TRANSMISSION FACILITIES AGREEMENT
BETWEEN
CITY AND COUNTY OF SAN FRANCISCO
AND
PACIFIC GAS AND ELECTRIC COMPANY

Potrero Switchyard 230 kV Interconnection Project

At the request of City and County of San Francisco ("Customer" or "CCSF"), Pacific Gas and Electric Company ("PG&E"), a California corporation (collectively, "Parties"), agrees to furnish and construct, at the Customer's expense, a new 230 kV interconnection from the PG&E Potrero 230 kV Switchyard ("Potrero Switchyard") to a new CCSF's 230 kV Substation being constructed by CCSF ("Davidson Substation"), described in Exhibit A attached to this Transmission Facilities Agreement ("TFA").

This TFA, inclusive of its Exhibits, which are identified herein, is entered into to support CCSF's proposed Potrero Switchyard 230 kV Interconnection Project ("Potrero 230 kV Interconnection") pursuant to the CCSF Transmission Interconnection Agreement ("CCSF TIA") under Service Agreement No. 284 and is subject to all terms and conditions thereof. For purposes of interpreting this TFA, if any term or condition of this TFA conflicts with the CCSF TIA, this TFA shall govern.

All capitalized terms not defined herein, are defined in the CCSF TIA.

1. CCSF's Interconnection Facilities

CCSF's Interconnection Facilities ("CCSF Facilities") shall consist of the following equipment, all of which will be owned, operated, repaired, maintained and replaced by CCSF:

(a) CCSF's Davidson Substation and all equipment located within Davidson Substation;

(b) CCSF’s duct bank extending to the Potrero Switchyard property line where it will meet PG&E’s duct bank;

(c) Metering units and required communication and telemetry devices, per CAISO requirements;

(d) The 230 kV cable between CCSF’s Davidson Substation and PG&E’s Potrero Switchyard property line (“CCSF Cable”) where it will meet PG&E’s 230 kV cableat the point of the interconnection;

(e) The relays in the Davidson Substation, including related line protection and telecommunication equipment, which is currently contemplated to consist of:

- 230 kV primary line relay – (an SEL-411L Relay),
- 230 kV backup line relay – (an SEL-411L Relay); and

(e) Fiber optic cables between the two stations required for line tripping and the Remote Terminal Unit (“RTU”) communication between PG&E and CCSF.

2. PG&E’s Upgrades and Direct Assignment Interconnection Facilities

PG&E will construct Potrero Switchyard 230 kV Interconnection Facilities (“PG&E Facilities”) at CCSF’s cost to accommodate CCSF’s interconnection request. The PG&E Facilities described below are Direct Assignment Facilities, as defined in TIA, and will be owned, maintained, operated, repaired and replaced by PG&E to serve CCSF except the PG&E Cable which will be repaired and replaced by CCSF. These PG&E Facilities are all Direct Assignment Facilities, as defined in TIA, for the sole use and benefit of CCSF:

(a) A new 230 kV line position with two 230 kV breakers in a breaker-and-a-half circuit configuration located at PG&E’s Potrero Switchyard;

(b) Protection equipment in PG&E’s Potrero Switchyard;

(c) To the extent necessary, SF Remedial Action Scheme ("SFRAS") equipment for the new CCSF Cable and circuit breakers;

(d) 230 kV line switch at PG&E's Potrero Switchyard for the CCSF Cable;

(e) 230 kV line terminations located in the basement of PG&E's Potrero Gas Insulated Substation ("GIS")/Modular Protection Automation and Control ("MPAC" Building;

(f) The 230 kV cable between the 230 kV line terminations located inside the Potrero Switchyard and PG&E's Potrero Switchyard property line ("PG&E Cable").

(g) Foundation for the 230 kV line terminations located in the basement of PG&E's Potrero GIS/MPAC Building;

(h) Conduit duct bank from basement of PG&E's Potrero GIS/MPAC Building to PG&E's Potrero Switchyard property line; and

(i) New System Control and Data Acquisition Remote Terminal Unit to provide circuit breaker information to CCSF.

3. Engineering Agreement and Procurement Agreement

The Parties previously entered into an Engineering Agreement that was filed with FERC, in FERC Docket No. ER18-2207-000, accepted on August 14, 2018, as amended.

The Parties previously entered into a Procurement Agreement that was filed with FERC, in FERC Docket No. ER20-138-000, accepted on October 21, 2019, as amended.

The Engineering Agreement and the Procurement Agreement will terminate when this TFA is accepted by FERC. This TFA incorporates all the costs and work that PG&E performed under that Engineering Agreement and Procurement Agreement.

4. This TFA includes and incorporates:

Exhibit A: Interconnection Facilities and Ownership Schematic

Exhibit B: Detail of Estimated Direct Assignment Facilities Charges

Exhibit B-1: Description of Direct Assignment Facilities

5. Operational Considerations

5.1 CCSF shall maintain and perform its own Under Frequency Load Shedding program.

5.2 Pursuant to this TFA, PG&E agrees to construct a 230 kV interconnection to Davidson Substation that shall serve a maximum capacity of no more than 68 MW and with a power factor of 0.97 based on the latest study report. If CCSF requires additional capacity, it must apply for such additional capacity in advance.

Consistent with Section 11.2 of the TIA, due to safety and reliability concerns, CCSF shall not interconnect any electric generating facility directly or indirectly to CCSF's Electric System served from CCSF's 230 kV Davidson Substation that would operate in 'parallel' mode with the PG&E Electric System without PG&E's prior written approval. To obtain such approval, CCSF shall submit an interconnection request to PG&E so that the proposed generating unit will be studied to identify any potential impacts resulting from interconnection of such generation. CCSF will be responsible for all study costs (i.e., System Impact Studies followed by Facilities Studies, if necessary, according to the Transmission Owner Tariff, FERC Electric Tariff Volume No. 5) and equipment and installation costs associated with all facilities and modifications required by the study. Interconnection of generators will not be permitted until CCSF completes installation of all equipment required by the study and receives written confirmation from PG&E that the installation is complete and consistent with PG&E's Transmission Interconnection Handbook and Good Utility Practice.

5.3 Maintenance and Emergency Conditions

Pursuant to TIA Section 10, PG&E is not responsible for power outages during maintenance and emergency conditions. PG&E will provide CCSF a minimum of 96 hours notice prior to performing any scheduled work on the breaker at Potrero Switchyard.

5.4 Future Upgrades

Consistent with Section 9.3 of the TIA, CCSF shall upgrade CCSF Facilities to match corresponding PG&E upgrades at CCSF's cost to the extent necessary to ensure continued and reliable service. Pursuant to Section 9.3 of the CCSF TIA, the Parties shall coordinate their efforts pertaining to upgrades and provide as much advance notice to the other Party as is reasonably possible.

5.5 CCSF Work Inside Potrero Switchyard

(a) CCSF Contractors/Personnel will be performing work in the Potrero Switchyard to pull and terminate the CCSFCable. CCSF Contractors/Personnel entering the Potrero Switchyard must complete a safety orientation and pass any exams necessary to meet PG&E's current safety requirements and NERC compliance standard requirements in order to perform such work.

(b) In the future, when necessary to perform repair work on the CCSF Cable and the PG&E Cable and terminations, PG&E will grant supervised/escorted access to CCSF provided that CCSF Contractors/Personnel satisfy PG&E's requirements for access to the Potrero Switchyard. Such requirements include, but are not limited to the then current NERC, NERC CIP, and CPUC requirements for entry into such a low impact CIP site. The Parties recognize that the CIP classification of Potrero Switchyard may change and NERC, NERC CIP, and CPUC requirements may change. The Parties will develop procedures to address these changes in the future such that CCSF will be able to maintain and repair/replace the CCSFCable and to repair/replace the PG&E Cable and terminations.

(c) PG&E will be responsible for the maintenance of the PG&E Cable and terminations. . CCSF will be responsible for the repair or replacementof the PG&E Cable and terminations. . CCSF Contractors/Personnel will be given supervised access into Potrero Switchyard for this purpose, as discussed above.

6. Within thirty (30) business days, Customer shall pay PG&E the amount set forth in Exhibit B, Section II, including an initial charge ("Initial Charge") equal to the sum of the estimated amounts identified in subsections A-F of Exhibit B, Section II, subject to true-up as provided in Section 7 of this TFA. The Parties have agreed that, on an as-needed basis, following receipt of the Initial Charge PG&E may invoice CCSF for additional project-related costs and charges when the actual cost exceeds 10% or more of the Initial Charge, and CCSF shall pay all invoices in accordance with Section 14 of the CCSF TIA within thirty (30) business days. A failure by CCSF to pay any invoices for additional project-related costs and charges exceeding the Initial Charge will result in PG&E stopping work until it receives payment.

7. PG&E shall determine the actual cost of installing the PG&E Facilities and shall provide Customer a final accounting within one-hundred eighty (180) calendar days of energization of the PG&E Facilities identified in the Description of Facilities, attached hereto as Exhibit B-1. If the actual cost of the identified project is greater than the total amount that has been paid by Customer, then PG&E shall bill, and Customer shall pay for the remaining, including interest determined pursuant to Section 35.19(a) of the Federal Energy Regulatory Commission's (FERC's or Commission's) Regulations, 18 CFR § 35.19(a) within thirty (30) business days. If the actual cost is less than the total amount that has been paid by Customer, then PG&E shall reimburse Customer the difference, including interest determined pursuant to Section 35.19(a) of FERC's Regulations, 18 CFR § 35.19(a) within thirty (30) business days.

8. Where, as in this case, Customer has requested and PG&E has provided facilities, Customer also shall pay PG&E any applicable monthly rates and charges, plus an ownership charge, as specified in Sections III or IV of Exhibit B to this TFA:

Section III: A Cost-of-Ownership Charge representing PG&E's continuing monthly cost of owning, operating and maintaining the PG&E Facilities; or

Section IV: An Equivalent One-Time Charge equal to the present value of the monthly Cost-of-Ownership Charge in perpetuity.

The Cost-of-Ownership Charge shall commence on the date PG&E Facilities are first available for Customer's use, as such date is established in PG&E's records. PG&E will notify Customer, in writing, of such commencement date. The Equivalent One-Time Charge (if applicable) shall be payable by Customer to PG&E within 30 business days from receipt of an invoice from PG&E.

9. The Cost-of-Ownership Charge for interconnections provided under this TFA is determined by PG&E in accordance with PG&E's applicable percentage rates, which are calculated using PG&E's most recent transmission owner revenue requirement on file with and accepted by FERC. PG&E charges the following Cost-of-Ownership rates for transmission facilities: Customer-financed, transmission-level rate = 0.38% of the project facilities costs monthly; and PG&E-financed, transmission-level rate = 1.20% of the project facilities costs monthly. Either Party may apply unilaterally for a change in rate pursuant to Section 33 of the CCSF TIA.

10. To the extent that it becomes necessary to install facilities on Customer's premises, PG&E and Customer shall make arrangements such that PG&E:

(a) Is given escorted access such that it can perform installation on Customer's premises along the shortest practical route thereon with sufficient legal clearance from all structures above and below ground now or hereafter erected or installed on Customer's premises; and

(b) Has escorted ingress and egress from Customer's premises at all reasonable hours for any purposes reasonably connected with the installation, operation and maintenance of PG&E facilities.

11. When formal rights of way, easements or special use permits are required on or over Customer's property or the property of third parties for the installation of facilities, Customer agrees that PG&E shall use all reasonable efforts to obtain such rights of way, easements or special use permits, which shall be obtained at Customer's expense or, if Customer and PG&E agree, Customer shall obtain any necessary permanent rights of way, easements or special use permits, satisfactory to and without cost to PG&E. To the extent that modification is required of other agreements between Customer and PG&E regarding current or planned transmission projects in the vicinity of or impacted by the CCSF Facilities or PG&E Facilities to be installed in connection with this TFA, Customer and PG&E shall make good faith efforts to agree on such modifications, recognizing that such modifications may be a necessary element of the overall scheme of generation and transmission facilities sought to be installed by PG&E and also recognizing that PG&E has already expended effort and costs to fulfill such other agreements.

12. PG&E shall not be responsible for any reasonable delay in completion of the installation of PG&E Facilities resulting from shortage of labor or materials, pandemics, strike, labor disturbance, cyber attack, war, riot, weather conditions, governmental rule, regulation or order, including orders or judgments of any court or regulatory agency, delay in obtaining necessary rights of way, special use permits and easements, acts of God, delays resulting from PG&E's responsibility to coordinate certain electric interconnections or modifications with the California Independent System Operator Corporation, or any other cause or condition beyond the control of PG&E. Moreover, PG&E shall not be liable for any direct, incidental, indirect, special, punitive, or consequential damages resulting from such delay. PG&E shall have the right, if for one of the above reasons it is unable to obtain materials or labor for all of its construction requirements, to allocate materials and labor to construction projects which it deems, in its sole discretion, most important to serve the

needs of its customers, and any delay in construction, hereunder resulting from such allocation shall be deemed to be a cause beyond PG&E's control. In any event, PG&E's total liability for any delay in the completion of the installation of PG&E Facilities shall not exceed the Initial Charge paid by Customer.

13. New electric extensions and connections, capacity upgrades to existing facilities, conduits and substructures, and the maintenance of facilities, conduits and substructures provided under this TFA shall be installed and made in accordance with fundamental design, installation, ownership, and maintenance provisions of Applicable Requirements and Good Utility Practice as defined in Sections 4.3 and 4.19, respectively, and as described in Section 10, General Interconnection Requirements, of the CCSF TIA. Interconnection facilities for points of interconnection at transmission voltage shall be installed, operated and maintained in accordance with PG&E's then-current Transmission Interconnection Handbook. All charges, payments and refunds shall be made solely under the provisions of this TFA.

14. If PG&E is prevented from completing the installation of PG&E Facilities for reasons beyond its reasonable control after twelve (12) months following the date of this TFA, PG&E shall have the right to supersede the applicable Exhibit or Exhibits to this TFA to reflect cost changes upon at least thirty (30) calendar days' written notice to Customer. PG&E shall have the right to adjust any amounts required to be paid by Customer hereunder that may be due based on that portion of the PG&E Facilities then completed, if any, utilizing the estimated costs developed by PG&E for the applicable Exhibit or Exhibits to this TFA. Such superseding Exhibit or Exhibits shall be in substantially the same form as the then-existing Exhibit or Exhibits to this TFA and must be approved in writing by the Parties hereto. If Customer does not approve the superseding Exhibit or Exhibits within thirty (30) business days of delivery of PG&E's notice, the original Exhibit or Exhibits to this TFA shall terminate, and the payment provisions of Section 17 herein shall be applied to that portion of PG&E Facilities then completed, even if the TFA itself has not been terminated. Customer also shall reimburse PG&E for any actual documented expenses

PG&E may have incurred for engineering, surveying, right of way acquisition and other work associated with that portion of PG&E Facilities not installed.

15. This TFA shall become effective on the later of (1) February 1, 2021 or (2) when it is accepted for filing and permitted to become effective by the Federal Energy Regulatory Commission. Except as provided for in Section 12 herein, this TFA shall remain in force and for the duration of the existing CCSF TIA or until one of the following events occurs:

(a) Customer fails to make timely payment for the Initial Charge and any additional costs or charges invoiced by PG&E pursuant to Section 6 of this TFA. PG&E has the right to immediately cease work in the event of non-payment; or

(b) Customer or its successor, terminates this TFA without a FERC-approved replacement agreement; or

(c) Customer fails to pay the monthly Cost-of-Ownership Charge prescribed in the TFA Exhibit B and described in Sections 8 and 9 of this TFA;

(d) The CCSF TIA is terminated without a FERC-approved replacement agreement; or

(e) The Parties agree in writing to terminate this TFA.

PG&E shall provide Customer at least thirty (30) business days' written notice of termination pursuant to subpart (a) or (c) and a reasonable opportunity to cure (if appropriate) before termination becomes effective pursuant to this Section 16.

16. Upon termination of the TFA for any reason:

(a) Customer shall pay to PG&E a facilities termination charge, defined as the estimated removal cost, less the estimated salvage value for any Facilities that can be removed, all as determined by PG&E in accordance with its standard accounting practices. PG&E shall deduct the unused Initial Charge from the facilities termination charge. Any credits with regard to the unamortized balance of the Equivalent One-Time Charge previously paid, if any, will be negotiated by the

Parties. If the Initial Charge paid is greater than the facilities termination charge, PG&E shall refund the difference, without interest to Customer within a reasonable time.

(b) PG&E shall be entitled to remove and shall have a reasonable time in which to remove, any portion of the facilities located on Customer's premises.

(c) Pursuant to FERC's rules and regulations, PG&E will make a filing and obtain FERC acceptance prior to billing Customer for any facilities termination charge.

17. Nothing contained herein shall be construed as affecting in any way the right of PG&E to unilaterally make application to FERC for a change in rates, including terms and conditions, under Section 205 of the Federal Power Act ("FPA") and pursuant to FERC's Rules and Regulations promulgated thereunder. Nothing contained herein shall be construed as affecting in any way CCSF's rights under Section 206 of the FPA.

18. No transfer or assignment of either Party's rights, benefits or duties under this TFA shall be effective without the prior written consent of the other Party, which consent shall not be withheld unreasonably; provided, however, that this Section 18 shall not apply to interests that arise by reason of any deed of trust, mortgage, indenture or security agreement granted or executed by either Party. No partial assignment of either Party's rights, benefits or duties shall be permitted under this TFA unless otherwise agreed in writing to by the Parties. Any successor to or transferee or assignee of the rights or obligations of a Party, whether by voluntary transfer, judicial sale, foreclosure sale or otherwise, shall be subject to all terms and conditions of this TFA to the same extent as though such successor, transferee, or assignee were an original party.

19. Liability and Indemnity

Section 25 of the CCSF TIA (Indemnity) and Section 26 of the CCSF TIA (Liability) shall apply to this TFA.

20. In no event shall either Party hereto or any subcontractor be liable for indirect, special, incidental, consequential or exemplary damages, including but not limited to, the loss of profits or revenue, loss of use of the equipment or any associated equipment, cost of capital, cost of substitute equipment, facilities or services, down time costs, costs in excess of estimates, loss of opportunity, loss of data, loss of goodwill or claims of customers of the other Party for such damages, and each Party hereby releases each other Party there from. Any dispute arising from this TFA shall be resolved in accordance with Appendix A of the CCSF TIA.

21. Customer's liability for the Income Tax Component of Contribution ("ITCC") under this TFA shall equal the product of (i) the gross income realized by PG&E for income tax purposes with respect to the payments or property transfers made by Customer to PG&E under this TFA for the construction of PG&E Facilities multiplied by (ii) the "Gross-up Percentage" (as defined below). The "Gross-up Percentage" shall equal the gross-up percentage determined in accordance with "method 5," as described in CPUC Decision 87-09-026 for taxable contributions-in-aid-of-construction paid to PG&E in the year the Gross Income Amount is includable in PG&E's taxable income. The "Gross-up Percentage" shall be presumed to be the percentage set forth in PG&E's electric tariffs accepted by the CPUC for taxable contributions in aid of construction.

22. This TFA may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute one instrument.

23. This TFA may be amended or modified only by the written agreement of the Parties, except as otherwise specifically provided herein.

24. This TFA, inclusive of its exhibits and, by reference, the CCSF TIA, constitutes the complete and final expression of the rights and obligations of the Parties in connection with the subject matter of this TFA and is intended as a complete and exclusive statement of the terms of their agreement which supersedes all prior and contemporaneous offers, promises, representations, negotiations, discussions, communications, and contracts which may have been made in connection with the subject matter of this TFA. The exhibits to this TFA, as

they may be revised from time to time by written agreement of the Parties, are attached to this TFA and are incorporated by reference as if herein fully set forth.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed this 1st day of February, 2021 but effective as set forth above.

CITY AND COUNTY OF SAN FRANCISCO

Print Name: ____________________________________

Signature: ____________________________________

Title: ____________________________________

Date: ____________________________________

PACIFIC GAS AND ELECTRIC COMPANY

Print Name: ____________________________________

Signature: ____________________________________

Title: ____________________________________

Date: ____________________________________

Attachments:

TFA Exhibit A	Interconnection Facilities and Ownership Schematic
TFA Exhibit B	Detail of Estimated Direct Assignment Facilities Charges

TFA Exhibit B-1 Description of Direct Assignment Facilities

EXHIBIT A

INTERCONNECTION FACILITIES AND OWNERSHIP SCHEMATIC

Potrero 230 kV Switchyard

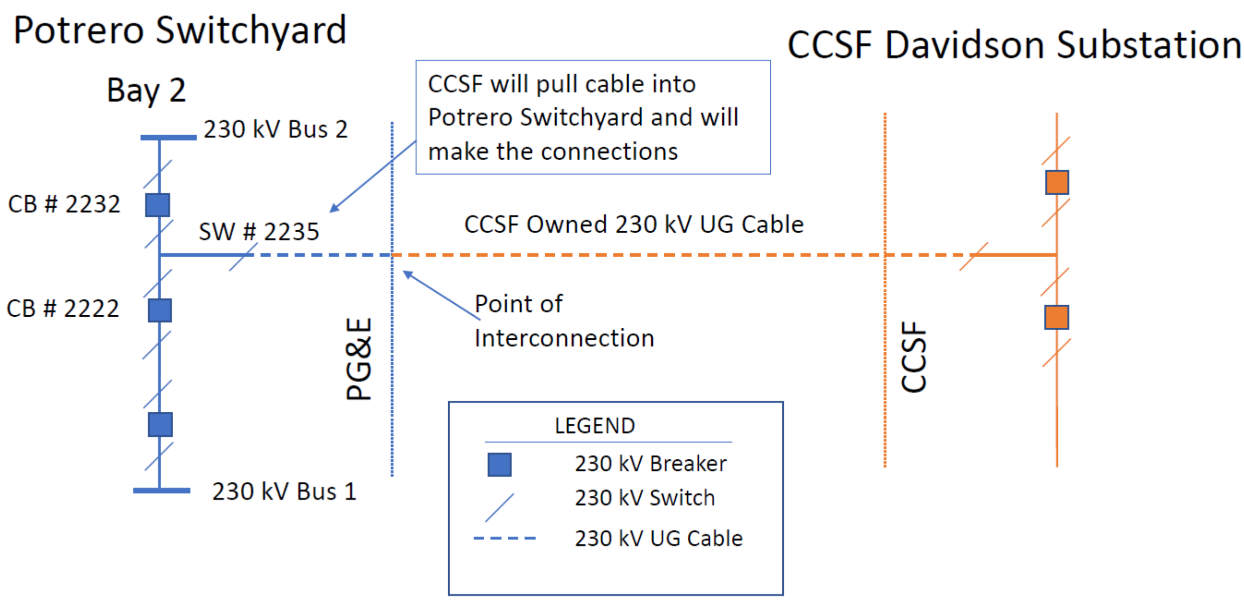

EXHIBIT B

DETAIL OF ESTIMATED DIRECT ASSIGNMENT FACILITIES CHARGES

I. Applicability

The application of charges specified herein as Direct Assignment Facilities, as defined in TIA, is pursuant to the provisions of this TFA between CCSF and PG&E and shall be a part thereof and in effect until superseded by mutual agreement.

II. Initial Estimated Charges

A.	Net Cost of PG&E Facilities (see Exhibit B-1)	$15,000,000.00	
	ITCC[1] (24%)	$3,600,000.00	
	Including Engineering Agreement Phase 1 Payment ITCC ($420,000.00) and Procurement Agreement Payment ITCC ($720,000.00)		
	Total Cost of PG&E Facilities (including ITCC, see Exhibit B-1)		**$18,600,000.00**
B.	Less the cost of "removable and reusable" facilities which are provided, installed, financed, and furnished by PG&E		**$0.00**
C.	Less PG&E's estimate of the total cost of facilities provided and installed by Customer (excluding costs of design and administration by PG&E)		**$0.00**

[1] For a project of this magnitude, the ITCC rate is generally assessed at the time the facilities are put into service. The current rate of 24% is shown for illustrative purposes only. The then-current ITCC rate will be used at the time that the project is completed and put into service.

D.	Engineering Agreement Phase 1 Payment on 08/15/2018 Procurement Agreement Payment on 10/18/2019	($1,750,000.00) ($3,000,000.00)	
	Less total credit for customer advance funding (excluding ITCC)		**($4,750,000.00)**
E.	Plus Rearrangement Charge		**$0.00**
F.	**Initial Estimated Charge (including ITCC)**		**$13,850,000.00**

III. Estimated Monthly Cost of Ownership Charge

Facilities Financed By:	Application Base	Cost	Current Percentage Rate	Monthly Charge
A. Customer	Net Cost of Direct Assignment Facilities (II.A. above 1. Estimated cost of Direct Assignment Facilities installed by PG&E 2. Estimated cost of Direct Assignment Facilities installed by Customer and deeded to PG&E 3. Less allowance for existing facilities 4. Net amount	$15,000,000 $0 $0 $15,000,000	× 0.38%[2] / mo	= $57,000.00 / mo

[2] The current FERC transmission customer-financed monthly Cost of Ownership rate. The then-current Cost of Ownership rate will be used at the time that the project is completed and put into servi

B. PG&E	Existing facilities allocated as Facilities (III. Above = 2. below) 1. Transmission Facilities	$0	× $0 / mo	= $0 / mo
	Total Estimated Monthly COST-OF-OWNERSHIP CHARGE			**= $57,000.00 / mo**

IV. Equivalent of One Time Charge (in lieu of monthly Cost-of-Ownership Charge).

$57,000 ×12 months × 14.73[3] years = $10,075,320.00

[3] The current Present Worth Factor rate is 14.73. The then-current Present Worth Factor rate will be used at the time that the project is completed and put into service.

EXHIBIT B-1:

DESCRIPTION OF DIRECT ASSIGNMENT FACILITIES

INSTALLATION OF THE PG&E FACILITIES

WORK ITEM	COST	COST
SUBSTATION WORK		
This includes the necessary upgrades to PG&E's substation equipment, protection system, relays, telecommunications equipment, and other substation equipment at the Potrero Switchyard.		
(a) Engineering (b) Project Management (c) Property Improvements (d) Station Equipment and Labor (e) Removal (f) Telecommunications (g) Testing (h) Maintenance & Operations (i) Land & Environmental (j) Contract & Various Group Support	$2,000,000 $1,500,000 $750,000 $3,500,000 $50,000 $150,000 $1,300,000 $500,000 $250,000 $5,000,000	
Total Substation Work		$15,000,000
FACILITIES WORK INSTALLED BY CUSTOMER AND DEEDED TO PG&E		$0
Less PG&E's estimate of the total cost of facilities provided, installed and deeded to PG&E by Customer (excluding costs of design and administration by PG&E)		$0
TOTAL DIRECT ASSIGNMENT FACILITIES		**$15,000,000**