centralized capacity market develops within the CAISO region, Buyer will have exclusive rights to offer, bid, or otherwise submit Designated RA Capacity provided to Buyer pursuant to this Confirmation for resale in such market, and retain and receive any and all related revenues.

**ARTICLE 5  
CAISO OFFER REQUIREMENTS**

During the Delivery Period, except to the extent any Unit is in an Outage, or is affected by an event of Force Majeure that results in a partial or full Outage of that Unit, Seller shall either schedule or

cause the Unit's Scheduling Coordinator to schedule with, or make available to, the CAISO each Unit's Designated RA Capacity in compliance with the Tariff, and shall perform all, or cause the Unit's Scheduling Coordinator, owner, or operator, as applicable, to perform all obligations under the Tariff that are associated with the sale of Designated RA Capacity hereunder. Buyer shall have no liability for the failure of Seller or the failure of any Unit's Scheduling Coordinator, owner, or operator to comply with such Tariff provisions, including any penalties or fines imposed on Seller or the Unit's Scheduling Coordinator, owner, or operator for such noncompliance.

## **ARTICLE 6 PLANNED OUTAGES**

- (a) Notwithstanding Section 4.4(a) hereof, if Seller intends to take one or more Planned Outage(s) for the Unit during any calendar year of the Delivery Period and will not be providing Replacement Capacity during such Planned Outage(s), then no later than ten (10) Business Days following the Confirmation Effective Date (with respect to calendar year 2018) or no later than ten (10) Business Days following January 1 (with respect to each subsequent calendar year of the Delivery Period), Seller shall submit or cause the Unit's Scheduling Coordinator to submit to Buyer the portion of the Unit's schedule of proposed Planned Outages for the Delivery Period ("Outage Schedule"). Seller or a Unit's Scheduling Coordinator shall notify Buyer within five (5) Business Days of any change to the Outage Schedule.
- (b) Planned Outages shall not be scheduled from May 1 through September 30 during the Delivery Period, unless otherwise agreed by CAISO. In the event that Seller has a previously scheduled Planned Outage that becomes coincident with a CAISO-declared system emergency, Seller shall make all reasonable efforts to reschedule such Planned Outage.

## **ARTICLE 7 OTHER BUYER AND SELLER COVENANTS**

**7.1** Buyer and Seller shall, throughout the Delivery Period, take all commercially reasonable actions and execute any and all documents or instruments reasonably necessary to ensure Buyer's right to the use of the Contract Quantity for the sole benefit of Buyer's RAR, LAR and/or FCR, as applicable. Such commercially reasonable actions (neither Party shall be required to spend more than \$10,000 in total under the Agreement in support of such actions) shall include, without limitation:

- (a) Cooperating with and providing, and in the case of Seller causing each Unit's Scheduling Coordinator, owner, or operator to cooperate with and provide requested supporting documentation to the CAISO, the CPUC, or any other Governmental Body responsible for administering RAR, LAR and/or FCR under Applicable Laws, to certify or qualify the Contract Quantity as RA Capacity and Designated RA Capacity. Such actions shall include, without limitation, providing information requested by the CAISO, the CPUC, or by an LRA having jurisdiction, to demonstrate for each month of the Delivery Period the ability to deliver the Contract Quantity from each Unit to the CAISO Controlled Grid for the minimum

hours required to qualify as RA Capacity, and providing information requested by the CPUC, the CAISO or other Governmental Body having jurisdiction to administer RAR, LAR or FCR to demonstrate that the Contract Quantity can be delivered to the CAISO Controlled Grid, pursuant to “deliverability” standards established by the CAISO, or other Governmental Body having jurisdiction to administer RAR, LAR and/or FCR; and

- (b) Negotiating in good faith to make necessary amendments, if any, to this Confirmation to conform this Transaction to subsequent clarifications, revisions, or decisions rendered by the CPUC, CAISO, FERC, or other Governmental Body having jurisdiction to administer RAR, LAR and FCR, so as to maintain the purpose of the benefits of the bargain struck by the Parties on the Confirmation Effective Date.

**7.2** Seller represents, warrants and covenants to Buyer that, throughout the Delivery Period:

- (a) Seller owns or has the exclusive right to the RA Capacity sold under this Confirmation from each Unit, and shall furnish Buyer, CAISO, CPUC or other jurisdictional LRA, or other Governmental Body with such evidence as may reasonably be requested to demonstrate such ownership or exclusive right;
- (b) No portion of the Contract Quantity has been committed by Seller to any third party in order to satisfy RAR, LAR, FCR or such analogous capacity obligations in CAISO markets, other than pursuant to an RMR Agreement between the CAISO and either Seller or the Unit’s owner or operator;
- (c) No portion of the Contract Quantity has been committed by Seller in order to satisfy RAR, LAR, FCR, or analogous capacity obligations in any non-CAISO market;
- (d) Each Unit is connected to the CAISO Controlled Grid, is within the CAISO Control Area, or is under the control of CAISO;
- (e) The owner or operator of each Unit is obligated to comply with Applicable Laws, including the Tariff, relating to RA Capacity and, as applicable, RAR, LAR and/or FCR;
- (f) With respect to the RA Capacity provided under this Confirmation, Seller shall, and each Unit’s SC is obligated to, comply with Applicable Laws, including the Tariff, relating to RA Capacity, and RAR, LAR and FCR;
- (g) Seller has notified the SC of each Unit that Seller has transferred the Designated RA Capacity to Buyer, and the SC is obligated to deliver the Supply Plans in accordance with the Tariff;
- (h) Seller has notified the SC of each Unit that Seller is obligated to cause each Unit’s SC to provide to the Buyer, at least five (5) Business Days before the relevant deadline for each RAR Showing, LAR Showing, and/or FCR Showing, as

applicable, the Designated RA Capacity of each Unit that is to be submitted in the Supply Plan associated with this Confirmation for the applicable period; and

- (i) Seller has notified each Unit's SC that Buyer is entitled to the revenues set forth in Section 4.10 of this Confirmation, and such SC is obligated to promptly deliver those revenues to Buyer, along with appropriate documentation supporting the amount of those revenues.

## **ARTICLE 8 CONFIDENTIALITY**

Notwithstanding Section 10.13 of the Master Agreement, the Parties agree that Buyer may disclose the Designated RA Capacity under this Transaction to any Governmental Body, the CPUC, the CAISO or any LRA having jurisdiction in order to support its LAR Showings, RAR Showings, and/or FCR Showings, as applicable, and Seller may disclose the transfer of the Designated RA Capacity under this Transaction to the SC of each Unit in order for such SC to timely submit accurate Supply Plans.

## **ARTICLE 9 BUYER'S RE-SALE OF PRODUCT**

Buyer may re-sell all or a portion of the Product hereunder.

## **ARTICLE 10 COLLATERAL REQUIREMENTS**

### **10.1 Party B's Collateral Requirement**

As set forth in that certain Master Power Purchase and Sale Agreement Energy Confirmation Letter between Buyer and Seller dated as of the same date as this Confirmation. The Seller collateral amount set forth in the Energy Confirmation Letter includes the Seller's collateral requirement for this Confirmation.

### **10.2 City's Collateral Requirement**

As set forth in that certain Master Power Purchase and Sale Agreement Energy Confirmation Letter between Buyer and Seller dated as of the same date as this Confirmation. The Buyer collateral amount set forth in the Energy Confirmation Letter includes the Buyer's collateral requirement for this Confirmation.

### **10.3 Obligations Secured**

Each of Buyer and Seller acknowledge and agree that, notwithstanding Sections 8.1 and 8.2 of the Master Agreement, the Buyer and Seller Collateral provided pursuant to this Confirmation shall secure all of each Party's respective payment obligations under this Confirmation in addition to the Party's obligation to make a Termination Payment.

**ARTICLE 11**  
**EARLY TERMINATION**

The Parties acknowledge and agree that they are intending to enter into that certain RPS Agreement, which shall be an amendment to the existing confirmation agreement between the Parties (SFPUC Agreement No. CS-1302) for the purchase and sale of renewable energy from the Geysers geothermal resources, amended to increase the Contract Quantity to 50 MW and the Term to a date ending on December 31, 2029 (the “RPS Agreement”).

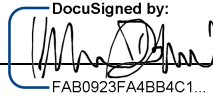
To the extent the Parties do not fully execute the RPS Agreement prior to December 31, 2020, the Parties acknowledge and agree that this Amendment shall immediately and automatically terminate on such date and have no further force and effect, and, for the avoidance of doubt, the existing RA Confirmation shall continue in force and effect until it expires by its own terms on or before December 31, 2022. Automatic termination pursuant to this Article 11 will not be deemed an Event of Default by the Seller and Seller shall not be subject to damages or ongoing obligations as a result of such termination, including, but not limited to, the damages specified in Article 12 of the Master Agreement.



**ACKNOWLEDGED AND AGREED TO AS OF THE CONFIRMATION EFFECTIVE DATE.**

**Calpine Energy Services, L.P.** <sup>DS</sup>  


**City and County of San Francisco, acting by  
and through its Public Utilities Commission,  
CleanPowerSF**

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

Name: Alex Makler

Name: Harlan L. Kelly, Jr.

Title: Vice President

Title: General Manager  
San Francisco Public Utilities  
Commission

Approved as to Form:

Dennis J. Herrera

City Attorney

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


Deputy City Attorney

**ACKNOWLEDGED AND AGREED TO AS OF THE CONFIRMATION EFFECTIVE DATE.**

**Calpine Energy Services, L.P.**

**City and County of San Francisco, acting by  
and through its Public Utilities Commission,  
CleanPowerSF**

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

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

Name: Harlan L. Kelly, Jr.

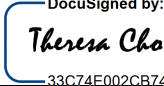
Title: \_\_\_\_\_

Title: General Manager  
San Francisco Public Utilities  
Commission

Approved as to Form:

Dennis J. Herrera

City Attorney

By:  \_\_\_\_\_  
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Deputy City Attorney

**FIRST AMENDMENT TO AND RESTATEMENT OF THE MASTER POWER PURCHASE AND  
SALE AGREEMENT ENERGY CONFIRMATION LETTER  
SAN FRANCISCO PUBLIC UTILITIES COMMISSION  
AGREEMENT NUMBER CS-1032  
COMMUNITY CHOICE AGGREGATION POWER SUPPLIES**

This FIRST AMENDMENT TO AND RESTATEMENT OF THE MASTER POWER PURCHASE AND SALE AGREEMENT ENERGY CONFIRMATION LETTER (the "Amendment") is made and entered into as of \_\_\_\_\_ (the "Execution Date") by and between the City and County of San Francisco, acting by and through its Public Utilities Commission, CleanPowerSF ("Buyer" or "City") and Calpine Energy Services, L.P. ("Seller" or "CES") for the purpose of amending the term of the Transaction agreed to on April 24, 2018 between Buyer and Seller regarding the sale/purchase of the Product. Each is referred to herein as a "Party"; collectively, they are the "Parties."

**RECITALS**

A. WHEREAS, Buyer and Seller are parties to that certain Master Power Purchase and Sale Agreement for CleanPower SF Community Choice Aggregation dated as of January 13, 2016, as amended by that certain Amendment to the Master Power Purchase and Sale Agreement for CleanPower SF Community Choice Aggregation dated as of October 30, 2020 (as so amended, the "Master Agreement");

B. WHEREAS, Buyer and Seller are parties to that certain Master Power Purchase and Sale Agreement Energy Confirmation Letter dated as of April 24, 2018, pursuant to which, among other things, Seller provides electricity and related services from the Geysers geothermal resources to Buyer for the period from May 1, 2018 through December 31, 2022 ("Confirmation");

C. WHEREAS, pursuant to Public Utilities Code Section 399.11 *et seq.*, as implemented by the CPUC in CPUC Decisions, including but not limited to D.11-12-020, D.17-06-026, and D.19-02-007, load serving entities are required to provide certain percentages of electric energy consumed each year from renewable resources;

C. WHEREAS, Buyer wishes to amend the Confirmation to increase the Contract Quantity from 25 MW to 50 MW beginning on January 1, 2022, and Seller is willing to so modify the Confirmation;

D. WHEREAS, Buyer wishes to extend the Term of the Confirmation from a delivery period running through December 31, 2022 to a delivery period running through December 31, 2029, and Seller is willing to so extend the Confirmation;

E. WHERAS, Buyer and Seller are parties to that certain First Amendment to and Restatement of the Master Power Purchase and Sale Agreement RA Confirmation Letter, dated October 30, 2020, pursuant to which, among other things, Seller provides capacity and related services from the Geysers geothermal resources to Buyer for the period from May 1, 2018 through December 31, 2029 ("RA Confirmation");

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth herein and in the RA Confirmation, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties hereby agree to amend

and restate the Confirmation in its entirety as follows, such amendment and restatement to be effective as of the Effective Date.

**CONFIRMATION**

This confirmation letter (this “Confirmation”) shall amend and restate the Transaction agreed to on April 24, 2018 (the “Effective Date”) between the City and County of San Francisco, acting by and through its Public Utilities Commission, CleanPowerSF (“Buyer” or “City”) and Calpine Energy Services, L.P. (“Seller”) regarding the sale/purchase of the Product under the terms and conditions as follows:

**Product:** Renewable energy from the Project which meets the criteria for section 399.16(b)(1)(A) of the California Public Utilities Code, comprised of: (1) Unit Firm energy, (2) RECs generated by the Project and transferred by Seller through a WREGIS Certificate to Buyer under this Confirmation and (3) all Green Attributes associated with the renewable energy delivered to Buyer as part of the Product hereunder.

**Delivery Point:** NP15EZGenHub

**Delivery Period:** May 1, 2018 through December 31, 2029, inclusive, and as to the recordation of the RECs, the continued period during which WREGIS creates the applicable WREGIS Certificates as described herein.

**Contract Quantity:** For each year of the Delivery Period:

<b>Contract Year</b>	<b>Contract Quantity</b>
Year 1 (5/1/18-12/31/18)	████████████████████
Year 2 (1/1/19- 12/31/19)	████████████████████
Year 3 (1/1/20- 12/31/20)	████████████████████
Year 4 (1/1/21-12/31/21)	████████████████████
Year 5 (1/1/22-12/31/22)	████████████████████
Year 6 (1/1/23-12/31/23)	████████████████████
Year 7 (1/1/24-12/31/24)	████████████████████
Year 8 (1/1/25-12/31/25)	████████████████████
Year 9 (1/1/26-12/31/26)	████████████████████
Year 10 (1/1/27-12/31/27)	████████████████████
Year 11 (1/1/28-12/31/28)	████████████████████
Year 12 (1/1/29-12/31/29)	████████████████████

Contract Price: For each MWh of Energy and REC, Buyer shall pay to Seller the fixed price associated with the Contract Year set forth in the table below; provided that in the 2022 Contract Year, Buyer shall pay ██████/MWh for the first █████ MW of Product delivered in that Contract Year, and ██████/MWh for the second █████ MW of Product delivered in that Contract Year.

Contract Year	Contract Price for Energy (\$/MWh)
May 1, 2018 through December 31, 2018	██████
January 1, 2019 through December 31, 2019	██████
January 1, 2020 through December 31, 2020	██████
January 1, 2021 through December 31, 2021	██████
January 1, 2022 through December 31, 2022	$\frac{\text{██████ (████ MW)}}{\text{██████ (████ MW)*}}$
January 1, 2023 through December 31, 2023	██████
January 1, 2024 through December 31, 2024	██████
January 1, 2025 through December 31, 2025	██████
January 1, 2026 through December 31, 2026	██████
January 1, 2027 through December 31, 2027	██████
January 1, 2028 through December 31, 2028	██████
January 1, 2029 through December 31, 2029	██████

Buyer Collateral  
(2018-2021):

Pursuant to Section 8.2(a) of the Master Agreement and Section 8 of this Confirmation, Buyer shall deliver to Seller its Collateral Requirement for the Transaction by execution of amendments to the City's Collateral Posting in effect as of the Confirmation Effective Date in the forms attached hereto as Exhibit B, which shall be delivered to Seller within no more than five (5) Business Days of the Confirmation Effective Date. The Buyer Collateral Requirement shall be in the following amounts:

<b>Applicable Portion of Delivery Period</b>	<b>Amount</b>
Confirmation Effective Date through April 30, 2018	██████████
May 1, 2018 through April 30, 2019	██████████
May 1, 2019 through April 30, 2021	██████████
May 1, 2021 through December 31, 2021	██████████

Seller Collateral  
(2018 – 2021):

Pursuant to Section 8.1 of the Master Agreement and Section 8 of this Confirmation, Seller shall deliver to Buyer its Collateral Requirement in the following amounts:

<b>Applicable Portion of Delivery Period</b>	<b>Amount</b>
Confirmation Effective Date through April 30, 2021	██████████
May 1, 2021 through December 31, 2021	██████████

**Collateral Requirements**

(2022 – 2029):

Pursuant to Article 8 of the Master Agreement and Section 8 of this Confirmation, during any period either party is rated or has previously been rated by either Moody's or S&P, such party shall deliver to the other party its Collateral Requirement in the following amounts corresponding to such party's Credit Rating. In the event a party is rated by both Moody's and S&P and such Credit Ratings are not equivalent, the lower Credit Rating shall apply.

Moody's/S&P	Baa3 /BBB- or higher	Ba3/BB- or higher	B2/B or higher	B3/B- or lower	Not Rated
1/1/2022					
1/1/2023					
1/1/2024					
1/1/2025					
1/1/2026					
1/1/2027					
1/1/2028					
1/1/2029					

Prior to receiving a Credit Rating from either Moody's or S&P, Buyer shall deliver to Seller its Collateral Requirement in the following amounts:

1/1/2022	
1/1/2023	
1/1/2024	
1/1/2025	
1/1/2026	
1/1/2027	
1/1/2028	
1/1/2029	

Scheduling: Pursuant to WECC and CAISO requirements to the Delivery Point. Seller Scheduling Contact: (713) 830- 8684; Buyer Scheduling Contact: (415) 554-1575 (Day Ahead); (888) 896-8629 (Real Time).

Special Conditions: See attached Additional Terms and Conditions.

Condition Precedent: This Confirmation shall not take effect unless and until the Controller has certified in accordance with the City's Charter that sufficient unencumbered balances are available in the proper fund. If the Condition Precedent is not satisfied within fifteen (15) Business Days of full execution of this Confirmation, then either Party may terminate this Agreement effective upon receipt of notice by the other Party. Neither Party shall have any obligation or liability to the other, including for a Termination Payment or otherwise, as a result of such termination.

*[Signature Page Follows]*



This Confirmation is entered into (i) pursuant to and in accordance with the Master Power Purchase and Sale Agreement dated January 13, 2016 (the "Master Agreement") between Party A and Party B, as amended on October 31, 2020, and constitutes part of, and is subject to, the terms and provisions of such Master Agreement, and (ii) concurrently with the RA Confirmation Letter. Terms used but not defined herein shall have the meanings ascribed to them in the Master Agreement.

City and County of San Francisco, acting  
by and through its Public Utilities  
Commission, CleanPowerSF

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

Harlan L. Kelly, Jr.  
General Manager  
San Francisco Public Utilities Commission

Approved as to Form:

Dennis J. Herrera  
City Attorney

By : \_\_\_\_\_  
Deputy City Attorney

Calpine Energy Services, L.P.

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

Name: Alex Makler

Title: Vice President

## ADDITIONAL TERMS AND CONDITIONS

1. Seller's Representations and Warranties. Seller, and, if applicable, its successors, represents and warrants throughout the Delivery Period that:
  - 1.1 The Project qualifies and is certified by the CEC as an ERR and (ii) the Project's output delivered to Buyer qualifies under the requirements of the Renewables Portfolio Standard. To the extent a change in law occurs after the Effective Date 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.
  - 1.2 Seller holds the rights to all Green Attributes from the Project.
  - 1.3 The RECs transferred to Buyer conform to the definition and attributes required for compliance with the California Renewables Portfolio Standard, as set forth in CPUC Decision 08-08-028, and as may be modified by subsequent decision of the CPUC or by subsequent legislation. To the extent a change in law occurs after the Effective Date 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.
2. Seller's Covenants.
  - 2.1 To provide evidence of Green Attributes, Seller shall transfer to Buyer the RECs to Buyer's WREGIS account(s) within fifteen (15) Business Days after WREGIS creates certificates from each month's meter data (approximately four months after flow under current WREGIS operating conditions). REC deliveries will be made by transfer of WREGIS Certificates to Buyer's WREGIS account pursuant to WREGIS Operating Rules. Seller shall, at its option, transfer the WREGIS Certificate using forward certificated transfer or any other transfer permitted under the WREGIS Operating Rules. With respect to REC deliveries, Product flow shall be considered the month in which the WREGIS Certificates are created by WREGIS under current operating conditions.
  - 2.2 Seller agrees to reasonably assist Buyer with Buyer's Renewables Portfolio Standard Program compliance filings as requested by Buyer. In connection with the foregoing, neither Seller nor its Affiliates shall be required to (i) expend or incur

any legal costs (either internal or external) in providing such assistance or (ii) prepare or defend a filing or otherwise advocate on behalf of Buyer.

- 2.3 Seller shall, at its sole cost and expense, take all actions and execute all documents or instruments necessary to ensure that the RECs sold hereunder can be transferred to Buyer utilizing WREGIS. Seller shall comply with all laws, including, without limitation, the WREGIS Operating Rules effective as of the date of this Confirmation regarding the certification and transfer of RECs sold hereunder to Buyer. During the Delivery Period, Seller shall have in place, or shall submit documentation to establish, an account with WREGIS. Seller shall transfer RECs to Buyer in accordance with WREGIS reporting protocols and WREGIS Operating Rules. Seller shall be responsible for all customary expenses associated with WREGIS Certificate issuance fees and utilizing WREGIS to transfer the RECs to Buyer, or its designee, except for any costs incurred by Buyer with respect to Buyer's registration with WREGIS and Buyer's WREGIS account. Because WREGIS Certificates will only be created for whole MWh amounts of output generated, any fractional MWh amounts will be carried forward during the Delivery Period until sufficient generation is accumulated for the creation of a WREGIS Certificate.
- 2.4 Seller shall be responsible, at its sole expense, for validating, adjusting, and disputing data with WREGIS so that the data from the Project's meter(s) corresponds with the quantity of RECs conveyed hereunder. Upon request Seller shall provide Buyer with copies of all correspondence or documentation to or from WREGIS with respect to any such validation, adjustment, or dispute.
- 2.5 In lieu of any damages payable under Section 4.1 of the Master Agreement, for each GEP Period, Seller shall deliver no less than eighty percent (80%) of (i) the Contract Quantity for the GEP Period minus (ii) the Seller Excused Hours (such quantity, the "Guaranteed Energy Production" or "GEP").
- 2.6 If Seller fails to meet the GEP during any GEP Period, then within sixty (60) days after the end of such GEP Period Buyer shall notify Seller of the quantity of the shortfall and the amount of the Performance LDs. Within thirty (30) days after its receipt of notice of the shortfall, Seller shall pay Buyer Performance LDs calculated as: the positive difference obtained by subtracting (i) the Contract Price from (ii) the Replacement Price, multiplied by the GEP shortfall (i.e. the amount by which

the actual delivered Energy is below eighty percent (80%) of the GEP during any GEP Period, expressed in MWh). The Parties agree that the damages Buyer would incur due to Seller's failure to meet the GEP would be difficult or impossible to predict with certainty and the Performance LDs are a reasonable approximation of such damages. Payment of Performance LDs shall be Seller's sole and exclusive liability, and Buyer's sole and exclusive remedy, in connection with Seller's failure to meet the GEP during any GEP Period.

- 2.7 In lieu of Section 5.1(g) of the Master Agreement (which shall not be applicable to the Transaction contemplated by this Confirmation), it shall be an Event of Default under this Transaction if Seller fails for a period of six (6) consecutive months to deliver at least seventy percent (70%) of (i) the Contract Quantity for each such calendar month minus (ii) the Seller Excused Hours for each such calendar month.
3. Mutual Covenants. All necessary steps to allow the RECs transferred to Buyer to be tracked in WREGIS will be taken prior to the first delivery under this Confirmation. Without limiting Seller's obligations hereunder, if a WREGIS Certificate deficit is caused solely by an error or omission of WREGIS or CAISO, Buyer and Seller shall cooperate in good faith to cause WREGIS to correct its error or omission. If WREGIS changes the WREGIS Operating Rules after the Effective Date or applies the WREGIS Operating Rules in a manner inconsistent with this Confirmation, Buyer and Seller shall promptly modify this Agreement as reasonably required to preserve the intended economic benefits of this transaction for both of them, and so cause and enable Seller to transfer to Buyer's WREGIS account the RECs sold to Buyer hereunder.
4. Scheduling. For the avoidance of doubt, Seller shall provide (or cause to be provided) all Scheduling Coordinator services for the Project (and all units constituting the Project) and for delivery of Product to the Delivery Point. Buyer shall provide (or cause to be provided) all Scheduling Coordinator services for Product at and from the Delivery Point. The Parties will purchase and sell Product through Inter-SC Trades in compliance with the CAISO Tariff.
5. CAISO Costs and Revenues. As between Buyer and Seller, Seller shall be responsible for all CAISO costs (including penalties and other charges) and shall be entitled to all CAISO revenues (including credits and other payments) associated with the Project and the delivery of Product to the Delivery Point.

6. Buyer Acknowledgements. Notwithstanding anything else in this Confirmation, Buyer acknowledges and agrees that (i) the Product is as-delivered Energy and RECs only and does not include capacity, resource adequacy or ancillary services and (ii) the sale of Energy and RECs by Seller from the Project pursuant to this Confirmation is nonexclusive.
7. Community Benefits. Seller agrees to the Community Benefits Agreement set forth in Exhibit A. The Community Benefits performed by the Seller are independent of the Product to be transacted under this Confirmation. Any failure to perform all or part of the Community Benefits by Seller shall not affect or excuse either Party's performance under this Confirmation.
8. Collateral Requirements. Each of Buyer and Seller acknowledge and agree that, notwithstanding Sections 8.1 and 8.2 of the Master Agreement, (i) the Buyer and Seller Collateral provided pursuant to this Confirmation shall secure all of each Party's respective payment obligations under this Confirmation in addition to the Party's obligation to make a Termination Payment, and (ii) the City's Collateral Posting for the Transaction contemplated by this Confirmation may be delivered to Buyer within no more than five (5) Business Days of the Confirmation Effective Date.
9. Additional Definitions. The following definitions shall apply to this Confirmation (and in the event any of the following defined terms are also defined in the Master Agreement, the definition contained in this Confirmation shall apply to the Transaction):

"Commercially reasonable efforts" shall be limited and capped to Seller incurring an aggregate total incremental capital expenditure and expenses of \$5,000 per calendar year.

"Curtailment Order" means an order of the PTO, distribution provider and/or CAISO (whether directly or through a Scheduling Coordinator or the PTO), for any reason, including, but not limited to, any System Emergency, any warning of an anticipated System Emergency, or any warning of an imminent condition or situation which could jeopardize the CAISO's or the PTO's electric system integrity or the integrity of other systems to which the CAISO or the PTO is connected, including curtailment in accordance with Seller's obligations under the Project's Interconnection Agreement with the PTO or distribution provider.

The definition of "Force Majeure" set forth in the Master Agreement, with respect to RECs to be transferred hereunder, shall include events of Force Majeure that

temporarily disrupt or suspend the operation or functioning of WREGIS preventing the transfer of RECs between accounts.

“Forced Outage” means any unplanned reduction or suspension of the Energy from the Project or unavailability of the Product in whole or in part from a unit in response to a mechanical, electrical or hydraulic control system trip or operator-initiated trip in response to an alarm or equipment malfunction and any other unavailability of a unit for operation, in whole or in part, for unplanned maintenance or repair that is not the result of Force Majeure.

“GEP Period” means (i) from May 1, 2018 through and including December 31, 2019, (ii) from January 1, 2020 through and including December 31, 2021 and (iii) from January 1, 2022 through and including December 31, 2022.

“Interconnection Agreement” means the agreement(s) and associated documents (or any successor agreement(s) and associated documentation) by and among Seller (or its Affiliate), the Participating TO and the CAISO governing the terms and conditions of Seller’s (or its Affiliate’s) interconnection with the CAISO grid, including any description of the plan for interconnection of the Project to the Participating TO’s system.

“Inter-SC Trades” has the meaning set forth in the CAISO Tariff.

“NERC” means the North American Electric Reliability Corporation or its successor.

“Participating Transmission Owner” or “PTO” has the meaning set forth in the CAISO Tariff. The PTO is Pacific Gas & Electric Company.

“Performance LDs” means performance liquidated damages calculated pursuant to Section 2.6 of this Confirmation.

“Project” means one or more of the geothermal power plants owned or controlled by Seller and located in Lake and Sonoma Counties, California.

“RA Confirmation Letter” means that certain Master Power Purchase and Sale Agreement RA Confirmation Letter between Buyer and Seller dated as of the Effective Date.

“REC” or “Renewable Energy Credit” 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.

“Replacement Price” means, in MWh, the sum of (i) the simple average of the Integrated Forward Market hourly price for all the hours in the GEP Period, as published by the CAISO, for the Delivery Point, plus (ii) [REDACTED] dollars (\$ [REDACTED]) per MWh.

“Seller Excused Hours” means, for each GEP Period or calendar month, as applicable, an amount expressed in MWh equal to the aggregate amount of reduction(s) in delivered Product for each such GEP Period or calendar month, as applicable, as a result of Curtailment Orders, events of Force Majeure, full or partial unavailability of transmission by the PTO from the Project, Buyer’s breach or default hereunder or failure to accept delivered Product or Forced Outages to the local transmission or distribution system.

“System Emergency” has the meaning set forth in the CAISO Tariff.

“Unit Firm” means that the Product is intended to be supplied from a generation asset or assets owned or purchased by Seller as specified in the Transaction. Seller’s failure to deliver under a “Unit Firm” Transaction shall be excused: (i) if the specified generation asset(s) are unavailable as a result of a Forced Outage (as defined in the NERC Generating Unit Availability Data System (GADS) Forced Outage reporting guidelines), (ii) in connection with an event of Force Majeure, (iii) full or partial unavailability of transmission by the PTO from the Project or (iv) by Buyer’s failure to perform. Seller shall not be liable to Buyer for any damages related to the affected generation asset(s), including any amounts determined pursuant to Article Four of the Master Agreement, to the extent its failure to deliver is so excused.

“WECC” means the Western Electricity Coordinating Council or its successor organizations.

“WREGIS” means the Western Renewable Energy Generation Information System or its successor systems.

“WREGIS Certificate” has the same meaning as “Certificate” as defined by WREGIS in the WREGIS Operating Rules and are designated by Applicable Law as eligible for complying with the California Renewables Portfolio Standard.

“WREGIS Operating Rules” means the operating rules and requirements adopted by WREGIS as of June 4, 2007, as amended from time to time.

**EXHIBIT A  
COMMUNITY BENEFITS AGREEMENT**

**I. Terms and Conditions**

Pursuant to the existing Confirmation, since 2018 Seller has implemented the Community Benefits Commitments substantially as set forth or similar to this Exhibit A (“Community Benefits”). Seller’s Community Benefits has been and shall continue to be funded independently by the Seller and shall not be tied to or dependent upon SFPUC funds or sources of funding, receivables from SFPUC, or retention associated with the Confirmation.

In connection with the first amendment to this Confirmation, Seller has agreed to extend the commitments in this Community Benefits Agreement for a period of two additional years, so that this Community Benefits Agreement will now continue until December 31, 2025.

Community Benefits are independent of the Confirmation and are not an obligation of the Buyer. No hours or compensation under the Confirmation are included in Seller’s costs for the voluntarily proposed Community Benefits. If Seller commits any funds to delivering the Community Benefits, all such funds must be independent of SFPUC funding or any dollars paid to Seller pursuant to the Confirmation. Seller’s costs of performing or delivering the Community Benefits shall not be dependent in any way upon the receipt of SFPUC funding. The provision of Community Benefits by Seller does not entitle Seller to additional work beyond that specified in the Confirmation.

The Seller’s Community Benefits shall be performed prospectively during the term of the Confirmation, following issuance of Certification. The Community Benefits shall be completed by December 31, 2025 or the end of the Confirmation term, whichever is shorter. With the exception of Community Benefits performed since 2018 as part of the original Confirmation, Community Benefits commitments performed as part of previous contracts or prior to award of the Confirmation to Seller cannot be used as part of Seller’s Community Benefits for this Confirmation. If Seller has established programs or plans that are consistent with the Community Benefits program areas, Seller may include or substitute those programs as part of its Community Benefits and will be given credit for activities that are performed following the issuance of Certification.

**II. Project Team**

Danielle Matthews Seperas, shall serve as the Executive in Charge to manage Seller’s community benefits commitments and provide fiduciary oversight. The Executive in Charge



shall ensure that the Community Benefits listed in the table below are delivered to the communities that they are intended to benefit in a transparent and accountable manner. The Executive in Charge shall work with the Community Benefits Coordinator, Nicole Hughes, to organize, plan, track, measure, and report on Seller’s community benefits commitments. The Executive in Charge shall coordinate the senior management of Seller’s subconsultants to provide benefits to the community. Seller may replace the Executive in Charge and the Community Benefits Coordinator.

**III. Community Benefits Commitments**

Seller has and will continue to deliver the Community Benefits in the community benefits table. Between 2018 and 2025, Seller shall provide a total of \$ [REDACTED] in financial contributions to Hunters Point Family Foundation (Girls 2000) STEM Education (including its successors, if any, the “Hunter’s Point Family Foundation”). Any changes that occur to the Community Benefits must be submitted in writing to the SFPUC External Affairs Social Impact Partnerships Manager for review.

**IV. Community Benefits Summary Table**

<b>Description of Community Benefit Program Area</b>	<b>Expected Outcomes</b>	<b>Timetable &amp; Duration</b>	<b>Financial Contribution</b>	<b>Total Contributions</b>
Hunters Point Family Foundation (Girls 2000) STEM Education		Yearly for each of the eight Years between the Effective Date and December 31, 2025	[REDACTED] per year (prorated for first partial Contract Year)	
<b>TOTAL</b>				<b>\$ [REDACTED]</b>

**V. Accountability and Deliverables**

Seller shall provide documentation that Seller has made the financial contributions to Hunters Point Family Foundation as set forth in the Community Benefits Summary Table. The parties

agree that Seller's maximum financial responsibility and liability under this Exhibit A is  
\$ [REDACTED]

Seller must provide the following deliverables during performance of the Confirmation:

1. Community Benefits Plan and Timeline

- Seller shall develop a Community Benefits Plan and Timeline. The Community Benefits Plan and Timeline will provide details regarding community partnerships, expenditures, a schedule, and timelines related to the Community Benefits.
- Seller is invited to meet once a year thereafter or as needed with the SFPUC External Affairs Social Impact Partnerships Manager during the term of the Confirmation to discuss the work plan, timelines, partners, strategic delivery, scale, and performance necessary to ensure the commitments maximize collective resources and positive impact.

2. Community Benefits Commitments and Reporting

- Seller shall deliver the Community Benefits specified in this Exhibit A or substitute program and the Community Benefits Plan. Any proposed changes to the Community Benefits as set forth in this Exhibit A shall be submitted in writing for review by the SFPUC External Affairs Social Impact Partnerships Manager.
- Seller shall submit biannual progress reports to the SFPUC External Affairs Social Impact Partnerships Manager, which shall detail the geographic scope of commitment, activities and outcomes, key metrics, and the total number of hours, dollars, etc. contributed to-date. Progress reports are to be submitted by the last business day of the month following the close of 2nd and 4th business quarter. As part of the progress reports, Seller will submit documentation to substantiate that Seller has made the Community Benefits Commitments contributions to the Hunter's Point Family Foundation as set forth in the Community Benefits Summary Table. These reporting requirements may be adjusted by mutual agreement of the parties over the duration of the program due to system improvements.
- Seller shall submit an annual newsletter of their Community Benefits Program to the SFPUC External Affairs Social Impact Partnerships Manager covering the highlights of the program, beneficiaries, and associated outcomes.

**VI. Statements of Understanding**

Seller acknowledges the following:

- Community Benefits should directly benefit the communities, neighborhoods, and/or residents served by the SFPUC in the City and County of San Francisco or the county in which the renewable energy project is or will be located.
- Community Benefits must support nonprofits, charitable or related activities.

- Community Benefits shall not go to, nor benefit any City department or employee.
- Community Benefits are separate from any contractual, regulatory or legal requirements related to the Confirmation.
- Community Benefits must be delivered at zero dollar cost to the SFPUC.
- The total commitment amount listed in the Community Benefits Summary Table in this Exhibit A is the total dollar amount the Seller agrees to donate to the Hunters Point Family Foundation (including its successors, if any).
- Only activities commenced after issuance of Certification will count towards the fulfillment of Seller's Community Benefits.
- Seller commits to complying with SFPUC's reporting requirements as set forth in bullets 2 and 3 of Section V.2 this Exhibit A.
- Seller's Community Benefits Program will follow the guidelines of the Terms and Conditions set forth in this Exhibit A.

## **VII. Seller's Community Benefits Commitments Proposal**

Seller's Community Benefits Commitments Proposal is incorporated herein. Seller shall provide all of the Community Benefits consistent with all of the terms of Seller's proposal dated July 26, 2017, which is incorporated herein by this reference. If there are any conflicts or discrepancies between this Exhibit A and the Seller's proposal, this Exhibit A shall prevail.

**MASTER POWER PURCHASE AND SALE AGREEMENT  
CONFIRMATION LETTER  
BETWEEN  
CALPINE ENERGY SERVICES, L.P.  
AND  
CITY AND COUNTY OF SAN FRANCISCO**

This confirmation letter ("Confirmation") confirms the Transaction between **Calpine Energy Services, L.P.** ("Seller") and **City and County of San Francisco, acting by and through its Public Utilities Commission, CleanPowerSF** ("Buyer"), each individually a "Party" and together the "Parties", dated as of \_\_\_\_\_, 2020 (the "Confirmation Effective Date"), in which Seller agrees to provide to Buyer the right to the Product, as such term is defined in Article 3 of this Confirmation. This Transaction is governed by the Master Power Purchase and Sale Agreement for CleanPowerSF Community Choice Aggregation between the Parties, effective as of January 13, 2016, along with any annexes and amendments thereto (collectively, the "Master Agreement"). The Master Agreement and this Confirmation shall be collectively referred to herein as the "Agreement". Capitalized terms used but not otherwise defined in this Confirmation have the meanings ascribed to them in the Master Agreement, the Tariff or the CPUC Decisions (each as defined herein). To the extent that this Confirmation is inconsistent with any provision of the Master Agreement, this Confirmation shall govern the rights and obligations of the Parties hereunder. Capitalized terms that are defined in both this Confirmation and the Master Agreement shall have the meanings ascribed to them in this Confirmation.

**ARTICLE 1  
DEFINITIONS**

- 1.1** "Alternate Capacity" means any replacement Product which Seller has elected to provide to Buyer in accordance with the terms of Section 4.5.
- 1.2** "Availability Incentive Payments" has the meaning set forth in the Tariff.
- 1.3** "Availability Standards" has the meaning set forth in the Tariff.
- 1.4** "Buyer" has the meaning specified in the introductory paragraph hereof.
- 1.5** "Capacity Replacement Price" means (a) the price actually paid for any Replacement Capacity purchased by Buyer pursuant to Section 4.7 hereof, plus costs reasonably incurred by Buyer in purchasing such Replacement Capacity, or (b) absent a purchase of any Replacement Capacity, the market price for such Designated RA Capacity not provided at the Delivery Point. The Buyer shall determine such market prices in a commercially reasonable manner. For purposes of the definition of Section 1.65 of the Master Agreement, "Capacity Replacement Price" shall be deemed to be the "Replacement Price", as used in the Master Agreement.
- 1.6** "Confirmation" has the meaning specified in the introductory paragraph hereof.
- 1.7** "Confirmation Effective Date" has the meaning specified in the introductory paragraph hereof.
- 1.8** "Contingent Firm RA Product" has the meaning specified in Section 3.4 hereof.
- 1.9** "Contract Price" means, for any Monthly Delivery Period, the RA Capacity Flat Price for such period.
- 1.10** "Contract Quantity" means, with respect to any particular Showing Month of the Delivery Period, the amount of Product (in MWs) set forth in table in Section 4.3 which Seller has agreed to provide to Buyer from the Unit for such Showing Month (as such amount may be adjusted pursuant to Section 4.4).
- 1.11** "CPUC Decisions" means CPUC Decisions 04-01-050, 04-10-035, 05-10-042, 06-06-064, 06-07-031, 07-06-029, 08-06-031, 09-06-028, 10-06-036, 11-06-022, 12-06-025, 13-06-024, 14-06-050, 15-06-063, 16-06-045, 17-06-027 and 19-02-022, 20-06-021, and subsequent decisions related to resource adequacy issued from time to time by the CPUC.

- 1.12** "CPUC Filing Guide" means the annual document issued by the CPUC which sets forth the guidelines, requirements and instructions for LSE's to demonstrate compliance with the CPUC's resource adequacy program.
- 1.13** "Delivery Period" has the meaning specified in Section 4.1 hereof.
- 1.14** "Delivery Point" has the meaning specified in Section 4.2 hereof.
- 1.15** "Designated RA Capacity" shall be equal to, with respect to any particular Showing Month of the Delivery Period, the Contract Quantity of Product for such Showing Month including the amount of Contract Quantity that Seller has elected to provide Alternate Capacity with respect to, minus any reductions to Contract Quantity specified in Section 4.4 with respect to which Seller has not elected to provide Alternate Capacity.
- 1.16** "Effective Flexible Capacity" means the flexible capacity of a resource that can be counted towards an LSE's FCR obligation, as identified from time to time by the Tariff, the CPUC Decisions, LRA, or other Governmental Body having jurisdiction.
- 1.17** "FCR Attributes" means, with respect to a Unit, any and all FCR attributes that can be counted toward an LSE's FCR, as they are identified from time to time by the CPUC Decisions, the Tariff, an LRA, or other Governmental Body having jurisdiction that can be counted toward FCR and are consistent with the operational limitations of such Unit. For clarity, if the CAISO, LRA or other Governmental Body having jurisdiction defined new or re-defines the FCR Attributes of a Unit, then such changes will not result in a change in obligations or payments made pursuant to this Transaction.
- 1.18** "FCR Showings" means the FCR compliance showings (or similar or successor showings) an LSE is required to make to the CPUC (and, to the extent authorized by the CPUC, to the CAISO) pursuant to the CPUC Decisions and the Tariff, or to an LRA having jurisdiction over the LSE.
- 1.19** "Firm RA Product" has the meaning specified in Section 3.3 hereof.
- 1.20** "Flexible Capacity Requirements" or "FCR" means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, or by an LRA or other Governmental Body having jurisdiction.
- 1.21** "Flexible RA Product" has the meaning specified in Section 3.2 hereof.
- 1.22** "GADS" means the Generating Availability Data System or its successor.
- 1.23** "Generic RA Product" means Designated RA Capacity consisting of RAR Attributes and, if applicable, LAR Attributes, which does not include FCR Attributes.
- 1.24** "Governmental Body" means (i) any federal, state, local, municipal or other government; (ii) any governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and (iii) any court or governmental tribunal.
- 1.25** "LAR" means local area reliability, which is any program of localized resource adequacy requirements established for jurisdictional LSEs by the CPUC pursuant to the CPUC Decisions, the Tariff, or by another LRA having jurisdiction over the LSE, as implemented in the Tariff. LAR may also be known as local resource adequacy, local RAR, or local capacity requirement in other regulatory proceedings or legislative actions.
- 1.26** "LAR Attributes" means, with respect to a Unit, any and all resource adequacy attributes (or other locational attributes related to system reliability), as they are identified as of the Confirmation Effective Date by the CPUC Decisions, CAISO, LRA, or other Governmental Body having jurisdiction, associated with the physical location or point of electrical interconnection of the Unit within the CAISO Control Area, that can be counted toward LAR and are consistent with the operational limitations of such Unit, but exclusive of any RAR Attributes which are not associated with where in the CAISO Control Area the Unit is physically located or electrically interconnected. For clarity, it should be understood that if the CAISO, LRA, or other Governmental Body, defines

new or re-defines existing local areas, then such change will not result in a change in obligations or payments made pursuant to this Transaction.

- 1.27 "LAR Showings" means the LAR compliance showings (or similar or successor showings) an LSE is required to make to the CPUC (and, to the extent authorized by the CPUC, to the CAISO) pursuant to the CPUC Decisions and the Tariff, or to an LRA having jurisdiction over the LSE.
- 1.28 "LRA" means Local Regulatory Authority, as defined in the Tariff.
- 1.29 "LSE" means load-serving entity. LSEs may be an investor-owned utility, an electric service provider, a community aggregator or community choice aggregator, or a municipality serving load in the CAISO Control Area (excluding exports).
- 1.30 "Master Agreement" has the meaning specified in the introductory paragraph hereof.
- 1.31 "Monthly Delivery Period" means each calendar month during the Delivery Period and shall correspond to each Showing Month.
- 1.32 "Monthly RA Capacity Payment" has the meaning specified in Section 4.9 hereof.
- 1.33 "NERC" means the North American Electric Reliability Council, or its successor.
- 1.34 "NERC/GADS Protocols" means the GADS protocols established by NERC, as may be updated from time to time.
- 1.35 "Net Qualifying Capacity" has the meaning set forth in the Tariff.
- 1.36 "Non-Availability Charges" has the meaning set forth in the Tariff.
- 1.37 "Outage" means disconnection, separation, or reduction in the capacity of any Unit that relieves all or part of the offer obligations of the Unit consistent with the Tariff. For the avoidance of doubt, Outage shall be deemed to include Planned Outage (defined below).
- 1.38 "Planned Outage" means, subject to and as further described in the CPUC Decisions and the Tariff ("Planned Outage", as the term is used in this Agreement is known as "Approved Maintenance Outage" under the Tariff), a CAISO-approved planned or scheduled disconnection, separation or reduction in capacity of the Unit that is conducted for the purposes of carrying out routine repair or maintenance of such Unit, or for the purposes of new construction work for such Unit.
- 1.39 "Product" has the meaning specified in Article 3 hereof.
- 1.40 "RA Capacity" means the qualifying and deliverable capacity of the Unit for RAR, LAR, and FCR purposes for the Delivery Period, as determined by the CAISO, or other Governmental Body authorized to make such determination under Applicable Laws. RA Capacity encompasses the RAR Attributes, LAR Attributes and FCR Attributes of the capacity provided by a Unit, as applicable pursuant to this Confirmation.
- 1.41 "RA Capacity Flat Price" means the price specified in the RA Capacity Flat Price Table in Section 4.9 hereof.
- 1.42 "RAR" means the resource adequacy requirements, exclusive of LAR and FCR, established for LSEs by the CPUC, pursuant to the CPUC Decisions, or by an LRA or other Governmental Body having jurisdiction.
- 1.43 "RAR Attributes" means, with respect to a Unit, any and all resource adequacy attributes, as they are identified as of the Confirmation Effective Date by the Tariff, the CPUC Decisions, CAISO, LRA, or any Governmental Body having jurisdiction that can be counted toward RAR and are consistent with the operational limitations of such Unit, exclusive of any LAR Attributes or FCR Attributes.
- 1.44 "RAR Showings" means the RAR compliance showings (or similar or successor showings) an LSE is required to make to the CPUC (and/or, to the extent authorized by the CPUC, to the CAISO), pursuant to the Tariff, the CPUC Decisions or LRA having jurisdiction.
- 1.45 "Replacement Capacity" has the meaning specified in Section 4.7 hereof.

- 1.46 "Replacement Unit" means a generating unit providing Replacement Capacity in accordance with Section 4.5 hereof.
- 1.47 "Resource Category" shall be as described in the CPUC Filing Guide, as such may be modified, amended, supplemented or updated from time to time.
- 1.48 "RMR Agreement" has the meaning set forth in the Tariff.
- 1.49 "Seller" has the meaning specified in the introductory paragraph hereof.
- 1.50 "Showing Month" shall be the calendar month during the Delivery Period that is the subject of the RAR Showing, LAR Showing, and/or FCR Showing, as applicable, as set forth in the CPUC Decisions or Tariff. For illustrative purposes only, pursuant to the CPUC Decisions in effect as of the Confirmation Effective Date, the monthly RAR Showing made in June is for the Showing Month of August.
- 1.51 "Shown Unit" means a generating unit from which RA Capacity will be provided by Seller to Buyer and that Seller identifies annually pursuant to Article 2.
- 1.52 "Supply Plan" means the supply plans, or similar or successor filings, that each Scheduling Coordinator representing RA Capacity submits to the CAISO, LRA, or other Governmental Body, pursuant to Applicable Laws, in order for that RA Capacity to count, as applicable, for its RAR Attributes, LAR Attributes, and/or FCR Attributes.
- 1.53 "Tariff" means the tariff and protocol provisions of the CAISO, including associated rules, procedures, and business practice manuals, as amended or supplemented from time to time.
- 1.54 "Transaction" has the meaning specified in the introductory paragraph hereof.
- 1.55 "Unit" or "Units" shall mean the generation assets described in Article 2 hereof (including any Replacement Units), from which RA Capacity is provided by Seller to Buyer.
- 1.56 "Unit EFC" means the Effective Flexible Capacity set by the CAISO for the applicable Unit. If the CAISO adjusts the Effective Flexible Capacity of a Unit after the Confirmation Effective Date, then for the period in which the adjustment is effective, the Unit EFC shall be deemed the lesser of (i) the Unit EFC as of the Confirmation Effective Date, and (ii) the CAISO-adjusted Effective Flexible Capacity. To the extent the Confirmation Effective Date of this Confirmation occurs prior to the CAISO's setting of a Unit EFC for the applicable Unit, the Unit EFC shall be as agreed to by the Parties and specified in Article 2. The above notwithstanding, to the extent the CAISO decides to reduce the applicable Unit EFC, Seller shall not be liable for any costs or damages related to such reduction and the Unit EFC shall be reduced per Section 4.4 of this Confirmation.
- 1.57 "Unit NQC" means the Net Qualifying Capacity set by the CAISO for the applicable Unit. If the CAISO adjusts the Net Qualifying Capacity of a Unit after the Confirmation Effective Date, then for the period in which the adjustment is effective, the Unit NQC shall be deemed the lesser of (i) the Unit NQC as of the Confirmation Effective Date, and (ii) the CAISO-adjusted Net Qualifying Capacity.

## ARTICLE 2 UNIT DESIGNATION

### 2.1 Seller to Annually Designate Shown Unit

- (a) On an annual basis during the term of this Transaction, Seller shall designate the Shown Unit(s) from which RA Capacity will be provided to Buyer for the following calendar year by providing Buyer with the specific Unit information contained in Appendix A by no later than the earlier of (i) October 1, or (ii) thirty (30) calendar days before the annual deadline for the year-ahead RAR Showing, LAR Showing and/or Flexible RAR Showing.

- (b) The Shown Unit shall meet the Product characteristics and Contract Quantity specified in Sections 3 and 4. Under no circumstances shall the Shown Unit be a coal-fired generating facility.
- (c) Nothing in this Section 2.1 shall be construed to limit the applicability of Sections 4.4 (Adjustment to Contract Quantity) or 4.5 (Alternate Capacity and Replacement Units) of this Confirmation.
- (d) Seller's designation of the Shown Unit each year shall not in any way (i) convert the Contingent Firm RA Product being sold under this Confirmation into Firm RA Product, or (ii) cause any change to the Monthly RA Capacity Price.

ARTICLE 3  
**RESOURCE ADEQUACY CAPACITY PRODUCT**

During the Delivery Period, Seller shall provide to Buyer, pursuant to the terms of this Confirmation, the Designated RA Capacity in the amount of the Contract Quantity of (i) RAR Attributes and, if applicable, LAR Attributes, and (ii) FCR Attributes, if Flexible RA Product is specified in Section 3.2, and the Contract Quantity shall be either a Firm RA Product or a Contingent Firm RA Product, as specified in either Section 3.3 or 3.4 (the "Product"). The Product does not confer to Buyer any right to the electrical output from the Units, other than the right to include the Designated RA Capacity associated with the Contract Quantity in RAR Showings, LAR Showings, and FCR Showings, as applicable, and any other capacity or resource adequacy markets or proceedings as specified in this Confirmation. Specifically, Seller shall not be required to make available to Buyer any energy or ancillary services associated with any Unit as part of this Transaction, and Buyer shall not be responsible for compensating Seller for Seller's commitments to the CAISO required by this Confirmation. Seller retains the right to sell pursuant to the Tariff any RA Capacity from a Unit that is in excess of that Unit's Contract Quantity and any RAR Attributes, LAR Attributes or FCR Attributes not otherwise transferred, conveyed, or sold to Buyer under this Confirmation.

**3.1 RAR and LAR Attributes**

Seller shall provide Buyer with the Designated RA Capacity of RAR Attributes and, if applicable, LAR Attributes from each Unit, as measured in MWs, in accordance with the terms and conditions of this Confirmation.

**3.2  Flexible RA Product**

Seller shall provide Buyer with Designated RA Capacity of FCR Attributes from the Units in the amount of the applicable Contract Quantity.

**3.3  Firm RA Product**

Seller shall provide Buyer with Designated RA Capacity from the Units in the amount of the Contract Quantity. If the Units are not available to provide the full amount of the Contract Quantity for any reason other than Force Majeure, including without limitation any Outage or any adjustment of the RA Capacity of any Unit, pursuant to Section 4.4, then, Seller shall provide Buyer with Designated RA Capacity from one or more Replacement Units pursuant to Section 4.5 hereof. If Seller fails to provide Buyer with replacement Designated RA Capacity from Replacement Units pursuant to Section 4.5, then Seller shall be liable for damages and/or required to indemnify Buyer for penalties or fines pursuant to the terms of Sections 4.7 and 4.8 hereof.

**3.4  Contingent Firm RA Product**

Seller shall provide Buyer with Designated RA Capacity from the Units in the amount of the applicable Contract Quantity; provided, however, that if (a) the Units are not available to provide the full amount of the Contract Quantity due to Force Majeure, any Planned Outage or any reduction of the RA Capacity of any Unit and (b) Seller has given Buyer timely notice pursuant to Section 4.5, then Seller may either reduce the



Contract Quantity or provide Buyer with Designated RA Capacity from one or more Replacement Units pursuant to Section 4.5 hereof. If Seller (i) fails to provide Buyer with any portion of the Designated RA Capacity for a reason other than Force Majeure, Planned Outage or reduction in the RA Capacity of any Unit or (ii) fails to give Buyer timely notice pursuant to Section 4.5(a), then Seller shall be liable for damages and/or required to indemnify Buyer for penalties or fines pursuant to the terms of Sections 4.7 and 4.8 hereof.

**ARTICLE 4  
DELIVERY AND PAYMENT**

**4.1 Delivery Period**

The Delivery Period shall be January 1, 2024 through December 31, 2029 inclusive. For the avoidance of doubt, nothing in this Agreement shall obligate Seller to provide any RA Capacity to Buyer for any period after the end of the Delivery Period.

**4.2 Delivery Point**

The Delivery Point for each Unit shall be the CAISO Control Area, and if applicable, the LAR region in which the Unit is electrically interconnected.

**4.3 Contract Quantity**

The Contract Quantity of each Unit for each Monthly Delivery Period shall be:

**Contract Quantity (MWs)**

Contract Years	MWs
2024 - 2029	

**4.4 Adjustments to Contract Quantity**

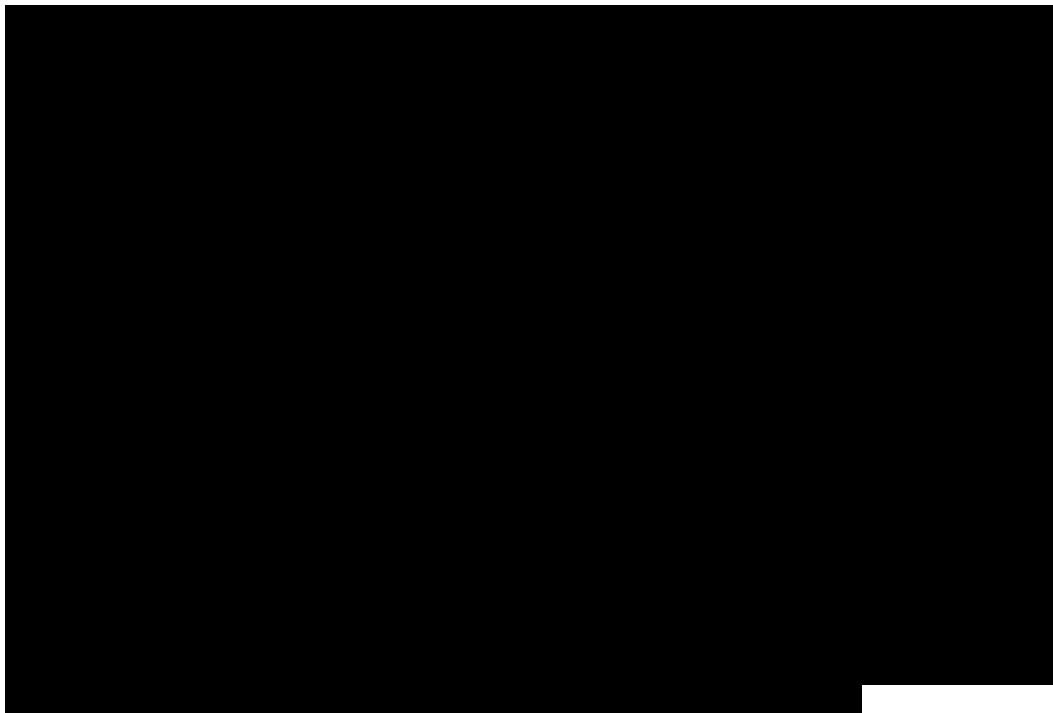
- (a) **Planned Outages:** Seller’s obligation to deliver the Contract Quantity for any Showing Month may be reduced at Seller’s option if any portion of the Unit is scheduled for a Planned Outage during the applicable Showing Month; provided, Seller notifies Buyer, no later than ten (10) Business Days before the relevant deadlines for the corresponding RAR Showings, LAR Showings and/or FCR Showings applicable to that Showing Month, of the amount of Product from the Unit Buyer is permitted to include in Buyer’s RAR Showings, LAR Showings, and/or FCR Showings applicable to that month as a result of such Planned Outage.

If Seller is unable to provide the applicable Contract Quantity for all or a portion of a Showing Month because of a Planned Outage of a Unit, Seller has the option, but not the obligation, to provide Product for such Showing Month from Replacement Units, provided, Seller provides and identifies such Replacement Units in accordance with Section 4.5. If Seller chooses not to provide Product from Replacement Units and a Unit is on a Planned Outage for the applicable Showing Month, then, the Contract Quantity shall be revised in accordance with any applicable adjustments stipulated by the CPUC Filing Guide or CAISO Tariff in effect for the applicable Showing Month in which the Planned Outage occurs.

- (b) **Reductions in Unit NQC:** If Product is both (i) Generic RA Product, and (ii) Contingent Firm RA Product specified under Section 3.4, then Seller’s obligation to deliver the applicable Contract Quantity for any Showing Month may also be reduced if the Unit experiences a reduction in Unit NQC as determined by the CAISO. Seller’s potential reduction in Contract Quantity for each remaining Showing Month shall equal the product of (A) the applicable Showing Month Contract Quantity and (B) the total amount (in MWs) Unit NQC was reduced since Confirmation Effective Date, divided by (C) Unit NQC as of the Confirmation

Effective Date. If the Unit experiences such a reduction in Unit NQC, then Seller has the option, but not the obligation, to provide the applicable Contract Quantity for such Showing Month from (1) the same Unit, provided the Unit has sufficient remaining and available Product and/or (2) from Replacement Units, provided, that in each case Seller provides and identifies such Replacement Units in accordance with Section 4.5.

- (c) Reductions in Unit EFC: If Product is both (i) Flexible RA Product specified under Section 3.2, and (ii) Contingent Firm RA Product specified under Section 3.4, then Seller's obligation to deliver the applicable Contract Quantity of Product for any Showing Month may also be reduced if the Unit experiences a reduction in Unit EFC as determined by the CAISO. Seller's potential reduction in Contract Quantity for each remaining Showing Month shall equal the product of (A) the applicable Showing Month Contract Quantity and (B) the total amount (in MWs) Unit EFC was reduced since Confirmation Effective Date, divided by (C) Unit EFC as of the Confirmation Effective Date. If the Unit experiences such a reduction in Unit EFC, then Seller has the option, but not the obligation, to provide the applicable Contract Quantity for such Showing Month from (1) the same Unit, provided the Unit has sufficient remaining and available Product and/or (2) from Replacement Units, provided, that in each case Seller provides and identifies such Replacement Units in accordance with Section 4.5.
- (d) UCAP: If during the Delivery Period the CAISO or the CPUC either replaces Unit NQC as the value utilized to measure the qualifying capacity of a Unit with a successor value such as unforced capacity (UCAP) or utilizes such successor value as a supplemental means of measuring the qualifying capacity of a Unit together with Unit NQC, then from and after such replacement Seller will convey the equivalent amount of qualifying capacity of such Unit on a pro rata basis (i.e. following such replacement, Seller's delivery obligation will be obtained by calculating the product of (i) the Contract Quantity divided by the Unit NQC, multiplied by (ii) the Unit's overall qualifying capacity (in MW) as measured by such new method of measuring a Unit's qualifying capacity).
- (e)



#### **4.5 Alternate Capacity and Replacement Units**

- a) If Seller is unable to provide the full Contract Quantity for any Showing Month for any reason, including, without limitation, due to one of the reasons specified in Section 4.4, or Seller desires to provide the Contract Quantity for any Showing Month from a different generating unit other than the Unit, then Seller may, at no cost to Buyer, provide Buyer with Alternate Capacity from one or more Replacement Units, with the total amount of Product provided to Buyer from the Unit and Replacement Units up to an amount equal to the Contract Quantity for the applicable Showing Month; provided that in each case, Seller shall notify Buyer of its intent (i) not to provide or (ii) to provide Alternative Capacity and identify Replacement Units meeting the above requirements no later than ten (10) Business Days before that Showing Month's applicable deadlines for Buyer's RAR Showings, LAR Showings, and/or FCR Showings. If Seller notifies Buyer in writing as to the particular Replacement Units and such Units meet the requirements of this Section 4.5, then such Replacement Units shall be automatically deemed a Unit for purposes of this Confirmation for that Showing Month and Seller shall not be liable for damages and/or required to indemnify Buyer for penalties or fines pursuant to the terms of Section 4.7 and 4.8 hereof if the total amount of Product provided to Buyer from the Unit and/ or Replacement Units is equal to the Contract Quantity for the applicable Showing Month.
- b) With respect to a Contingent Firm RA Product, if Seller does not provide Alternate Capacity in an amount equal to the Contract Quantity for that Showing Month, then Buyer may, but shall not be required to, purchase replacement Product. Seller shall not be liable for damages and/or required to indemnify Buyer for penalties or fines pursuant to the terms of Sections 4.7 and 4.8 hereof if the failure to deliver the full Contract Quantity is due to Force Majeure, any Planned Outage or any reduction of the RA Capacity of any Unit and Seller notified Buyer, no later than ten (10) Business Days before that Showing Month's relevant deadlines for Buyer's RAR Showings, LAR Showings, and/or FCR Showings, as applicable, of Seller's intent not to provide Alternate Capacity in an amount equal to the Contract Quantity of that Showing Month.

#### **4.6 Delivery of Product**

Seller shall provide Buyer with the Designated RA Capacity of Product for each Showing Month consistent with the following:

- (a) Seller shall, on a timely basis, submit, or cause the Unit's SC to submit, Supply Plans to identify and confirm the Designated RA Capacity provided to Buyer for each Showing Month so that the total amount of Designated RA Capacity identified and confirmed for such Showing Month equals the Designated RA Capacity, unless specifically requested not to do so by the Buyer.
- (b) Seller shall cause the Unit's Scheduling Coordinator to submit written notification to Buyer, no later than ten (10) Business Days before the applicable RAR Showings, LAR Showings and/or FCR Showings deadlines for each Showing Month, that Buyer will be credited with the Designated RA Capacity for such Showing Month in the Unit's Scheduling Coordinator Supply Plan so that the Designated RA Capacity credited equals the Designated RA Capacity for such Showing Month.

#### **4.7 Damages for Failure to Provide Designated RA Capacity**

If Seller fails to provide Buyer with the Designated RA Capacity of Product for any Showing Month then the following shall apply:

- (a) Buyer may, but shall not be required to, replace any portion of the Designated RA Capacity not provided by Seller with capacity having equivalent RAR Attributes, LAR Attributes and/or FCR Attributes as the Designated RA Capacity not provided by Seller, provided, that, if any portion of the Designated RA Capacity that Buyer is seeking to replace is Designated RA Capacity having RAR Attributes and no LAR Attributes (such capacity shall

also include FCR Attributes if this is a Flexible Capacity Product) and no such RAR capacity is available, then Buyer may replace such portion of the Designated RA Capacity with capacity having RAR Attributes and LAR Attributes (as well as FCR Attributes if this is a Flexible Capacity Product) ("Replacement Capacity"). Such Replacement Capacity may be provided by CAISO to Buyer pursuant to the Tariff. Buyer may enter into purchase transactions with one or more parties to replace any portion of Designated RA Capacity not provided by Seller. Additionally, Buyer may enter into one or more arrangements to repurchase its obligation to sell and deliver capacity to another party and, to the extent such transactions are done at prevailing market prices, such arrangements shall be considered equivalent to the procurement of Replacement Capacity. Buyer shall use commercially reasonable efforts to minimize damages when procuring any Replacement Capacity.

- (b) Seller shall pay to Buyer at the time set forth in Section 4.1 of the Master Agreement, the following damages in lieu of damages specified in Section 4.1 of the Master Agreement: an amount equal to the positive difference, if any, between (i) the sum of (A) the actual cost paid by Buyer for any Replacement Capacity, plus (B) each Capacity Replacement Price times the amount of the Designated RA Capacity neither provided by Seller nor purchased by Buyer pursuant to Section 4.7(a), and (ii) the Designated RA Capacity not provided for the applicable Showing Month times the Contract Price for that month. If Seller fails to pay these damages, then Buyer may offset those damages owed it against any future amounts it may owe to Seller under this Confirmation pursuant to Article Six of the Master Agreement.

#### **4.8 Indemnities for Failure to Deliver Contract Quantity**

Seller agrees to indemnify, defend and hold harmless Buyer from any penalties, fines or costs assessed against Buyer by the CPUC or the CAISO, resulting from any of the following:

- (a) Seller's failure to provide any portion of the Designated RA Capacity;
- (b) Seller's failure to provide notice of the non-availability of any portion of Designated RA Capacity as required under Section 4.6;
- (c) A Unit Scheduling Coordinator's failure to timely submit Supply Plans that identify Buyer's right to the Designated RA Capacity purchased hereunder; or
- (d) A Unit Scheduling Coordinator's failure to submit accurate Supply Plans that identify Buyer's right to the Designated RA Capacity purchased hereunder.

With respect to the foregoing, the Parties shall use commercially reasonable efforts to minimize such penalties, fines and costs; provided, that in no event shall Buyer be required to use or change its utilization of its owned or controlled assets or market positions to minimize these penalties, fines and costs. If Seller fails to pay the foregoing penalties, fines or costs, or fails to reimburse Buyer for those penalties, fines or costs, then Buyer may offset those penalties, fines or costs against any future amounts it may owe to Seller under this Confirmation.

**4.9 Monthly RA Capacity Payment**

In accordance with the terms of Article Six of the Master Agreement, Buyer shall make a Monthly RA Capacity Payment to Seller for each Unit, in arrears, after the applicable Showing Month. Each Unit's Monthly RA Capacity Payment shall be equal to the product of (a) the applicable Contract Price for that Monthly Delivery Period, (b) the Designated RA Capacity for the Monthly Delivery Period, and (c) 1,000. The final product of this Monthly RA Capacity Payment calculation shall be rounded to the nearest penny (i.e., two decimal places).

**RA CAPACITY FLAT PRICE TABLE**

<b>Contract Years</b>	<b>RA Capacity Flat Price (\$/kW-month)</b>
2024 - 2029	██████████

If the CPUC allows Buyer to apply the capacity of a Unit that is on, or is scheduled to be on, an Outage towards the Buyer's RAR, then Seller shall be deemed to have provided Buyer the Product from the capacity of such Unit.

**4.10 Allocation of Other Payments and Costs**

Seller may retain any revenues it may receive from the CAISO or any other third party with respect to any Unit for (a) start-up, shut-down, and minimum load costs, (b) capacity revenue for ancillary services, (c) energy sales, (d) any revenues for black start or reactive power services, or (e) the sale of the unit-contingent call rights on the generation capacity of the Unit to provide energy to a third party, so long as such rights do not confer on such third party the right to claim any portion of the RA Capacity sold hereunder in order to make an RAR Showing, LAR Showing, FCR Showing, or any similar capacity or resource adequacy showing with the CAISO or CPUC. Buyer acknowledges and agrees that all Availability Incentive Payments are for the benefit of Seller and for Seller's account, and that Seller shall receive, retain, or be entitled to receive all credits, payments, and revenues, if any, resulting from Seller achieving or exceeding Availability Standards. The Parties acknowledge and agree that any Non-Availability Charges are the responsibility of Seller, and for Seller's account and Seller shall be responsible for all fees, charges, or penalties, if any, resulting from Seller failing to achieve Availability Standards. However, Buyer shall be entitled to receive and retain all revenues associated with the Designated RA Capacity of any Unit during the Delivery Period (including any capacity or availability revenues from RMR Agreements for any Unit, Reliability Compensation Services Tariff, and Residual Unit Commitment capacity payments, but excluding payments described in clauses (a) through (c) above). In accordance with Section 4.9 of this Confirmation and Article Six of the Master Agreement, all such revenues received by Seller, or a Unit's SC, owner, or operator shall be remitted to Buyer, and Seller shall pay such revenues to Buyer if the Unit's SC, owner, or operator fails to remit those revenues to Buyer. If Seller fails to pay such revenues to Buyer, Buyer may offset any amounts owing to it for such revenues pursuant to Article Six of the Master Agreement against any future amounts it may owe to Seller under this Confirmation. If a centralized capacity market develops within the CAISO region, Buyer will have exclusive rights to offer, bid, or otherwise submit Designated RA Capacity provided to Buyer pursuant to this Confirmation for re-sale in such market, and retain and receive any and all related revenues.

**ARTICLE 5  
CAISO OFFER REQUIREMENTS**

During the Delivery Period, except to the extent any Unit is in an Outage, or is affected by an event of Force Majeure that results in a partial or full Outage of that Unit, Seller shall either schedule or cause the Unit's Scheduling Coordinator to schedule with, or make available to, the CAISO each Unit's Designated RA Capacity in compliance with the Tariff, and shall perform all, or cause the Unit's Scheduling Coordinator,

owner, or operator, as applicable, to perform all obligations under the Tariff that are associated with the sale of Designated RA Capacity hereunder. Buyer shall have no liability for the failure of Seller or the failure of any Unit's Scheduling Coordinator, owner, or operator to comply with such Tariff provisions, including any penalties or fines imposed on Seller or the Unit's Scheduling Coordinator, owner, or operator for such noncompliance.

**ARTICLE 6  
RESERVED**

**ARTICLE 7  
OTHER BUYER AND SELLER COVENANTS**

- 7.1** Buyer and Seller shall, throughout the Delivery Period, take all commercially reasonable actions and execute any and all documents or instruments reasonably necessary to ensure Buyer's right to the use of the Contract Quantity for the sole benefit of Buyer's RAR, LAR and/or FCR, as applicable. Such commercially reasonable actions (neither Party shall be required to spend more than \$10,000 in total under the Agreement in support of such actions) shall include, without limitation:
- (a) Cooperating with and providing, and in the case of Seller causing each Unit's Scheduling Coordinator, owner, or operator to cooperate with and provide requested supporting documentation to the CAISO, the CPUC, or any other Governmental Body responsible for administering RAR, LAR and/or FCR under Applicable Laws, to certify or qualify the Contract Quantity as RA Capacity and Designated RA Capacity. Such actions shall include, without limitation, providing information requested by the CAISO, the CPUC, or by an LRA having jurisdiction, to demonstrate for each month of the Delivery Period the ability to deliver the Contract Quantity from each Unit to the CAISO Controlled Grid for the minimum hours required to qualify as RA Capacity, and providing information requested by the CPUC, the CAISO or other Governmental Body having jurisdiction to administer RAR, LAR or FCR to demonstrate that the Contract Quantity can be delivered to the CAISO Controlled Grid, pursuant to "deliverability" standards established by the CAISO, or other Governmental Body having jurisdiction to administer RAR, LAR and/or FCR; and
  - (b) Negotiating in good faith to make necessary amendments, if any, to this Confirmation to conform this Transaction to subsequent clarifications, revisions, or decisions rendered by the CPUC, CAISO, FERC, or other Governmental Body having jurisdiction to administer RAR, LAR and FCR, so as to maintain the benefits of the bargain struck by the Parties on the Confirmation Effective Date.
- 7.2** Seller represents, warrants and covenants to Buyer that, throughout the Delivery Period:
- (a) Seller owns or has the exclusive right to the RA Capacity sold under this Confirmation from each Unit, and shall furnish Buyer, CAISO, CPUC or other jurisdictional LRA, or other Governmental Body with such evidence as may reasonably be requested to demonstrate such ownership or exclusive right;
  - (b) No portion of the Contract Quantity has been committed by Seller to any third party in order to satisfy RAR, LAR, FCR or such analogous capacity obligations in CAISO markets, other than pursuant to an RMR Agreement between the CAISO and either Seller or the Unit's owner or operator;
  - (c) No portion of the Contract Quantity has been committed by Seller in order to satisfy RAR, LAR, FCR, or analogous capacity obligations in any non-CAISO market;
  - (d) Each Unit is connected to the CAISO Controlled Grid, is within the CAISO Control Area, or is under the control of CAISO;
  - (e) The owner or operator of each Unit is obligated to comply with Applicable Laws, including the Tariff, relating to RA Capacity and, as applicable, RAR, LAR and/or FCR;

- (f) With respect to the RA Capacity provided under this Confirmation, Seller shall, and each Unit's SC is obligated to, comply with Applicable Laws, including the Tariff, relating to RA Capacity, and RAR, LAR and FCR;
- (g) Seller has notified the SC of each Unit that Seller has transferred the Designated RA Capacity to Buyer, and the SC is obligated to deliver the Supply Plans in accordance with the Tariff;
- (j) Seller has notified the SC of each Unit that Seller is obligated to cause each Unit's SC to provide to the Buyer, at least five (5) Business Days before the relevant deadline for each RAR Showing, LAR Showing, and/or FCR Showing, as applicable, the Designated RA Capacity of each Unit that is to be submitted in the Supply Plan associated with the Agreement for the applicable period; and
- (k) Seller has notified each Unit's SC that Buyer is entitled to the revenues set forth in Section 4.10 of this Confirmation, and such SC is obligated to promptly deliver those revenues to Buyer, along with appropriate documentation supporting the amount of those revenues.

ARTICLE 8  
**CONFIDENTIALITY**

Notwithstanding Section 10.13 of the Master Agreement, the Parties agree that Buyer may disclose the Designated RA Capacity under this Transaction to any Governmental Body, the CPUC, the CAISO or any LRA having jurisdiction in order to support its LAR Showings, RAR Showings, and/or FCR Showings, as applicable, and Seller may disclose the transfer of the Designated RA Capacity under this Transaction to the SC of each Unit in order for such SC to timely submit accurate Supply Plans.

ARTICLE 9  
**BUYER'S RE-SALE OF PRODUCT**

Buyer may re-sell all or a portion of the Product hereunder.

ARTICLE 10  
**COLLATERAL REQUIREMENTS**

**10.1 Party B's Collateral Requirement**

None.

**10.2 City's Collateral Requirement**

None.

**ACKNOWLEDGED AND AGREED TO AS OF THE CONFIRMATION EFFECTIVE DATE.**

**Calpine Energy Services, L.P.**

**City and County of San Francisco, acting  
by and through its Public Utilities  
Commission, CleanPowerSF**

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

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

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

Harlan L. Kelly, Jr.  
General Manager  
San Francisco Public Utilities Commission

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

Approved as to Form:

Dennis J. Herrera  
City Attorney

By: \_\_\_\_\_  
Deputy City Attorney



**Appendix A**

**Shown Unit Information**

	<b>System Resource Adequacy</b>
Name	
Location	
CAISO Resource ID	
Resource Type	
Resource Category (1, 2, 3, or 4)	
Point of Interconnection with the CAISO controlled grid ("Substation")	
Path 26 (North, South, or None)	
Deliverability restrictions, if any, as described in most recent CAISO deliverability assessment	
Run Hour Restrictions	
LAR Attributes (Yes/No)	
If yes: Local Capacity Area (as of the Confirmation Effective Date):	
Product Type	
If Generic: Unit NQC (as of the Confirmation Effective Date)	
If Flexible: Unit EFC (as of the Confirmation Effective Date): Flexible Capacity Category (Base/Peak/Super-peak):	



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San Francisco, CA 94102  
T 415.554.3155  
F 415.554.3161  
TTY 415.554.3488

**City and County of San Francisco –  
Hetch Hetchy Power & CleanPowerSF  
Request for Offers  
2021-2022 Resource Adequacy Supplies  
August 3, 2020**

**Background**

The San Francisco Public Utilities Commission (SFPUC) - Power Enterprise is a department of the City and County of San Francisco (CCSF). The SFPUC operates Hetch Hetchy Power, a full-service retail utility, and CleanPowerSF, San Francisco’s Community Choice Aggregation Program, serving commercial and residential customers in the City and County of San Francisco. The SFPUC is a member of the WSPP under the name City and County of San Francisco (CCSF).

The SFPUC issues this Request for Offers (RFO) to purchase Resource Adequacy (RA) supplies delivered 2021-2022 for **two counterparties**: 1) Hetch Hetchy Power; and 2) CleanPowerSF.

The SFPUC is seeking the following Resource Adequacy products:

- Local + Flexible RA Capacity
  - Bay Area
  - Humboldt
  - North Coast/North Bay
  - Sierra
  - Stockton
  - Fresno
  - Kern

Bids are requested in \$/kW-month as specified in the Bid Workbook – Exhibit A.

**Proposal Timing**

RFO Issued	August 3, 2020
Bids Due	5:00 PM PDT, August 12, 2020
Notification of Award	August 14, 2020

Please submit bids to [powerpurchasing@sfgwater.org](mailto:powerpurchasing@sfgwater.org) by **5:00 PM PDT on Wednesday, August 12, 2020**. Bids will be evaluated on an ongoing basis and respondents are encouraged to submit bids early.

On or before August 14, the SFPUC will notify shortlisted sellers of their accepted offers to commence contract negotiations.

**Enabling Agreement -- Required amendments to WSPP confirmation:**

The SFPUC purchases energy under the WSPP agreement. The resulting transactions from this request shall be executed and confirmed using the WSPP confirmation. The SFPUC requires the following amendments to the confirmation for each counterparty:

**Counterparty: Hetch Hetchy Power**

- **Guaranteed Maximum Cost.**
  - **Controller Certification.** Buyer's obligations hereunder shall not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification. Except as may be provided by laws governing emergency procedures, officers and employees of Buyer are not authorized to request, and Buyer is not required to reimburse Seller for, commodities or services beyond the agreed upon Transaction scope unless the changed scope is authorized by amendment and approved as required by law. Officers and employees of Buyer are not authorized to offer or promise, nor is Buyer required to honor, any offered or promised additional funding in excess of the maximum amount of funding for which the contract is certified without certification of the additional amount by the Controller. The Controller for the City and County of San Francisco ("Controller") is not authorized to make payments on any contract for which funds have not been certified as available in the budget or by supplemental appropriation.
  - **Biannual Budget Process.** For each City biannual budget cycle during the term of this Confirmation, Buyer agrees it to take all necessary action to will include the maximum amount of its annual payment obligations under this Confirmation in its budget submitted to the City's Board of Supervisors for each year of that budget cycle.
- **Prohibition on Political Activity with City Funds.** In accordance with San Francisco Administrative Code Chapter 12.G, Seller may not participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure in San Francisco (collectively, "Political Activity") in the performance of this Agreement. Seller agrees to comply with San Francisco Administrative Code Chapter 12.G and any implementing rules and regulations promulgated by the Controller. The terms and provisions of Chapter 12.G are incorporated herein by this reference. In the event Seller violates the provisions of this Section, Buyer may, in addition to any other rights or remedies available hereunder, (i) terminate this Agreement, and (ii) prohibit Seller from bidding on or receiving any new City contract for a period of two years. The Controller will not consider Seller's use of profit as a violation of this Section.
- **Nondiscrimination Requirements.**
  - Seller shall comply with the provisions of Chapter 12B of the San Francisco Administrative Code. Seller shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a) and 12B.2(c)-(k) of the San Francisco Administrative Code and shall require all subcontractors to comply with such provisions. Seller is subject to the enforcement and penalty provisions in Chapters 12B and 12C.
  - Seller represents that it does not as of the date of this Agreement, and will not during the term of this Agreement, in any of its operations in the City of San Francisco, on real property owned by the City, or where work is being performed for the Buyer elsewhere in the United States, discriminate in the provision of employee benefits between employees with domestic partners and employees with spouses and/or between the domestic partners and spouses of such employees, subject to the conditions set forth in San Francisco Administrative Code Section 12B.2.
- **Compliance with Laws.** Each Party shall keep itself fully informed of all applicable federal, state, and local laws, ordinances, or regulations that in any manner affect the performance of this Agreement, and must at all times comply with all such laws, ordinance, or regulations they may be amended from time to time.

- Section 24 of the WSPP Agreement is deleted and replaced with the following: “This WSPP Agreement and any Confirmation 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.”
- City Vendor Requirements. Notwithstanding any other provision of this Agreement, Buyer shall not be deemed to be in default of this Agreement and no Late Payment Penalty shall be assessed if an invoice under this Agreement cannot be processed by Buyer due to Seller's failure to comply with all applicable City requirements for City contractors, including but not limited to certification of vendors under Chapter 12 of the San Francisco Administrative Code, payment of business license fees or taxes, insurance requirements, registration in the City's vendor payment processing system, or any other current or future City requirement for vendor payment processing. Seller understands and acknowledges that vendor certifications may include annual renewals and additional certification requirements may apply to assignees or changes in ownership or control of Seller.

#### **Counterparty: CleanPowerSF**

- **Guaranteed Maximum Cost.**
  - **Controller Certification.** Buyer's obligations hereunder shall not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification. Except as may be provided by laws governing emergency procedures, officers and employees of Buyer are not authorized to request, and Buyer is not required to reimburse Seller for, commodities or services beyond the agreed upon Transaction scope unless the changed scope is authorized by amendment and approved as required by law. Officers and employees of Buyer are not authorized to offer or promise, nor is Buyer required to honor, any offered or promised additional funding in excess of the maximum amount of funding for which the contract is certified without certification of the additional amount by the Controller. The Controller for the City and County of San Francisco (“Controller”) is not authorized to make payments on any contract for which funds have not been certified as available in the budget or by supplemental appropriation.
  - **Biannual Budget Process.** For each City biannual budget cycle during the term of this Confirmation, Buyer agrees it to take all necessary action to will include the maximum amount of its annual payment obligations under this Confirmation in its budget submitted to the City's Board of Supervisors for each year of that budget cycle.
- **Designated Fund.**
  - **Auto-Appropriating Designated Fund.** Buyer's obligations under this Confirmation shall be paid from a SFPUC designated fund that will automatically appropriate CleanPowerSF revenues on an annual basis without further action and which shall be used solely for CleanPowerSF's costs and expenses, including the Buyer's obligations under this Confirmation. Buyer agrees to set CleanPowerSF's rates and charges that are sufficient to maintain revenues necessary to pay all of Buyer's payment obligations under its contracts for the purchase of energy or energy related products for CleanPowerSF. Buyer shall provide Seller with reasonable access to account balance information with respect to the CleanPowerSF designated fund at all times during the Delivery Period.
  - **Limited Obligations.** Buyer's obligations under this Confirmation are special limited obligations of CleanPowerSF payable solely from the revenues of CleanPowerSF. The obligations are not a charge upon the revenues or general fund of the SFPUC or the City or upon any non-CleanPowerSF moneys or other property of the SFPUC or the City.
- **Prohibition on Political Activity with City Funds.** In accordance with San Francisco Administrative Code Chapter 12.G, Seller may not participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure in San Francisco (collectively, "Political Activity") in the performance of this Agreement. Seller agrees to comply with San Francisco Administrative Code Chapter 12.G and any implementing rules and regulations promulgated by the Controller. The terms and provisions of Chapter 12.G are incorporated herein by this reference. In the event

Seller violates the provisions of this Section, Buyer may, in addition to any other rights or remedies available hereunder, (i) terminate this Agreement, and (ii) prohibit Seller from bidding on or receiving any new City contract for a period of two years. The Controller will not consider Seller's use of profit as a violation of this Section.

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  - Seller shall comply with the provisions of Chapter 12B of the San Francisco Administrative Code. Seller shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a) and 12B.2(c)-(k) of the San Francisco Administrative Code and shall require all subcontractors to comply with such provisions. Seller is subject to the enforcement and penalty provisions in Chapters 12B and 12C.
  - Seller represents that it does not as of the date of this Agreement, and will not during the term of this Agreement, in any of its operations in the City of San Francisco, on real property owned by the City, or where work is being performed for the Buyer elsewhere in the United States, discriminate in the provision of employee benefits between employees with domestic partners and employees with spouses and/or between the domestic partners and spouses of such employees, subject to the conditions set forth in San Francisco Administrative Code Section 12B.2.
- **Compliance with Laws.** Each Party shall keep itself fully informed of all applicable federal, state, and local laws, ordinances, or regulations that in any manner affect the performance of this Agreement, and must at all times comply with all such laws, ordinance, or regulations they may be amended from time to time.
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- **City Vendor Requirements.** Notwithstanding any other provision of this Agreement, Buyer shall not be deemed to be in default of this Agreement and no Late Payment Penalty shall be assessed if an invoice under this Agreement cannot be processed by Buyer due to Seller's failure to comply with all applicable City requirements for City contractors, including but not limited to certification of vendors under Chapter 12 of the San Francisco Administrative Code, payment of business license fees or taxes, insurance requirements, registration in the City's vendor payment processing system, or any other current or future City requirement for vendor payment processing. Seller understands and acknowledges that vendor certifications may include annual renewals and additional certification requirements may apply to assignees or changes in ownership or control of Seller.

### **How to Respond**

- Preference will be given to entities that are a WSPP member or have an existing Master Agreement in place with either counterparty.
- Provide information summarizing your specific bid(s) by completing Exhibit A.
- Attach any additional information relevant to your bid.
- SFPUC Origination and Power Supply staff will respond with an email to confirm your bid has been received.
- **Responses and/or questions should be addressed to: [powerpurchasing@sfgwater.org](mailto:powerpurchasing@sfgwater.org)**

### **Post-Response Negotiations**

SFPUC reserves the right to enter into discussions with respondent to gain clarity on its bid, or to suggest a partial amendment to the offer.

### **Disclaimer and Confidentiality**

SFPUC reserves the right, without qualification and in its sole discretion, to reject any or all offers, accept multiple bids, and to terminate this request for bid in whole or in part at any time. Without limiting the



525 Golden Gate Avenue, 13th Floor  
San Francisco, CA 94102  
T 415.554.3155  
F 415.554.3161  
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foregoing, SFPUC further reserves the right in its sole discretion, to decline to enter into any agreement with any counterparty for any reason.

It is not SFPUC's intent to publicly disclose individual respondent proprietary information obtained in response to this request. This request is intended to provide information for SFPUC to select a bid to purchase energy, it should NOT be construed as a commitment by SFPUC to enter into a contractual agreement, nor will SFPUC pay for information solicited.



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**City and County of San Francisco –  
Hetch Hetchy Power & CleanPowerSF  
Request for Offers  
2021-2022 Resource Adequacy Supplies  
September 2, 2020**

**Background**

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The SFPUC issues this Request for Offers (RFO) to purchase Resource Adequacy (RA) supplies delivered 2021-2022 for **two counterparties**: 1) Hetch Hetchy Power; and 2) CleanPowerSF.

The SFPUC is seeking the following Resource Adequacy products:

- System RA Capacity
  - North System
  - South System
- Local + Flexible RA Capacity
  - Bay Area
  - Humboldt
  - North Coast/North Bay
  - Sierra
  - Stockton
  - Fresno
  - Kern

Bids are requested in \$/kW-month as specified in the Bid Workbook – Exhibit A.

**Proposal Timing**

RFO Issued	September 2, 2020
Bids Due	5:00 PM PDT, September 10, 2020
Notification of Award	September 14, 2020

Please submit bids to [powerpurchasing@sfgwater.org](mailto:powerpurchasing@sfgwater.org) by **5:00 PM PDT on Thursday, September 10, 2020**. **Bids will be evaluated on an ongoing basis and respondents are encouraged to submit bids early.**

On or before September 14, the SFPUC will notify shortlisted sellers of their accepted offers to commence contract negotiations.

**Enabling Agreement -- Required amendments to WSPP confirmation:**

The SFPUC purchases energy under the WSPP agreement. The resulting transactions from this request shall be executed and confirmed using the WSPP confirmation. The SFPUC requires the following amendments to the confirmation for each counterparty:

**Counterparty: Hetch Hetchy Power**

- **Guaranteed Maximum Cost.**
  - **Controller Certification.** Buyer's obligations hereunder shall not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification. Except as may be provided by laws governing emergency procedures, officers and employees of Buyer are not authorized to request, and Buyer is not required to reimburse Seller for, commodities or services beyond the agreed upon Transaction scope unless the changed scope is authorized by amendment and approved as required by law. Officers and employees of Buyer are not authorized to offer or promise, nor is Buyer required to honor, any offered or promised additional funding in excess of the maximum amount of funding for which the contract is certified without certification of the additional amount by the Controller. The Controller for the City and County of San Francisco ("Controller") is not authorized to make payments on any contract for which funds have not been certified as available in the budget or by supplemental appropriation.
  - **Biannual Budget Process.** For each City biannual budget cycle during the term of this Confirmation, Buyer agrees it to take all necessary action to will include the maximum amount of its annual payment obligations under this Confirmation in its budget submitted to the City's Board of Supervisors for each year of that budget cycle.
- **Prohibition on Political Activity with City Funds.** In accordance with San Francisco Administrative Code Chapter 12.G, Seller may not participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure in San Francisco (collectively, "Political Activity") in the performance of this Agreement. Seller agrees to comply with San Francisco Administrative Code Chapter 12.G and any implementing rules and regulations promulgated by the Controller. The terms and provisions of Chapter 12.G are incorporated herein by this reference. In the event Seller violates the provisions of this Section, Buyer may, in addition to any other rights or remedies available hereunder, (i) terminate this Agreement, and (ii) prohibit Seller from bidding on or receiving any new City contract for a period of two years. The Controller will not consider Seller's use of profit as a violation of this Section.
- **Nondiscrimination Requirements.**
  - Seller shall comply with the provisions of Chapter 12B of the San Francisco Administrative Code. Seller shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a) and 12B.2(c)-(k) of the San Francisco Administrative Code and shall require all subcontractors to comply with such provisions. Seller is subject to the enforcement and penalty provisions in Chapters 12B and 12C.
  - Seller represents that it does not as of the date of this Agreement, and will not during the term of this Agreement, in any of its operations in the City of San Francisco, on real property owned by the City, or where work is being performed for the Buyer elsewhere in the United States, discriminate in the provision of employee benefits between employees with domestic partners and employees with spouses and/or between the domestic partners and spouses of such employees, subject to the conditions set forth in San Francisco Administrative Code Section 12B.2.
- **Compliance with Laws.** Each Party shall keep itself fully informed of all applicable federal, state, and local laws, ordinances, or regulations that in any manner affect the performance of this Agreement, and must at all times comply with all such laws, ordinance, or regulations they may be amended from time to time.



- Section 24 of the WSPP Agreement is deleted and replaced with the following: “This WSPP Agreement and any Confirmation 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.”
- City Vendor Requirements. Notwithstanding any other provision of this Agreement, Buyer shall not be deemed to be in default of this Agreement and no Late Payment Penalty shall be assessed if an invoice under this Agreement cannot be processed by Buyer due to Seller's failure to comply with all applicable City requirements for City contractors, including but not limited to certification of vendors under Chapter 12 of the San Francisco Administrative Code, payment of business license fees or taxes, insurance requirements, registration in the City's vendor payment processing system, or any other current or future City requirement for vendor payment processing. Seller understands and acknowledges that vendor certifications may include annual renewals and additional certification requirements may apply to assignees or changes in ownership or control of Seller.

#### **Counterparty: CleanPowerSF**

- **Guaranteed Maximum Cost.**
  - **Controller Certification.** Buyer's obligations hereunder shall not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification. Except as may be provided by laws governing emergency procedures, officers and employees of Buyer are not authorized to request, and Buyer is not required to reimburse Seller for, commodities or services beyond the agreed upon Transaction scope unless the changed scope is authorized by amendment and approved as required by law. Officers and employees of Buyer are not authorized to offer or promise, nor is Buyer required to honor, any offered or promised additional funding in excess of the maximum amount of funding for which the contract is certified without certification of the additional amount by the Controller. The Controller for the City and County of San Francisco (“Controller”) is not authorized to make payments on any contract for which funds have not been certified as available in the budget or by supplemental appropriation.
  - **Biannual Budget Process.** For each City biannual budget cycle during the term of this Confirmation, Buyer agrees it to take all necessary action to will include the maximum amount of its annual payment obligations under this Confirmation in its budget submitted to the City's Board of Supervisors for each year of that budget cycle.
- **Designated Fund.**
  - **Auto-Appropriating Designated Fund.** Buyer's obligations under this Confirmation shall be paid from a SFPUC designated fund that will automatically appropriate CleanPowerSF revenues on an annual basis without further action and which shall be used solely for CleanPowerSF's costs and expenses, including the Buyer's obligations under this Confirmation. Buyer agrees to set CleanPowerSF's rates and charges that are sufficient to maintain revenues necessary to pay all of Buyer's payment obligations under its contracts for the purchase of energy or energy related products for CleanPowerSF. Buyer shall provide Seller with reasonable access to account balance information with respect to the CleanPowerSF designated fund at all times during the Delivery Period.
  - **Limited Obligations.** Buyer's obligations under this Confirmation are special limited obligations of CleanPowerSF payable solely from the revenues of CleanPowerSF. The obligations are not a charge upon the revenues or general fund of the SFPUC or the City or upon any non-CleanPowerSF moneys or other property of the SFPUC or the City.
- **Prohibition on Political Activity with City Funds.** In accordance with San Francisco Administrative Code Chapter 12.G, Seller may not participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure in San Francisco (collectively, "Political Activity") in the performance of this Agreement. Seller agrees to comply with San Francisco Administrative Code Chapter 12.G and any implementing rules and regulations promulgated by the Controller. The terms and provisions of Chapter 12.G are incorporated herein by this reference. In the event

Seller violates the provisions of this Section, Buyer may, in addition to any other rights or remedies available hereunder, (i) terminate this Agreement, and (ii) prohibit Seller from bidding on or receiving any new City contract for a period of two years. The Controller will not consider Seller's use of profit as a violation of this Section.

- **Nondiscrimination Requirements.**
  - Seller shall comply with the provisions of Chapter 12B of the San Francisco Administrative Code. Seller shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a) and 12B.2(c)-(k) of the San Francisco Administrative Code and shall require all subcontractors to comply with such provisions. Seller is subject to the enforcement and penalty provisions in Chapters 12B and 12C.
  - Seller represents that it does not as of the date of this Agreement, and will not during the term of this Agreement, in any of its operations in the City of San Francisco, on real property owned by the City, or where work is being performed for the Buyer elsewhere in the United States, discriminate in the provision of employee benefits between employees with domestic partners and employees with spouses and/or between the domestic partners and spouses of such employees, subject to the conditions set forth in San Francisco Administrative Code Section 12B.2.
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### **How to Respond**

- Preference will be given to entities that are a WSPP member or have an existing Master Agreement in place with either counterparty.
- Provide information summarizing your specific bid(s) by completing Exhibit A.
- Attach any additional information relevant to your bid.
- SFPUC Origination and Power Supply staff will respond with an email to confirm your bid has been received.
- **Responses and/or questions should be addressed to: [powerpurchasing@sfgwater.org](mailto:powerpurchasing@sfgwater.org)**

### **Post-Response Negotiations**

SFPUC reserves the right to enter into discussions with respondent to gain clarity on its bid, or to suggest a partial amendment to the offer.

### **Disclaimer and Confidentiality**

SFPUC reserves the right, without qualification and in its sole discretion, to reject any or all offers, accept multiple bids, and to terminate this request for bid in whole or in part at any time. Without limiting the



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foregoing, SFPUC further reserves the right in its sole discretion, to decline to enter into any agreement with any counterparty for any reason.

It is not SFPUC's intent to publicly disclose individual respondent proprietary information obtained in response to this request. This request is intended to provide information for SFPUC to select a bid to purchase energy, it should NOT be construed as a commitment by SFPUC to enter into a contractual agreement, nor will SFPUC pay for information solicited.



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**City and County of San Francisco –  
 Hetch Hetchy Power & CleanPowerSF  
 Request for Offers  
 2021-2022 Resource Adequacy Supplies  
 September 29, 2020**

**Background**

The San Francisco Public Utilities Commission (SFPUC) - Power Enterprise is a department of the City and County of San Francisco (CCSF). The SFPUC operates Hetch Hetchy Power, a full-service retail utility, and CleanPowerSF, San Francisco’s Community Choice Aggregation Program, serving commercial and residential customers in the City and County of San Francisco. The SFPUC is a member of the WSPP under the name City and County of San Francisco (CCSF).

The SFPUC issues this Request for Offers (RFO) to purchase Resource Adequacy (RA) supplies delivered 2021-2022 for **two counterparties**: 1) Hetch Hetchy Power; and 2) CleanPowerSF.

The SFPUC is seeking the following Resource Adequacy products:

- System RA Capacity
  - North System
  - South System
- Local + Flexible RA Capacity
  - Bay Area
  - Humboldt
  - North Coast/North Bay
  - Sierra
  - Stockton
  - Fresno
  - Kern

Bids are requested in \$/kW-month as specified in the Bid Workbook – Exhibit A.

**The SFPUC is willing to accept offers for simultaneous buy/sell transactions, in which prospective counterparties offer to sell Local and/or Flexible Resource Adequacy Products to the SFPUC, and simultaneously purchase System Resource Adequacy Products from the SFPUC.**

**Proposal Timing**

RFO Issued	September 29, 2020
Bids Due	12:00 PM PDT, October 7, 2020
Notification of Award	October 12, 2020

Please submit bids to [powerpurchasing@sfgwater.org](mailto:powerpurchasing@sfgwater.org) by **12:00 PM PDT on Wednesday, October 7, 2020**. Bids will be evaluated on an ongoing basis and respondents are encouraged to submit bids early.

On or before October 12, the SFPUC will notify shortlisted sellers of their accepted offers to commence contract negotiations.

**Enabling Agreement -- Required amendments to WSP confirmation:**

The SFPUC purchases energy under the WSP agreement. The resulting transactions from this request shall be executed and confirmed using the WSP confirmation. The SFPUC requires the following amendments to the confirmation for each counterparty:

**Counterparty: Hetch Hetchy Power**

- **Guaranteed Maximum Cost.**
  - **Controller Certification.** Buyer's obligations hereunder shall not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification. Except as may be provided by laws governing emergency procedures, officers and employees of Buyer are not authorized to request, and Buyer is not required to reimburse Seller for, commodities or services beyond the agreed upon Transaction scope unless the changed scope is authorized by amendment and approved as required by law. Officers and employees of Buyer are not authorized to offer or promise, nor is Buyer required to honor, any offered or promised additional funding in excess of the maximum amount of funding for which the contract is certified without certification of the additional amount by the Controller. The Controller for the City and County of San Francisco ("Controller") is not authorized to make payments on any contract for which funds have not been certified as available in the budget or by supplemental appropriation.
  - **Biannual Budget Process.** For each City biannual budget cycle during the term of this Confirmation, Buyer agrees it to take all necessary action to will include the maximum amount of its annual payment obligations under this Confirmation in its budget submitted to the City's Board of Supervisors for each year of that budget cycle.
- **Prohibition on Political Activity with City Funds.** In accordance with San Francisco Administrative Code Chapter 12.G, Seller may not participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure in San Francisco (collectively, "Political Activity") in the performance of this Agreement. Seller agrees to comply with San Francisco Administrative Code Chapter 12.G and any implementing rules and regulations promulgated by the Controller. The terms and provisions of Chapter 12.G are incorporated herein by this reference. In the event Seller violates the provisions of this Section, Buyer may, in addition to any other rights or remedies available hereunder, (i) terminate this Agreement, and (ii) prohibit Seller from bidding on or receiving any new City contract for a period of two years. The Controller will not consider Seller's use of profit as a violation of this Section.
- **Nondiscrimination Requirements.**
  - Seller shall comply with the provisions of Chapter 12B of the San Francisco Administrative Code. Seller shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a) and 12B.2(c)-(k) of the San Francisco Administrative Code and shall require all subcontractors to comply with such provisions. Seller is subject to the enforcement and penalty provisions in Chapters 12B and 12C.
  - Seller represents that it does not as of the date of this Agreement, and will not during the term of this Agreement, in any of its operations in the City of San Francisco, on real property owned by the City, or where work is being performed for the Buyer elsewhere in the United States, discriminate in the provision of employee benefits between employees with domestic partners and employees with spouses and/or between the domestic partners and spouses of such employees, subject to the conditions set forth in San Francisco Administrative Code Section 12B.2.
- **Compliance with Laws.** Each Party shall keep itself fully informed of all applicable federal, state, and local laws, ordinances, or regulations that in any manner affect the performance of this

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- Section 24 of the WSPP Agreement is deleted and replaced with the following: “This WSPP Agreement and any Confirmation 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.”
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#### **Counterparty: CleanPowerSF**

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- **Designated Fund.**
  - **Auto-Appropriating Designated Fund.** Buyer’s obligations under this Confirmation shall be paid from a SFPUC designated fund that will automatically appropriate CleanPowerSF revenues on an annual basis without further action and which shall be used solely for CleanPowerSF’s costs and expenses, including the Buyer’s obligations under this Confirmation. Buyer agrees to set CleanPowerSF’s rates and charges that are sufficient to maintain revenues necessary to pay all of Buyer’s payment obligations under its contracts for the purchase of energy or energy related products for CleanPowerSF. Buyer shall provide Seller with reasonable access to account balance information with respect to the CleanPowerSF designated fund at all times during the Delivery Period.
  - **Limited Obligations.** Buyer’s obligations under this Confirmation are special limited obligations of CleanPowerSF payable solely from the revenues of CleanPowerSF. The obligations are not a charge upon the revenues or general fund of the SFPUC or the City or upon any non-CleanPowerSF moneys or other property of the SFPUC or the City.
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- **Responses and/or questions should be addressed to: [powerpurchasing@sfgwater.org](mailto:powerpurchasing@sfgwater.org)**

#### **Post-Response Negotiations**

SFPUC reserves the right to enter into discussions with respondent to gain clarity on its bid, or to suggest a partial amendment to the offer.

#### **Disclaimer and Confidentiality**



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SFPUC reserves the right, without qualification and in its sole discretion, to reject any or all offers, accept multiple bids, and to terminate this request for bid in whole or in part at any time. Without limiting the foregoing, SFPUC further reserves the right in its sole discretion, to decline to enter into any agreement with any counterparty for any reason.

It is not SFPUC's intent to publicly disclose individual respondent proprietary information obtained in response to this request. This request is intended to provide information for SFPUC to select a bid to purchase energy, it should NOT be construed as a commitment by SFPUC to enter into a contractual agreement, nor will SFPUC pay for information solicited.





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**City and County of San Francisco –  
 Hetch Hetchy Power & CleanPowerSF  
 Request for Offers  
 2021-2022 Resource Adequacy Supplies  
 October 16, 2020**

**Background**

The San Francisco Public Utilities Commission (SFPUC) - Power Enterprise is a department of the City and County of San Francisco (CCSF). The SFPUC operates Hetch Hetchy Power, a full-service retail utility, and CleanPowerSF, San Francisco’s Community Choice Aggregation Program, serving commercial and residential customers in the City and County of San Francisco. The SFPUC is a member of the WSPP under the name City and County of San Francisco (CCSF).

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  - North Coast/North Bay
  - Sierra
  - Stockton
  - Fresno
  - Kern

Bids are requested in \$/kW-month as specified in the Bid Workbook – Exhibit A.

**The SFPUC is willing to accept offers for simultaneous buy/sell transactions, in which prospective counterparties offer to sell Local and/or Flexible Resource Adequacy Products to the SFPUC, and simultaneously purchase System Resource Adequacy Products from the SFPUC.**

**Proposal Timing**

RFO Issued	October 16, 2020
Bids Due	12:00 PM PDT, October 21, 2020
Notification of Award	October 21, 2020

Please submit bids to [powerpurchasing@sfgwater.org](mailto:powerpurchasing@sfgwater.org) by **12:00 PM PDT on Wednesday, October 21, 2020**. Bids will be evaluated on an ongoing basis and respondents are encouraged to submit bids early.

On or before October 21, the SFPUC will notify shortlisted sellers of their accepted offers to commence contract negotiations.

**Enabling Agreement -- Required amendments to WSPP confirmation:**

The SFPUC purchases energy under the WSPP agreement. The resulting transactions from this request shall be executed and confirmed using the WSPP confirmation. The SFPUC requires the following amendments to the confirmation for each counterparty:

**Counterparty: Hetch Hetchy Power**

- **Guaranteed Maximum Cost.**
  - **Controller Certification.** Buyer's obligations hereunder shall not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification. Except as may be provided by laws governing emergency procedures, officers and employees of Buyer are not authorized to request, and Buyer is not required to reimburse Seller for, commodities or services beyond the agreed upon Transaction scope unless the changed scope is authorized by amendment and approved as required by law. Officers and employees of Buyer are not authorized to offer or promise, nor is Buyer required to honor, any offered or promised additional funding in excess of the maximum amount of funding for which the contract is certified without certification of the additional amount by the Controller. The Controller for the City and County of San Francisco ("Controller") is not authorized to make payments on any contract for which funds have not been certified as available in the budget or by supplemental appropriation.
  - **Biannual Budget Process.** For each City biannual budget cycle during the term of this Confirmation, Buyer agrees it to take all necessary action to will include the maximum amount of its annual payment obligations under this Confirmation in its budget submitted to the City's Board of Supervisors for each year of that budget cycle.
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  - Seller shall comply with the provisions of Chapter 12B of the San Francisco Administrative Code. Seller shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a) and 12B.2(c)-(k) of the San Francisco Administrative Code and shall require all subcontractors to comply with such provisions. Seller is subject to the enforcement and penalty provisions in Chapters 12B and 12C.
  - Seller represents that it does not as of the date of this Agreement, and will not during the term of this Agreement, in any of its operations in the City of San Francisco, on real property owned by the City, or where work is being performed for the Buyer elsewhere in the United States, discriminate in the provision of employee benefits between employees with domestic partners and employees with spouses and/or between the domestic partners and spouses of such employees, subject to the conditions set forth in San Francisco Administrative Code Section 12B.2.
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#### **Counterparty: CleanPowerSF**

- **Guaranteed Maximum Cost.**
  - **Controller Certification.** Buyer’s obligations hereunder shall not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification. Except as may be provided by laws governing emergency procedures, officers and employees of Buyer are not authorized to request, and Buyer is not required to reimburse Seller for, commodities or services beyond the agreed upon Transaction scope unless the changed scope is authorized by amendment and approved as required by law. Officers and employees of Buyer are not authorized to offer or promise, nor is Buyer required to honor, any offered or promised additional funding in excess of the maximum amount of funding for which the contract is certified without certification of the additional amount by the Controller. The Controller for the City and County of San Francisco (“Controller”) is not authorized to make payments on any contract for which funds have not been certified as available in the budget or by supplemental appropriation.
  - **Biannual Budget Process.** For each City biannual budget cycle during the term of this Confirmation, Buyer agrees it to take all necessary action to will include the maximum amount of its annual payment obligations under this Confirmation in its budget submitted to the City’s Board of Supervisors for each year of that budget cycle.
- **Designated Fund.**
  - **Auto-Appropriating Designated Fund.** Buyer’s obligations under this Confirmation shall be paid from a SFPUC designated fund that will automatically appropriate CleanPowerSF revenues on an annual basis without further action and which shall be used solely for CleanPowerSF’s costs and expenses, including the Buyer’s obligations under this Confirmation. Buyer agrees to set CleanPowerSF’s rates and charges that are sufficient to maintain revenues necessary to pay all of Buyer’s payment obligations under its contracts for the purchase of energy or energy related products for CleanPowerSF. Buyer shall provide Seller with reasonable access to account balance information with respect to the CleanPowerSF designated fund at all times during the Delivery Period.
  - **Limited Obligations.** Buyer’s obligations under this Confirmation are special limited obligations of CleanPowerSF payable solely from the revenues of CleanPowerSF. The obligations are not a charge upon the revenues or general fund of the SFPUC or the City or upon any non-CleanPowerSF moneys or other property of the SFPUC or the City.
- **Prohibition on Political Activity with City Funds.** In accordance with San Francisco Administrative Code Chapter 12.G, Seller may not participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure in San Francisco (collectively, “Political Activity”) in the performance of this Agreement. Seller agrees to comply with San Francisco Administrative

Code Chapter 12.G and any implementing rules and regulations promulgated by the Controller. The terms and provisions of Chapter 12.G are incorporated herein by this reference. In the event Seller violates the provisions of this Section, Buyer may, in addition to any other rights or remedies available hereunder, (i) terminate this Agreement, and (ii) prohibit Seller from bidding on or receiving any new City contract for a period of two years. The Controller will not consider Seller's use of profit as a violation of this Section.

- **Nondiscrimination Requirements.**
  - Seller shall comply with the provisions of Chapter 12B of the San Francisco Administrative Code. Seller shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a) and 12B.2(c)-(k) of the San Francisco Administrative Code and shall require all subcontractors to comply with such provisions. Seller is subject to the enforcement and penalty provisions in Chapters 12B and 12C.
  - Seller represents that it does not as of the date of this Agreement, and will not during the term of this Agreement, in any of its operations in the City of San Francisco, on real property owned by the City, or where work is being performed for the Buyer elsewhere in the United States, discriminate in the provision of employee benefits between employees with domestic partners and employees with spouses and/or between the domestic partners and spouses of such employees, subject to the conditions set forth in San Francisco Administrative Code Section 12B.2.
- **Compliance with Laws.** Each Party shall keep itself fully informed of all applicable federal, state, and local laws, ordinances, or regulations that in any manner affect the performance of this Agreement, and must at all times comply with all such laws, ordinance, or regulations they may be amended from time to time.
- Section 24 of the WSPP Agreement is deleted and replaced with the following: "This WSPP Agreement and any Confirmation 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."
- **City Vendor Requirements.** Notwithstanding any other provision of this Agreement, Buyer shall not be deemed to be in default of this Agreement and no Late Payment Penalty shall be assessed if an invoice under this Agreement cannot be processed by Buyer due to Seller's failure to comply with all applicable City requirements for City contractors, including but not limited to certification of vendors under Chapter 12 of the San Francisco Administrative Code, payment of business license fees or taxes, insurance requirements, registration in the City's vendor payment processing system, or any other current or future City requirement for vendor payment processing. Seller understands and acknowledges that vendor certifications may include annual renewals and additional certification requirements may apply to assignees or changes in ownership or control of Seller.

### **How to Respond**

- Preference will be given to entities that are a WSPP member or have an existing Master Agreement in place with either counterparty.
- Provide information summarizing your specific bid(s) by completing Exhibit A.
- Attach any additional information relevant to your bid.
- SFPUC Origination and Power Supply staff will respond with an email to confirm your bid has been received.
- **Responses and/or questions should be addressed to: [powerpurchasing@sfgwater.org](mailto:powerpurchasing@sfgwater.org)**

### **Post-Response Negotiations**

SFPUC reserves the right to enter into discussions with respondent to gain clarity on its bid, or to suggest a partial amendment to the offer.

### **Disclaimer and Confidentiality**



525 Golden Gate Avenue, 13th Floor  
San Francisco, CA 94102  
T 415.554.3155  
F 415.554.3161  
TTY 415.554.3488

SFPUC reserves the right, without qualification and in its sole discretion, to reject any or all offers, accept multiple bids, and to terminate this request for bid in whole or in part at any time. Without limiting the foregoing, SFPUC further reserves the right in its sole discretion, to decline to enter into any agreement with any counterparty for any reason.

It is not SFPUC's intent to publicly disclose individual respondent proprietary information obtained in response to this request. This request is intended to provide information for SFPUC to select a bid to purchase energy, it should NOT be construed as a commitment by SFPUC to enter into a contractual agreement, nor will SFPUC pay for information solicited.

**TO: Angela Calvillo, Clerk of the Board**

**FROM: Megan Imperial, Policy and Government Affairs**

**DATE: November 4, 2020**

**SUBJECT: Purchase of Renewable Energy and Electricity-Related Products – Public Utilities Commission – Not to Exceed \$289,599,120 in Purchases**

---

Attached please find the amended Resolution retroactively authorizing CleanPowerSF to execute an amendment to an agreement with Calpine Energy Services, L.P. for electricity-related products to increase the cost by \$27,000,000 for a total of \$30,240,000 and to extend the term by seven years to 2029; approving an amendment to an agreement with Calpine for renewable energy to increase the cost by \$193,299,120 for a total of \$242,979,817 and to extend the term by seven years to 2029; and approving an agreement with Calpine for electricity-related products for \$59,400,000, with a term of December 31, 2022 through December 31, 2029.

The following is a list of accompanying documents:

1. Board of Supervisors Resolution
2. CCSF – CPSF RFO – RA Supply (Aug. 3<sup>rd</sup>, 2020)
3. CCSF – CPSF RFO – RA Supply (Sept. 2<sup>nd</sup>, 2020)
4. CCSF – CPSF RFO – RA Supply (Sept. 29<sup>th</sup>, 2020)
5. CCSF – CPSF RFO – RA Supply (Oct. 16<sup>th</sup>, 2020)

Please contact Megan Imperial at (415) 654-1654 if you need any additional information on these items.

**London N. Breed**  
Mayor

**Sophie Maxwell**  
President

**Anson Moran**  
Vice President

**Tim Paulson**  
Commissioner

**Ed Harrington**  
Commissioner

**Harlan L. Kelly, Jr.**  
General Manager



**From:** [Imperial, Megan M](#)  
**To:** [Scarpulla, John \(PUC\)](#); [Somera, Alisa \(BOS\)](#); [BOS Legislation, \(BOS\)](#)  
**Cc:** [Calvillo, Angela \(BOS\)](#); [Mchugh, Eileen \(BOS\)](#); [MUELLER, THERESA \(CAT\)](#); [CHO, THERESA \(CAT\)](#); [PEARSON, ANNE \(CAT\)](#); [Mulberg, Erin \(PUC\)](#); [Hyams, Michael \(PUC\)](#)  
**Subject:** RE: SFPUC - [Purchase of Renewable Energy and Electricity-Related Products – Public Utilities Commission – Not to Exceed \$289,599,120 in Purchases]  
**Date:** Tuesday, November 3, 2020 4:49:59 PM  
**Attachments:** [image001.png](#)  
[1. BOS Resolution.docx](#)  
[2. CCSF-CPSF RFO RA 2021-2022 Aug.3.2020.pdf](#)  
[3. CCSF-CPSF RFO RA 2021-2022 Sept.2.2020.pdf](#)  
[4. CCSF-CPSF RFO RA 2021-2022 Sept.29.2020.pdf](#)  
[5. CCSF-CPSF RFO RA 2021-2022 Oct.16.2020.pdf](#)  
[6. Cover Letter.doc](#)

---

Hi Alisa and BOS Legislation,

Please see the attached amended, “Resolution retroactively authorizing CleanPowerSF to execute an amendment to an agreement with Calpine Energy Services, L.P. for electricity-related products to increase the cost by \$27,000,000 for a total of \$30,240,000 and to extend the term by seven years to 2029; approving an amendment to an agreement with Calpine for renewable energy to increase the cost by \$193,299,120 for a total of \$242,979,817 and to extend the term by seven years to 2029; and approving an agreement with Calpine for electricity-related products for \$59,400,000, with a term of December 31, 2022 through December 31, 2029.”

The electronic attachments are listed below:

1. Board of Supervisors Resolution
2. CCSF – CPSF RFO – RA Supply (Aug. 3<sup>rd</sup>, 2020)
3. CCSF – CPSF RFO – RA Supply (Sept. 2<sup>nd</sup>, 2020)
4. CCSF – CPSF RFO – RA Supply (Sept. 29<sup>th</sup>, 2020)
5. CCSF – CPSF RFO – RA Supply (Oct. 16<sup>th</sup>, 2020)
6. Cover Letter

Please note that we will submit the SCE Resolution at a later date.

Thanks in advance  
Megan

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*Megan M. Imperial* 竜芽願  
*Policy & Government Affairs, Local Analyst*  
*San Francisco Public Utilities Commission*  
[mimperial@sfgwater.org](mailto:mimperial@sfgwater.org)  
*Mobile: 415-654-1654*  
*Pronouns: She, Her, Hers, Ella*

**“Radical simply means “grasping things at the root.” - Angela Davis**

---

**From:** Scarpulla, John <JScarpulla@sfgwater.org>  
**Sent:** Tuesday, November 3, 2020 2:35 PM  
**To:** Somera, Alisa (BOS) <alisa.somera@sfgov.org>; Imperial, Megan M <MImperial@sfgwater.org>;



## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 201245

Bid/RFP #:

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Megan Imperial	415-654-1654
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
PUC Public Utilities Commission	MImperial@sfgwater.org



5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Calpine Energy Services, L.P.	<b>TELEPHONE NUMBER</b> 925-551-1986
<b>STREET ADDRESS (including City, State and Zip Code)</b> 3003 Oak Road, Suite 400, Walnut Creek, CA 94597	<b>EMAIL</b>

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b>	<b>FILE NUMBER (If applicable)</b> 201245
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$30,240,000		
<b>NATURE OF THE CONTRACT (Please describe)</b> Authorizing CleanPowerSF to execute an amendment to an agreement with Calpine Energy Services, L.P. for electricity-related products to increase the cost by \$27,000,000 for a total of \$30,240,000 and to extend the term by seven years to 2029.		

7. COMMENTS
This Form is related to the other Calpine Energy Services Form 126's and falls under the same Resolution (File No. 201245) with Clerk's office.

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	CPN Management, LP		Shareholder
2	Hill III	John B.	Board of Directors
3	Miller	W. Thaddeus	Board of Directors
4	Elgohary	Waleed	Board of Directors
5	Gilbert	Andrew	Board of Directors
6	Kimmelman	Douglas W.	Board of Directors
7	Reeder	Tyler G.	Board of Directors
8	Singer	Andrew D.	Board of Directors
9	Wagner	Donald A.	Board of Directors
10	Hill III	John B.	CEO
11	Miller	W. Thaddeus	Other Principal Officer
12	Rauf	Zamir	CFO
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**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>   <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
---	---------------------------



## San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

[ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org) . [www.sfethics.org](http://www.sfethics.org)

Received On:

File #: 201245

Bid/RFP #:

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
Original	
<b>AMENDMENT DESCRIPTION – Explain reason for amendment</b>	

#### 2. CITY ELECTIVE OFFICE OR BOARD

<b>OFFICE OR BOARD</b>	<b>NAME OF CITY ELECTIVE OFFICER</b>
Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

#### 4. CONTRACTING DEPARTMENT CONTACT

<b>NAME OF DEPARTMENTAL CONTACT</b>	<b>DEPARTMENT CONTACT TELEPHONE NUMBER</b>
Megan Imperial	415-654-1654
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
PUC Public Utilities Commission	MImperial@sfgwater.org

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Calpine Energy Services, L.P.	<b>TELEPHONE NUMBER</b> 925-551-1986
<b>STREET ADDRESS (including City, State and Zip Code)</b> 3003 Oak Road, Suite 400, Walnut Creek, CA 94597	<b>EMAIL</b>

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b>	<b>FILE NUMBER (If applicable)</b> 201245
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$242,979,817		
<b>NATURE OF THE CONTRACT (Please describe)</b> Authorizing CleanPowersF to approve an amendment to an agreement with Calpine for renewable energy to increase the cost by \$193,299,120 for a total of \$242,979,817 and to extend the term by seven years to 2029, for a total of \$220,299,120 not to exceed in purchases.		

7. COMMENTS
This Form is related to the other Calpine Energy Services Form 126's and falls under the same Resolution (File No. 201245) with the Clerk's office.

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	<b>THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM</b>
<input checked="" type="checkbox"/>	<b>A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES</b> Board of Supervisors
<input type="checkbox"/>	<b>THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS</b>

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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2	Hill III	John B.	Board of Directors
3	Miller	W. Thaddeus	Board of Directors
4	Elgohary	Waleed	Board of Directors
5	Gilbert	Andrew	Board of Directors
6	Kimmelman	Douglas W.	Board of Directors
7	Reeder	Tyler G.	Board of Directors
8	Singer	Andrew D.	Board of Directors
9	Wagner	Donald A.	Board of Directors
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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## San Francisco Ethics Commission

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Received On:

File #: 201245

Bid/RFP #:

### Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

#### 1. FILING INFORMATION

<b>TYPE OF FILING</b>	<b>DATE OF ORIGINAL FILING (for amendment only)</b>
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Board of Supervisors	Members

#### 3. FILER'S CONTACT

<b>NAME OF FILER'S CONTACT</b>	<b>TELEPHONE NUMBER</b>
Angela Calvillo	415-554-5184
<b>FULL DEPARTMENT NAME</b>	<b>EMAIL</b>
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

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Megan Imperial	415-654-1654
<b>FULL DEPARTMENT NAME</b>	<b>DEPARTMENT CONTACT EMAIL</b>
PUC Public Utilities Commission	MImperial@sflower.org

5. CONTRACTOR	
<b>NAME OF CONTRACTOR</b> Calpine Energy Services, L.P.	<b>TELEPHONE NUMBER</b> 925-551-1986
<b>STREET ADDRESS (including City, State and Zip Code)</b> 3003 Oak Road, Suite 400, Walnut Creek, CA 94597	<b>EMAIL</b>

6. CONTRACT		
<b>DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)</b>	<b>ORIGINAL BID/RFP NUMBER</b>	<b>FILE NUMBER (If applicable)</b> 201245
<b>DESCRIPTION OF AMOUNT OF CONTRACT</b> \$59,400,000		
<b>NATURE OF THE CONTRACT (Please describe)</b> Authorizing CleanPowerSF and approve an agreement with Calpine Energy Services, L.P. for electricity-related products for 59,400,000, with a term of December 31, 2022, through December 31, 2029.		

7. COMMENTS
This Form is related to the other Calpine Energy Services, L.P. Form 126's and falls under the same Resolution (File No. 201245) with the Clerk's office.

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

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6	Kimmelman	Douglas W.	Board of Directors
7	Reeder	Tyler G.	Board of Directors
8	Singer	Andrew D.	Board of Directors
9	Wagner	Donald A.	Board of Directors
10	Hill III	John B.	CEO
11	Miller	W. Thaddeus	Other Principal Officer
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**9. AFFILIATES AND SUBCONTRACTORS**

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
39			
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

**10. VERIFICATION**

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

**I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.**

<p><b>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</b></p>  <p>BOS Clerk of the Board</p>	<p><b>DATE SIGNED</b></p>
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