CALL AND NOTICE OF SPECIAL MEETING

CITY OF HUNTINGTON PARK

CALLED BY MAYOR MARILYN SANABRIA

NOTICE IS HEREBY GIVEN That a Special Meeting of the City Council of the City of Huntington Park will be held on Tuesday, December 12, 2017, at 7:45 p.m. at City Hall Council Chambers, 6550 Miles Avenue, Huntington Park, CA 90255

Marilyn Sanabria
Mayor

Jhonny Pineda
Vice Mayor

Karina Macias
Council Member

Graciela Ortiz
Council Member

Manuel "Manny" Avila
Council Member

All agenda items and reports are available for review in the City Clerk's Office and www.hpca.gov. Any writings or documents provided to a majority of the City Council regarding any item on this agenda (other than writings legally exempt from public disclosure) will be made available for public inspection in the Office of the City Clerk located at 6550 Miles Avenue, Huntington Park, California 90255 during regular business hours, 7:00 a.m. to 5:30 p.m., Monday – Thursday, and at the City Hall Council Chambers during the meeting.

Any person who requires a disability-related modification or accommodation, including auxiliary aids or services, in order to participate in the public meeting may request such modification, accommodation, aid or service by contacting the City Clerk's Office either in person at 6550 Miles Avenue, Huntington Park, California or by telephone at (323) 584-6230. Notification in advance of the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

PLEASE SILENCE ALL CELL PHONES AND OTHER ELECTRONIC EQUIPMENT WHILE COUNCIL IS IN SESSION. Thank you.

PLEASE NOTE--The numerical order of items on this agenda is for convenience of reference. Items may be taken out of order upon request of the Mayor or Members of the City Council. Members of the City Council and the public are reminded that they must preserve order and decorum throughout the Meeting. In that regard, Members of the City Council and the public are advised that any delay or disruption in the proceedings or a refusal to obey the orders of the City Council or the presiding officer constitutes a violation of these rules.

- The conduct of City Council meetings is governed by the portion of the California Government Code commonly known as the "Brown Act" and by the Huntington Park City Council Meeting Rules of Procedure.

- The City Council meeting is for conducting the City's business, and members of the audience must obey the rules of decorum set forth by law. This means that each speaker will be permitted to speak for three minutes to address items that are listed on the City Council agenda or topics which are within the jurisdictional authority of the City.

- No profanity, personal attacks, booing, cheering, applauding or other conduct disruptive to the meeting will be permitted. Any person not adhering to the Rules of Procedure or conduct authorized by the Brown Act may be asked to leave the Council Chambers.

- All comments directed to the City Council or to any member of the City Council must be directed to the Mayor (or Chairperson if Mayor is absent).

We ask that you please respect the business nature of this meeting and the order required for the proceedings conducted in the Council Chambers.

Public Comment

The Council encourages all residents of the City and interested people to attend and participate in the meetings of the City Council.

If you wish to address the Council, please complete the speaker card that is provided at the entrance to the Council Chambers and give to City Clerk prior to the start of Public Comment.

For both open and closed session each speaker will be limited to three minutes per Huntington Park Municipal Code Section 2-1.207. Time limits may not be shared with other speakers and may not accumulate from one period of public comment to another or from one meeting to another. **This is the only opportunity for public input except for scheduled public hearing items**.

All comments or queries shall be addressed to the Council as a body and not to any specific member thereof. Pursuant to Government Code Section 54954.2(a)(2), the Ralph M. Brown Act, no action or discussion by the City Council shall be undertaken on any item not appearing on the posted agenda, except to briefly provide information, ask for clarification, provide direction to staff, or schedule a matter for a future meeting.

Additions/Deletions to Agenda

Items of business may be added to the agenda upon a motion adopted by a minimum two-thirds vote finding that there is a need to take immediate action and that the need for action came to the attention of the City or Agency subsequent to the agenda being posted. Items may be deleted from the agenda upon the request of staff or Council.

Important Notice

The City of Huntington Park shows replays of City Council Meetings on Local Access Channel 3 and over the Internet at www.hpca.gov. NOTE: Your attendance at this public meeting may result in the recording and broadcast of your image and/or voice.

AGENDA

CALL TO ORDER

ROLL CALL

Mayor Marilyn Sanabria
Vice Mayor Jhonny Pineda
Council Member Karina Macias
Council Member Graciela Ortiz
Council Member Manuel "Manny" Avila

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT

Pursuant to Government Code Section 54954.3(a) Members of the public will have an opportunity to address the City Council on items listed on this special meeting agenda. For items on this agenda each speaker will be limited to three minutes per Huntington Park Municipal Code Section 2-1.207. Time limits may not be shared with other speakers and may not accumulate from one period of public comment to another or from one meeting to another.

STAFF RESPONSE

RECESS TO CLOSED SESSION

CLOSED SESSION

1. PUBLIC EMPLOYEE EMPLOYMENT
   Government Code Section 54957(b)(1) -
   Title: Director of Finance

2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
   Government Code Section 54956.8
   Property: 6330 Rugby, Huntington Park
   Agency negotiators: Ricardo Reyes, Sergio Infanzon
   Negotiating Parties: City Housing – Rugby Associates
   Under negotiations: Price and terms

RECONVENE TO OPEN SESSION

CLOSED SESSION ANNOUNCEMENT

CONSENT CALENDAR

All matters listed under the Consent Calendar are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items prior to the time the Council votes on the motion unless members of the Council, staff, or the public request specific items to be discussed and/or removed from the Consent Calendar for separate action.

FINANCE

1. Approve Accounts Payable and Payroll Warrants dated December 12, 2017

END OF CONSENT CALENDAR

REGULAR AGENDA

CITY MANAGER

2. Consideration and Approval to Enter into a Public Private Partnership Agreement with the City of Huntington Park for a Solar Hybrid and Battery System

RECOMMENDATION OF ITEM UNDER CONSIDERATION:

1. Initiate compliance for the City of State of California Renewable Energy Mandate;
2. Approve a Public Private Partnership Agreement for Solar Hybrid and Battery System; and
3. Authorize Interim City Manager to negotiate final terms and execute the agreement.

FINANCE

3. Consideration and Selection of a Firm and Approval of a Professional Services Agreement for Trash Hauling Compliance Auditing Services

RECOMMENDATION OF ITEM UNDER CONSIDERATION:

1. Select a firm for Trash Hauling Compliance Auditing Services;
2. Approve award of a Professional Services Agreement; and
3. Authorize Interim City Manager to negotiate and execute the agreement.

REGULAR AGENDA (CONTINUED)

PARKS AND RECREATION

4. Consideration and Approval of Authorization and Ratification of Certain Expenditures for Parade Production Services

RECOMMENDATION OF ITEM UNDER CONSIDERATION:

1. Approve authorization of Pageantry Productions as a sole source, in a not-to-exceed amount of $25,000 for the 67th Annual Holiday Parade Production.

PUBLIC WORKS/COMMUNITY DEVELOPMENT

5. Consideration and Approval of an Award of a Contract Agreement for the Pacific Boulevard Pedestrian and Transportation Improvement Project

RECOMMENDATION OF ITEM UNDER CONSIDERATION:

1. Award contract to the lowest responsible, responsive bidder, FS Contractor, Inc. which will accept this project and proceed with the work in accordance with the bid;

2. Authorize staff, under the currently approved augmentation contract, to proceed with necessary work (Project Management, Construction Management, Construction Inspection and Administration) in compliance with the terms and conditions of the contract in an amount not to exceed of $52,000;

3. Authorize additional budget appropriation of $181,763 from Measure R account #222-8010-431.73-10; and

4. Authorize the Interim City Manager or designee to execute the contract.

6. Consideration and Approval of Pacific Boulevard Pedestrian Improvements Project Contract Change Orders (CCOs) Numbers 11 Through 21

RECOMMENDATION OF ITEM UNDER CONSIDERATION:

1. Approve Contract Change Orders (CCOs) Nos. 11 through 21 in the amount of $261,783.46; and

2. Authorize Interim City Manager to execute the Contract Change Orders.

REGULAR AGENDA (CONTINUED)

COMMUNITY DEVELOPMENT

7. Consideration and Approval to Submit a Letter of Interest to the Los Angeles Metropolitan Transportation Authority to Apply for the State Active Transportation Program (ATP) Cycle IV

RECOMMENDATION OF ITEM UNDER CONSIDERATION:

1. Direct staff to prepare letter of interest to submit to the Los Angeles Metropolitan Transportation Authority; and

2. Authorize the Interim City Manager to sign and submit the Letter of Interest.

ADJOURNMENT

The City of Huntington Park City Council will adjourn in memory of City employee, Jessie "Yesenia" Gomez, who was the Jr. Deputy City Clerk in the Office of the City Clerk, to a Regular Meeting on Tuesday, December 19, 2017, at 6:00 P.M

I Donna G. Schwartz, hereby certify under penalty of perjury under the laws of the State of California that the foregoing special meeting notice and agenda was posted at City of Huntington Park City Hall and made available at www.hpca.gov not less than 24 hours prior to the meeting. Dated this 11th day of December 2017.

Donna G. Schwartz, CMC, City Clerk

City of Huntington Park
List of Funds

Fund	Description
111	General Fund
114	Spec Events Contrib Rec
120	Special Revenue DNA ID
121	Special Revnu Welfare Inm
122	Prevention Intervention
123	Board of Corrections - LEAD
124	Auto Theft
150	Emergency Preparedness
151	Economic Development
201	Environmental Justice
202	CFP Crosswalks
204	SR2S Middleton Safe Route
205	CFP Pacific Blvd
206	CFP iPark Pay Station
207	CFP Signal Syncronization
208	CMAQ Metro Rapid
209	CFP City Street Resurfacing
216	Employees Retirement Fund
217	OPEB
219	Sales Tax-Transit Fund A
220	Sales Tax-Transit C
221	State Gasoline Tax Fund
222	Measure R
223	Local Origin Program Fund
224	Office of Traffc & Safety
225	Cal Cops Fund
226	Air Quality Improv Trust
227	Offc of Criminal Justice
228	Bureau of Justice Fund
229	Police Forfeiture Fund
231	Parking System Fund
232	Art in Public Places Fund
233	Bullet Proof Vest Grant

Fund	Description
234	Congressional Earmark
235	Federal Street Improvmnt
237	Community Planning
239	Federal CDBG Fund
240	HUD EZ/EC Soc Sec Block
242	HUD Home Program
243	HUD 108 B03MC060566
245	EPA Brownfield
246	LBPHCP-Lead Base
247	Neighborhood Stabilzation
248	Homelessness Prevention
252	ABC
275	Successor Agency
283	Sewer Maintenance Fund
285	Solid Waste Mgmt Fund
286	Illegal Disposal Abatemnt
287	Solid Waste Recycle Grant
288	COMPBC
334	Ped/Bike Path Fund
349	Capital Improvement Fund
475	Public Financng Authority
533	Business Improv Dist Fund
535	Strt Lght & Lndscp Assess
681	Water Department Fund
741	Fleet Maintenance
745	Worker's Compensation Fnd
746	Employee Benefit Fund
748	Veh & Equip Replacement
779	Deferred Comp. Trust Fund
800	Pooled Cash
801	Pooled Cash Fund
802	Pooled Interest

DEMAND REGISTER
CITY OF HUNTINGTON PARK
12-12-2017

Payee Name	Invoice Number	Account Number	Description	Transaction Amount
ADOLFO PACHECO	65882/66446	111-6060-466.33-20	Contractual Srv Class	412.80
				$412.80
AFSCME COUNCIL 36	PPE 12/3/2017	802-0000-217.60-10	Association Dues	727.32
				$727.32
ALADDIN LOCK & KEY SERVICE	27544	741-8060-431.43-20	Fleet Maintenance	150.77
				$150.77
ALFREDO DE LA TORRE CONSTRUCTION	3727-5	239-5070-463.56-52	Contract Home Repairs	375.00
	3727-3	246-5098-463.73-10	Improvements	800.00
				$1,175.00
ALL CITY MANAGEMENT SERVICES	51660	111-7022-421.56-41	Contractual Srvc - Other	6,022.08
				$6,022.08
ALVAREZ-GLASMAN & COLVIN	2017-09-16606	745-9031-413.32-70	Contractual Srv Legal	1,665.00
	2017-09-16610	745-9031-413.32-70	Contractual Srv Legal	2,472.72
	2017-09-16611	745-9031-413.32-70	Contractual Srv Legal	157.50
	2017-09-16612	745-9031-413.32-70	Contractual Srv Legal	7,089.76
	2017-09-16613	745-9031-413.32-70	Contractual Srv Legal	713.50
	2017-09-16614	745-9031-413.32-70	Contractual Srv Legal	3,600.00
	2017-09-16615	745-9031-413.32-70	Contractual Srv Legal	3,171.54
				$18,870.02
AMERICAN CELEBRATIONS	182412	111-7010-421.61-20	Dept Supplies & Expense	18.75
				$18.75
AMERICAN EXPRESS	0000359501	111-0210-413.59-15	Professional Development	189.00
	0000359675	111-0210-413.59-15	Professional Development	404.53
				$593.53
AMERICAN FAMILY LIFE ASSURANCE	PPE 12/3/2017	802-0000-217.50-40	Life-Cancer Insurance	106.58
				$106.58
AMTECH ELEVATOR SERVICES	DVL04010917	111-8022-419.56-41	Contractual Srvc - Other	693.27
				$693.27
ARDON WELDING INC.	1661	535-8090-452.61-20	Dept Supplies & Expense	1,940.00
				$1,940.00
ASSOCIATED OF LOS ANGELES, INC.	S1134828.002	111-8022-419.43-10	Buildings - O S & M	80.48
	S1134828.001	111-8023-451.43-10	Buildings - O S & M	34.49
				$114.97
AT&T PAYMENT CENTER	10/28-11/27/17	111-7010-421.53-10	Telephone & Wireless	455.76
	11/20-12/19/17	111-7022-421.56-41	Contractual Srvc - Other	55.29
				$511.05
BARR & CLARK INC	44922	246-5098-463.56-41	Contractual Srvc - Other	540.00
				$540.00
BLACK AND WHITE EMERGENCY VEHICLES	2203	229-7010-421.74-10	Equipment	4,731.76
	2217	229-7010-421.74-10	Equipment	4,282.75
				$9,014.51

DEMAND REGISTER
CITY OF HUNTINGTON PARK
12-12-2017

Payee Name	Invoice Number	Account Number	Description	Transaction Amount
BOB MURRAY & ASSOCIATES	7521	111-0230-413.54-00	Advertising & Publication	5,000.00
	7493	111-0230-413.56-41	Contractual Srvc - Other	4,328.50
	7521	111-0230-413.56-41	Contractual Srvc - Other	2,287.69
				$11,616.19
BUYSHADE.COM	90773	229-7010-421.74-10	Equipment	634.72
	90774	229-7010-421.74-10	Equipment	1,428.90
				$2,063.62
CAL STATE ROOFING	07-054	535-8090-452.61-20	Dept Supplies & Expense	1,950.00
				$1,950.00
CALIF PUBLIC EMPLOYEES RETIREMENT	100000015104643	111-0110-411.23-50	Unfunded PERS Contr-Misc	2,104.88
	100000015104643	111-0210-413.23-50	Unfunded PERS Contr-Misc	2,704.94
	100000015104685	111-0210-413.23-50	Unfunded PERS Contr-Misc	6.10
	100000015104643	111-0230-413.23-50	Unfunded PERS Contr-Misc	1,891.91
	100000015104643	111-1010-411.23-50	Unfunded PERS Contr-Misc	1,885.17
	100000015104643	111-3010-415.23-50	Unfunded PERS Contr-Misc	9,488.42
	100000015104643	111-5010-419.23-50	Unfunded PERS Contr-Misc	9,052.87
	100000015104685	111-5010-419.23-50	Unfunded PERS Contr-Misc	3.35
	100000015104643	111-6010-451.23-50	Unfunded PERS Contr-Misc	4,341.15
	100000015104643	111-7010-421.23-50	Unfunded PERS Contr-Misc	19,002.48
	100000015104645	111-7010-421.24-50	Unfunded PERS Contr-Sworn	129,996.47
	100000015104643	111-8010-431.23-50	Unfunded PERS Contr-Misc	14,816.68
	100000015044363	111-9010-419.32-40	Audit Fees	2,100.00
	PPE 11/05/2017	802-0000-217.30-10	PERS	36,878.29
	PPE 11/05/2017	802-0000-218.10-10	PERS Employer	64,061.23
				$298,333.94
CALIFORNIA BUILDING STANDARDS COMM	7/1/15-6/30/16	111-5010-419.56-49	Contract Bldng Inspection	367.20
				$367.20
CALPERS	100000015124460	217-0230-413.28-00	Retiree Health Ins Premium	147,594.56
	100000015124460	217-0230-413.56-41	Contractual Srvc - Other	530.68
	100000015124460	746-0213-413.56-41	Contractual Srvc - Other	511.45
	100000015124460	802-0000-217.50-10	Health Insurance	154,984.71
				$303,621.40
CARL WARREN & CO.	1828056	745-9031-413.33-70	Contractual Srv 3rd Party	375.00
	1828057	745-9031-413.33-70	Contractual Srv 3rd Party	375.00
	1828058	745-9031-413.33-70	Contractual Srv 3rd Party	375.00
	1828059	745-9031-413.33-70	Contractual Srv 3rd Party	375.00
	1828060	745-9031-413.33-70	Contractual Srv 3rd Party	750.00
	1828061	745-9031-413.33-70	Contractual Srv 3rd Party	750.00
	1828062	745-9031-413.33-70	Contractual Srv 3rd Party	375.00
				$3,375.00

DEMAND REGISTER
CITY OF HUNTINGTON PARK
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Payee Name	Invoice Number	Account Number	Description	Transaction Amount
CARLA ENRIQUETA TORRES GARCIA	65351/65038	111-6060-466.33-20	Contractual Srv Class	361.60
	65824/66186	111-6060-466.33-20	Contractual Srv Class	156.80
				$518.40
CARPENTER ROTHANS & DUMONT LLP	30014	745-9031-413.32-70	Contractual Srv Legal	832.44
	30015	745-9031-413.32-70	Contractual Srv Legal	216.96
	30016	745-9031-413.32-70	Contractual Srv Legal	72.00
				$1,121.40
CAVENAUGH & ASSOCIATES	1/8-1/12/18	111-7010-421.59-20	Professional Develop Post	1,096.00
				$1,096.00
CECILIA CRUZ	65998/66601	111-0000-347.20-00	Deposit Refund	60.00
				$60.00
CHARTER COMMUNICATIONS	0467069112717	111-7010-421.53-10	Telephone & Wireless	1,250.00
	0444795112217	111-9010-419.53-10	Telephone & Wireless	680.00
	0389644112117	121-7040-421.56-14	Welfare Inmate Fd Expense	228.03
				$2,158.03
CINDY RODRIGUEZ	65100/66605	111-0000-228.20-00	Deposit Refund	398.00
				$398.00
CINTAS CORPORATION	5009427819	111-7010-421.61-20	Dept Supplies & Expense	662.02
				$662.02
CITY OF HUNTINGTON PARK FLEXIBLE	PPE 12/3/2017	802-0000-217.30-30	Med Reimb 125	380.84
				$380.84
CITY OF HUNTINGTON PARK GEA	PPE 12/3/2017	802-0000-217.60-10	Association Dues	127.10
				$127.10
CITY OF ROSEMEAD	12/18/2017	111-1010-411.59-15	Professional Development	40.00
				$40.00
CLINICAL LAB OF SAN BERNARDINO, INC	959425	681-8030-461.56-41	Contractual Srvc - Other	398.50
				$398.50
CMRTA	580	111-3010-415.59-15	Professional Development	100.00
				$100.00
COLONIAL SUPPLEMENTAL INSURANCE	PPE 12/3/2017	802-0000-217.50-40	Life-Cancer Insurance	1,051.59
				$1,051.59
COMMERCIAL TIRE COMPANY	1-141094	741-8060-431.43-20	Fleet Maintenance	166.26
				$166.26
COUNTY OF LOS ANGELES PUBLIC HEALTH	AR0244798	681-8030-461.56-41	Contractual Srvc - Other	32.00
	AR0266513	681-8030-461.56-41	Contractual Srvc - Other	64.00
	AR0266514	681-8030-461.56-41	Contractual Srvc - Other	672.00
	AR0266516	681-8030-461.56-41	Contractual Srvc - Other	32.00
	AR0266518	681-8030-461.56-41	Contractual Srvc - Other	32.00
	AR0266519	681-8030-461.56-41	Contractual Srvc - Other	32.00
	AR0266520	681-8030-461.56-41	Contractual Srvc - Other	224.00
				$1,088.00
CYNTHIA FARIAS	66299/66604	111-0000-228.20-00	Deposit Refund	500.00
				$500.00

DEMAND REGISTER
CITY OF HUNTINGTON PARK
12-12-2017

Payee Name	Invoice Number	Account Number	Description	Transaction Amount
DAILY JOURNAL CORPORATION	B3075824	111-5010-419.54-00	Advertising & Publication	201.60
				$201.60
DAKTRONICS, INC.	6760826	111-8022-419.43-10	Buildings - O S & M	1,952.22
				$1,952.22
DAPEER, ROSENBLIT & LITVAK	13761	111-0220-411.32-20	Legal Exp - Prosecutor Sv	105.00
	13761	111-5055-419.32-50	Contractual Srv - Prosecu	1,492.24
	13763	111-5055-419.32-50	Contractual Srv - Prosecu	112.90
	13764	111-5055-419.32-50	Contractual Srv - Prosecu	540.18
	13765	111-5055-419.32-50	Contractual Srv - Prosecu	60.00
				$2,310.32
DATA TICKET INC.	83982	111-3010-415.44-00	Rentals & Leases	1,219.80
	83982	111-3010-415.56-15	Citation Prkng Collection	4,626.01
	83982	111-3010-415.56-41	Contractual Srvc - Other	2,864.00
	83399	111-5055-419.56-41	Contractual Srvc - Other	50.00
	82401	111-7065-441.56-41	Contractual Srvc - Other	332.05
	82680	111-7065-441.56-41	Contractual Srvc - Other	126.67
	83448	111-7065-441.56-41	Contractual Srvc - Other	122.67
	83982	111-9010-419.53-10	Telephone & Wireless	582.45
	HP17TKTSTK	231-7060-421.61-20	Dept Supplies & Expense	3,208.10
				$13,131.75
DEPARTMENT OF CONSERVATION	7/1/15-6/30/16	111-5010-419.56-49	Contract Bldng Inspection	1,853.12
				$1,853.12
DISH NETWORK	12/12-1/11/18	111-7010-421.56-41	Contractual Srvc - Other	70.72
				$70.72
EDWIN RUANO	7668	111-8023-451.43-10	Buildings - O S & M	624.00
				$624.00
ESTELA RAMIREZ	66020/66542	111-6060-466.33-20	Contractual Srv Class	353.60
	66156/66156	111-6060-466.33-20	Contractual Srv Class	20.80
				$374.40
EWING IRRIGATION PRODUCTS, INC.	4443954	535-8090-452.61-20	Dept Supplies & Expense	39.11
				$39.11
EXPERT ROOTER	94987	111-8024-421.43-10	Buildings - O S & M	346.84
	95028	111-8024-421.43-10	Buildings - O S & M	88.00
				$434.84
F&A FEDERAL CREDIT UNION	PPE 12/3/2017	802-0000-217.60-40	Credit Union	12,254.00
				$12,254.00
FAIR HOUSING FOUNDATION	11/7/2017	239-5060-463.56-41	Contractual Srvc - Other	921.26
				$921.26
FERGUSON ENTERPRISES INC	5397139	111-8022-419.43-10	Buildings - O S & M	170.79
	5370084-1	111-8024-421.43-10	Buildings - O S & M	1,093.77
	5397836	111-8024-421.43-10	Buildings - O S & M	16.48
				$1,281.04

DEMAND REGISTER
CITY OF HUNTINGTON PARK
12-12-2017

Payee Name	Invoice Number	Account Number	Description	Transaction Amount
FIRST CHOICE SERVICES	587269	111-9010-419.61-20	Dept Supplies & Expense	351.47
				$351.47
GARDA CL WEST, INC.	10356176	111-9010-419.33-10	Bank Services	686.31
				$686.31
GLOBAL EQUIPMENT COMPANY INC.	111902612	334-4010-431.74-10	Equipment	14,943.32
				$14,943.32
GLOBALSTAR USA	100000008898814	111-7010-421.53-10	Telephone & Wireless	86.12
				$86.12
GOLDEN WEST COLLEGE	11/27-12/8/17	111-7010-421.59-20	Professional Develop Post	395.00
				$395.00
GOODIES UNIFORMS	2017-7611	111-7010-421.61-20	Dept Supplies & Expense	206.69
				$206.69
GRAINGER	9608166238	111-8023-451.43-10	Buildings - O S & M	152.59
	9608166238	535-8090-452.61-20	Dept Supplies & Expense	232.06
	9611444218	535-8090-452.61-20	Dept Supplies & Expense	107.55
	9602157647	741-8060-431.43-20	Fleet Maintenance	21.22
	9603249005	741-8060-431.43-20	Fleet Maintenance	42.49
				$555.91
HALLOWEEN CLUB	HUNTINGTONPARK1	111-6020-451.61-35	Recreation Supplies	500.00
	HUNTINGTONPARK1	535-8090-452.61-20	Dept Supplies & Expense	90.34
				$590.34
HDS WHITE CAP CONSTRUCTION SUPPLY	10007780441	221-8010-431.61-20	Dept Supplies & Expense	892.66
				$892.66
HERNANDEZ SIGNS, INC.	3055	111-6020-451.61-35	Recreation Supplies	212.55
				$212.55
HUNTINGTON PARK POLICE MGMT ASSN.	PPE 12/3/2017	802-0000-217.60-10	Association Dues	150.00
				$150.00
HUNTINGTON PARK POLICE OFFICER ASSN	PPE 12/3/2017	802-0000-217.60-10	Association Dues	5,925.95
				$5,925.95
INDUSTRIAL PLUMBING SUPPLY, LLC	65939	111-8023-451.43-10	Buildings - O S & M	572.60
				$572.60
INTER VALLEY POOL SUPPLY, INC	102430	681-8030-461.41-00	Water Purchase	150.78
	102431	681-8030-461.41-00	Water Purchase	199.37
	102432	681-8030-461.41-00	Water Purchase	244.60
	102641	681-8030-461.41-00	Water Purchase	242.93
	102642	681-8030-461.41-00	Water Purchase	199.37
	102643	681-8030-461.41-00	Water Purchase	134.03
				$1,171.08
JACK'S MUFFLER SERVICE	7477	741-8060-431.43-20	Fleet Maintenance	180.00
				$180.00
JERRY'S AUTO BODY, INC.	30932	741-8060-431.43-20	Fleet Maintenance	3,288.65
				$3,288.65

DEMAND REGISTER
CITY OF HUNTINGTON PARK
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Payee Name	Invoice Number	Account Number	Description	Transaction Amount
JIMBO'S HARDWARE	0203	535-8090-452.61-20	Dept Supplies & Expense	308.63
				$308.63
JK CONSTRUCTION	1269	242-5050-463.57-30	HCDA Grant/Rebate	30,110.00
				$30,110.00
JOBS AVAILABLE INC	1725018	111-0230-413.54-00	Advertising & Publication	838.50
				$838.50
JOSUE C. HERNANDEZ	65128/66602	111-0000-347.20-00	Deposit Refund	60.00
				$60.00
JUAN A LOPEZ	66226/66346	111-0000-347.50-00	Deposit Refund	40.00
				$40.00
JUANA JUAREZ	65261/66603	111-0000-228.20-00	Rec Deposit Refundable	500.00
				$500.00
KAREN K. TRUONG	11/13-11/17/17	111-7010-421.59-15	Professional Development	288.00
	32007-1	111-7010-421.59-15	Professional Development	1,274.43
				$1,562.43
LAN WAN ENTERPRISE, INC	59584	111-3010-415.61-20	Dept Supplies & Expense	944.56
	59670	111-9010-419.43-15	Financial Systems	23,500.00
				$24,444.56
LAURA MUNGUIA	65080/66433	111-0000-228.20-00	Deposit Refund	150.00
				$150.00
LEE ANDREWS GROUP, INC	2017221	111-0210-413.56-41	Contractual Srvc - Other	6,009.90
				$6,009.90
LGP EQUIPMENT RENTALS INC	102005A	111-8010-431.44-10	Rent (Incl Equip Rental)	3,940.50
	102370	111-8010-431.44-10	Rent (Incl Equip Rental)	306.45
	102506	111-8010-431.44-10	Rent (Incl Equip Rental)	80.95
	102636	111-8010-431.44-10	Rent (Incl Equip Rental)	81.14
	102200	221-8010-431.61-20	Dept Supplies & Expense	213.04
	102556	221-8010-431.61-20	Dept Supplies & Expense	316.18
	102605	535-8016-431.44-10	Rent (Incl Equip Rental)	2,170.28
	102810	535-8016-431.44-10	Rent (Incl Equip Rental)	657.69
				$7,766.23
LORRAINE MENDEZ & ASSOCIATES, LLC	0305	239-5060-463.56-41	Contractual Srvc - Other	4,752.75
	0305	242-5060-463.56-41	Contractual Srvc - Other	425.00
				$5,177.75
LOS ANGELES TIMES	11/14-12/16/18	111-0110-411.61-20	Dept Supplies & Expense	124.79
				$124.79
LOZADA'S TRANSMISSIONS INC.	5650	741-8060-431.43-20	Fleet Maintenance	302.60
				$302.60
LUCIA CASTILLO	65477/66317	111-6060-466.33-20	Contractual Srv Class	304.00
	65663/66328	111-6060-466.33-20	Contractual Srv Class	304.00
	65754/66319	111-6060-466.33-20	Contractual Srv Class	425.60
				$1,033.60

DEMAND REGISTER
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Payee Name	Invoice Number	Account Number	Description	Transaction Amount
LUIS H. FERNANDEZ	292	111-0230-413.64-05	Employee Recognition	225.00
	291	111-6020-451.56-41	Contractual Srvc - Other	400.00
				$625.00
LYNBERG & WATKINS APC	47008	745-9031-413.32-70	Contractual Srv Legal	1,119.11
	47123	745-9031-413.32-70	Contractual Srv Legal	499.50
				$1,618.61
MANUEL BUSTAMANTE	66387/66600	111-0000-347.50-00	Deposit Refund	40.00
				$40.00
MANUEL PRIETO	66460/66359	111-6060-466.33-20	Contractual Srv Class	243.20
				$243.20
MARX BROS FIRE EXTINGUISHER CO INC.	S20195	111-8023-451.56-41	Contractual Srvc - Other	180.00
				$180.00
MC GENERAL CONTRACTORS, INC.	NO.1	239-5070-463.56-52	Contract Home Repairs	375.00
				$375.00
MICON CONSTRUCTION	5	239-6010-451.73-10	Improvements	36,381.60
				$36,381.60
MOTOROLA INC	SOCAL10297	741-8060-431.56-41	Contractual Srvc - Other	91.00
				$91.00
NAPA PARTS WHOLESALE	4832-241006	741-8060-431.43-20	Fleet Maintenance	168.12
	4832-241674	741-8060-431.43-20	Fleet Maintenance	37.90
	4832-242260	741-8060-431.43-20	Fleet Maintenance	162.42
				$368.44
NATION WIDE RETIREMENT SOLUTIONS	PPE 12/3/2017	802-0000-217.40-10	Deferred Compensation	13,988.00
				$13,988.00
NORMA A URENA	66312/66360	111-6060-466.33-20	Contractual Srv Class	79.20
				$79.20
O'REILLY AUTO PARTS	2959-294243	741-8060-431.43-20	Fleet Maintenance	49.03
	2959-296558	741-8060-431.43-20	Fleet Maintenance	245.01
	2959-297002	741-8060-431.43-20	Fleet Maintenance	66.15
	2959-297006	741-8060-431.43-20	Fleet Maintenance	74.74
	2959-297037	741-8060-431.43-20	Fleet Maintenance	197.09
	2959-302131	741-8060-431.43-20	Fleet Maintenance	98.44
	2959-302141	741-8060-431.43-20	Fleet Maintenance	393.76
	2959-302376	741-8060-431.43-20	Fleet Maintenance	46.67
	2959-302724	741-8060-431.43-20	Fleet Maintenance	53.33
	2959-302732	741-8060-431.43-20	Fleet Maintenance	125.91
	2959-302735	741-8060-431.43-20	Fleet Maintenance	63.36
	2959-302875	741-8060-431.43-20	Fleet Maintenance	15.32
	2959-304497	741-8060-431.43-20	Fleet Maintenance	148.83
	2959-304699	741-8060-431.43-20	Fleet Maintenance	123.52
	2959-304753	741-8060-431.43-20	Fleet Maintenance	163.64

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Payee Name	Invoice Number	Account Number	Description	Transaction Amount
O'REILLY AUTO PARTS	2959-304815	741-8060-431.43-20	Fleet Maintenance	449.19
	2959-305109	741-8060-431.43-20	Fleet Maintenance	6.89
	2959-305117	741-8060-431.43-20	Fleet Maintenance	33.89
	2959-305509	741-8060-431.43-20	Fleet Maintenance	46.91
	2959-305538	741-8060-431.43-20	Fleet Maintenance	139.88
	2959-305790	741-8060-431.43-20	Fleet Maintenance	15.29
	2959-305835	741-8060-431.43-20	Fleet Maintenance	119.20
	2959-307214	741-8060-431.43-20	Fleet Maintenance	284.44
	2959-307410	741-8060-431.43-20	Fleet Maintenance	107.46
	2959-307451	741-8060-431.43-20	Fleet Maintenance	35.52
	2959-307499	741-8060-431.43-20	Fleet Maintenance	24.21
	2959-307792	741-8060-431.43-20	Fleet Maintenance	35.02
	2959-308136	741-8060-431.43-20	Fleet Maintenance	18.30
	2959-308140	741-8060-431.43-20	Fleet Maintenance	76.08
	2959-309648	741-8060-431.43-20	Fleet Maintenance	52.02
	2959-309804	741-8060-431.43-20	Fleet Maintenance	816.72
	2959-310047	741-8060-431.43-20	Fleet Maintenance	139.94
	2959-310069	741-8060-431.43-20	Fleet Maintenance	91.25
	2959-310082	741-8060-431.43-20	Fleet Maintenance	20.78
	2959-310457	741-8060-431.43-20	Fleet Maintenance	15.29
	2959-310951	741-8060-431.43-20	Fleet Maintenance	112.12
	2959-310971	741-8060-431.43-20	Fleet Maintenance	10.07
	2959-311005	741-8060-431.43-20	Fleet Maintenance	99.57
	2959-312385	741-8060-431.43-20	Fleet Maintenance	104.29
	2959-312458	741-8060-431.43-20	Fleet Maintenance	2.43
	5959-308161	741-8060-431.43-20	Fleet Maintenance	56.09
				$4,777.65
OEM AUTO PAINT SUPPLIES	107304	535-8090-452.61-20	Dept Supplies & Expense	176.97
				$176.97
OK PRINTING DESIGN & DIGITAL PRINT	658	111-6020-451.61-35	Recreation Supplies	152.78
	657	246-5098-463.61-20	Dept Supplies & Expense	94.63
				$247.41
ORANGE COUNTY SHERIFF'S DEPT	12/5/2017	111-7010-421.59-20	Professional Develop Post	15.00
				$15.00
ORIENTAL TRADING COMPANY, INC.	686855868-01	111-6020-451.61-35	Recreation Supplies	264.32
	686855868-02	111-6020-451.61-35	Recreation Supplies	43.98
				$308.30
OSUNA SINALOA AUTO GLASS CORP	1000635	741-8060-431.43-20	Fleet Maintenance	359.70
				$359.70
PAGEANTRY PRODUCTIONS	HPHP170001	111-6010-466.55-35	Holiday Parade	25,300.00
				$25,300.00

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Payee Name	Invoice Number	Account Number	Description	Transaction Amount
PARAMOUNT ICELAND INC.	66257/66257	111-6060-466.33-20	Contractual Srv Class	42.40
				$42.40
PENSKE CHEVROLET	215956	741-8060-431.43-20	Fleet Maintenance	189.59
	215997	741-8060-431.43-20	Fleet Maintenance	491.33
	216125	741-8060-431.43-20	Fleet Maintenance	147.33
	216143	741-8060-431.43-20	Fleet Maintenance	153.84
	216594	741-8060-431.43-20	Fleet Maintenance	292.00
				$1,274.09
PITNEY BOWES	3101750967	111-7040-421.56-41	Contractual Srvc - Other	554.18
				$554.18
PITNEY BOWES GLOBAL FINANCIAL	3101759263	111-9010-419.44-10	Rent (Incl Equip Rental)	834.57
				$834.57
PRESS TELEGRAM CLASSIFIED	0011018129	111-4010-431.54-00	Advertising & Publication	172.67
	0011034464	111-4010-431.54-00	Advertising & Publication	172.67
	0011021520	111-5010-419.54-00	Advertising & Publication	763.55
	0011035402	111-5010-419.54-00	Advertising & Publication	615.83
				$1,724.72
PRUDENTIAL OVERALL SUPPLY	52073458	111-7010-421.61-20	Dept Supplies & Expense	20.07
	52063822	111-8022-419.43-10	Buildings - O S & M	31.20
	52068615	111-8022-419.43-10	Buildings - O S & M	31.20
				$82.47
PSYCHOLOGICAL CONSULTING ASSOC, INC	523136	111-7010-421.56-41	Contractual Srvc - Other	400.00
				$400.00
RESOURCE BUILDING MATERIALS	2291163	535-8090-452.61-20	Dept Supplies & Expense	799.44
				$799.44
RIO HONDO COLLEGE	1/22-2/2/2018	111-7010-421.59-20	Professional Develop Post	152.00
				$152.00
RIVERSIDE COUNTY SHERIFF'S DEPT	1/22/18-2/2/18	111-7010-421.59-20	Professional Develop Post	266.00
				$266.00
ROSALBA BARRERA	65524/66606	111-0000-228.20-00	Rec Deposit Refundable	500.00
				$500.00
SCHAEFFER MANUFACTURING COMPANY	LP1651-INV1	741-8060-431.62-30	Metro Transit Fuel & Oil	1,727.39
				$1,727.39
SMART & FINAL	054691	111-6065-466.61-20	Dept Supplies & Expense	61.32
				$61.32
SMARTSHEET INC.	INV33656	111-8020-431.61-20	Dept Supplies & Expense	1,200.00
				$1,200.00
SOUSA COURT REPORTERS	635647	745-9031-413.32-70	Contractual Srv Legal	346.50
				$346.50
SOUTHERN CALIFORNIA EDISON	8/7-11/20/17	111-8022-419.62-10	Heat Light Water & Power	1,680.21
	9/28-11/7/17	111-8022-419.62-10	Heat Light Water & Power	1,300.53
	9/28-11/7/17	111-8023-451.62-10	Heat Light Water & Power	13,346.82

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Payee Name	Invoice Number	Account Number	Description	Transaction Amount
SOUTHERN CALIFORNIA EDISON	10/25-11/27/17	535-8016-431.62-10	Heat Light Water & Power	41.57
	7/6-9/5/17	535-8016-431.62-10	Heat Light Water & Power	15,933.98
	7/6-9/5/17	681-8030-461.62-20	Power Gas & Lubricants	9,730.57
	9/28-11/7/17	681-8030-461.62-20	Power Gas & Lubricants	12,631.90
				$54,665.58
STANDARD INSURANCE COMPANY	12/01/2017	802-0000-217.50-70	Life, ADD, LT Disability	7,035.66
	12/1-12/31/2017	802-0000-217.50-70	Life, ADD, LT Disability	1,678.76
				$8,714.42
STAPLES ADVANTAGE	8047593913	111-0110-411.61-20	Dept Supplies & Expense	135.67
	8047593913	111-0210-413.61-20	Dept Supplies & Expense	118.71
	8047593913	111-1010-411.61-20	Dept Supplies & Expense	82.58
	8047593913	111-3010-415.61-20	Dept Supplies & Expense	408.87
	8047593913	111-4010-431.61-20	Dept Supplies & Expense	329.58
	8047593913	111-6020-451.61-35	Recreation Supplies	460.74
	8047593913	111-7010-421.61-20	Dept Supplies & Expense	12.26
	8047593913	111-8020-431.61-20	Dept Supplies & Expense	118.83
	8047593913	246-5098-463.61-20	Dept Supplies & Expense	175.21
				$1,842.45
SUPERIOR COURT OF CALIFORNIA	OCTOBER2017	111-3010-415.56-10	Parking Citation Surcharg	27,132.75
				$27,132.75
THE GAS COMPANY	10/04-11/06/17	111-8020-431.62-10	Heat Light Water & Power	62.35
	7/5/17-11/2/17	111-8022-419.62-10	Heat Light Water & Power	366.38
	10/3-11/7/17	111-8023-451.62-10	Heat Light Water & Power	198.36
	10/3-11/2/17	111-8024-421.62-10	Heat Light Water & Power	483.24
				$1,110.33
U.S. BANK	PPE 12/3/2017	802-0000-217.30-20	PARS	3,860.75
	PPE 12/3/2017	802-0000-218.10-05	PARS EMPLOYER	18,422.32
				$22,283.07
U.S. HEALTH WORKS	3230231-CA	111-0230-413.56-41	Contractual Srvc - Other	83.00
				$83.00
US DEPARTMENT OF HOUSING	IDIS491	111-9010-460.75-00	CDBG Repayment	7,433.80
	IDIS494	111-9010-460.75-00	CDBG Repayment	9,000.00
	IDIS499	111-9010-460.75-00	CDBG Repayment	3,556.00
	IDIS512	111-9010-460.75-00	CDBG Repayment	3,767.00
				$23,756.80
V & V MANUFACTURING, INC.	45762	111-7010-421.61-20	Dept Supplies & Expense	147.96
				$147.96
VERIZON WIRELESS	9796424589	111-0110-411.53-10	Telephone & Wireless	307.80
	9796424589	111-0210-413.53-10	Telephone & Wireless	173.13
	9796424589	111-6010-419.53-10	Telephone & Wireless	154.13
	9796424589	111-9010-419.53-10	Telephone & Wireless	32.16
				$667.22

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Payee Name	Invoice Number	Account Number	Description	Transaction Amount
VERONICA RAMOS	65949/66354	111-0000-347.70-00	Deposit Refund	33.00
				$33.00
VULCAN MATERIALS COMPANY	71619605	220-8070-431.61-20	Dept Supplies & Expense	81.58
	71622407	220-8070-431.61-20	Dept Supplies & Expense	80.82
	71622408	220-8070-431.61-20	Dept Supplies & Expense	80.06
	71624933	220-8070-431.61-20	Dept Supplies & Expense	466.45
	71627011	220-8070-431.61-20	Dept Supplies & Expense	80.82
	71629856	220-8070-431.61-20	Dept Supplies & Expense	81.58
	71629857	220-8070-431.61-20	Dept Supplies & Expense	81.58
	71632302	220-8070-431.61-20	Dept Supplies & Expense	614.38
	71635335	220-8070-431.61-20	Dept Supplies & Expense	86.14
	71635336	220-8070-431.61-20	Dept Supplies & Expense	81.58
				$1,734.99
WALTERS WHOLESALE ELECTRIC COMPANY	S109143184.001	111-8024-421.43-10	Buildings - O S & M	46.71
	S109026637.001	221-8014-429.61-20	Dept Supplies & Expense	98.55
	S108375715.001	535-8016-431.61-45	Street Lighting Supplies	323.34
				$468.60
WATER REPLENISHMENT DISTRICT OF	CBWM18-065	681-8030-461.42-05	Permits & Fees	7,050.95
				$7,050.95
WELLS FARGO BANK-FIT	PPE 12/3/2017	802-0000-217.20-10	Federal W/Holding	66,704.26
				$66,704.26
WELLS FARGO BANK-MEDICARE	PPE 12/3/2017	802-0000-217.10-10	Medicare	8,070.80
				$8,070.80
WELLS FARGO BANK-SIT	PPE 12/3/2017	802-0000-217.20-20	State W/Holding	20,998.14
				$20,998.14
WHITTIER FERTILIZER CO.	326461	535-8090-452.61-20	Dept Supplies & Expense	1,434.45
				$1,434.45
WILMAR	419297734	111-8022-419.43-10	Buildings - O S & M	92.95
				$92.95
XEROX CORPORATION	091472674	111-8020-431.43-05	Office Equip - O S & M	317.01
	091472674	681-8030-461.61-20	Dept Supplies & Expense	317.00
				$634.01
				$1,158,936.05

CITY OF HUNTINGTON PARK

City Council Agenda Report

December 12, 2017

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Mayor and Members of the City Council:

CONSIDERATION AND APPROVAL TO ENTER INTO A PUBLIC PRIVATE PARTNERSHIP AGREEMENT WITH THE CITY OF HUNTINGTON PARK FOR A SOLAR HYBRID AND BATTERY SYSTEM

IT IS RECOMMENDED THAT THE CITY COUNCIL:

1. Initiate compliance for the City of State of California Renewable Energy Mandate;

2. Approve a Public Private Partnership Agreement for Solar Hybrid and Battery System; and

3. Authorize Interim City Manager to negotiate final terms and execute the agreement.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose for this project is to assist in reducing the cost of energy to the city, which is currently paying a minimum rate of .19 per kwh, total monthly bills are averaging $54,000.00 and each year it is increasing a minimum of 10%. At this rate, if the city doesn't change the strategy of energy usage and cost, within 30 years it would have paid over $106,592,126.70.

In order to reduce the projected cost, a proposal of a Public Private Partnership at a .10 cent per Kwh flat rate with an escalator of 5% which will incur a cost within the 30 years of $43,052,373.18. Nonetheless, by adopting this new project, the City could save a minimum of $65,539,753.52 over a 30-year period.

LEGAL REQUIREMENT

State of California Renewable Energy Mandate Compliance Calendar, requires that:

By Year 2017 a 29% of power consumption in California must come from Renewable Energy Power Generation Technologies and the following time lines as follow:

Year 2024 at 40%
Year 2030 at 50%
Year 2040 at 100%

City of Huntington Park thus far is at 0% Renewable Energy Consumption.

FISCAL IMPACT/FINANCING

By adopting a Public Private Partnership, there will be zero upfront cost to the City and it will reduce annual energy costs. This means zero impact on the current budget and immediate annual savings for the next 30 years. Also, after 30 years the city will have no energy payments and will own the entire Solar Hybrid and Battery System.

Max Energy i4, will pay for all upfront cost for the system. The City will pay zero upfront and will simply pay for a lower rate in energy cost on a monthly basis for the next 30 years.

CONCLUSION

Upon Council approval, staff will proceed with the recommended actions.

Respectfully submitted,

RICARDO REYES
Interim City Manager

ATTACHMENT(S)

A. State of California Renewable Energy Mandate – (Document Available for Review in the City Clerk's Office)
B. City of Huntington Park Power Analysis Report
C. Draft Professional Services Agreement

ATTACHMENT “A”

CITY OF HUNTINGTON PARK

Special City Council Meeting Agenda
Tuesday, December 12, 2017

REGULAR AGENDA

CITY MANAGER

2. Consideration and Approval to Enter into a Public Private Partnership Agreement with the City of Huntington Park for a Solar Hybrid and Battery System

- "ATTACHMENT A" - AVAILABLE FOR REVIEW IN THE OFFICE OF THE CITY CLERK -

ATTACHMENT “B”

MAXENERGY I^4

Intelligent • Innovative • Interactive • Integrated

MAX HARPER LAKE, LLC

OFF-GRID HYBRID SYSTEM SOLUTIONS

MAX ENERGY MUNICIPAL PROJECT MODEL

I^4 Integration

- Intelligent
- Innovative
- Interactive
- Intergrative

–

MAXENERGY I4
Intelligent • Innovative • Interactive • Integrated

PAYMENT PERIOD	12	Monthly Payment		Yearly Payment	
NUMBER OF YEARS	Year	Existing Edison 10 – 19%	Proposed Max Energy5.0%	Edison	PPA
1	2018	$54,000.00	$54,000.00	$648,000.00	$648,000.00
2	2019	$59,400.00	$56,700.00	$712,800.00	$680,400.00
3	2020	$65,340.00	$59,535.00	$784,080.00	$714,420.00
4	2021	$71,874.00	$62,511.75	$862,488.00	$750,141.00
5	2022	$79,061.40	$65,637.34	$948,736.80	$787,648.05
6	2023	$86,967.54	$68,919.20	$1,043,610.48	$827,030.45
7	2024	$95,664.29	$72,365.16	$1,147,971.53	$868,381.98
8	2025	$105,230.72	$75,983.42	$1,262,768.68	$911,801.07
9	2026	$115,753.80	$79,782.59	$1,389,045.55	$957,391.13
10	2027	$127,329.18	$83,771.72	$1,527,950.10	$1,005,260.68
11	2028	$140,062.09	$87,960.31	$1,680,745.11	$1,055,523.72
12	2029	$154,068.30	$92,358.33	$1,848,819.63	$1,108,299.90
13	2030	$169,475.13	$96,976.24	$2,033,701.59	$1,163,714.90
14	2031	$186,422.65	$101,825.05	$2,237,071.75	$1,221,900.64
15	2032	$205,064.91	$106,916.31	$2,460,778.92	$1,282,995.68
16	2033	$225,571.40	$112,262.12	$2,706,856.81	$1,347,145.46
17	2034	$248,128.54	$117,875.23	$2,977,542.50	$1,414,502.73
18	2035	$272,941.40	$123,768.99	$3,275,296.74	$1,485,227.87
19	2036	$300,235.53	$129,957.44	$3,602,826.42	$1,559,489.26
20	2037	$330,259.09	$136,455.31	$3,963,109.06	$1,637,463.73
21	2038	$363,285.00	$143,278.08	$4,359,419.97	$1,719,336.91
22	2039	$399,613.50	$150,441.98	$4,795,361.96	$1,805,303.76
23	2040	$439,574.85	$157,964.08	$5,274,898.16	$1,895,568.95
24	2041	$483,532.33	$165,862.28	$5,802,387.98	$1,990,347.39
25	2042	$531,885.56	$174,155.40	$6,382,626.77	$2,089,864.76
26	2043	$585,074.12	$182,863.17	$7,020,889.45	$2,194,358.00
27	2044	$643,581.53	$192,006.33	$7,722,978.40	$2,304,075.90
28	2045	$707,939.69	$201,606.64	$8,495,276.24	$2,419,279.70
29	2046	$778,733.65	$211,686.97	$9,344,803.86	$2,540,243.68
30	2047	$856,607.02	$222,271.32	$10,279,284.25	$2,667,255.87
			Total =	**$106,592,126.70**	**$43,052,373.18**
			SAVINGS =	**$63,539,753.52**	

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Current Rate	Meter Num	Service Street Addr	Meter Read Date	Bill Amt	Kwh Usage	TOTAL MONTHLY COST
TOU-GS2B	255000-004562	**6550 MILES AVE RM 127**	7/7/2016	$2,331.31	7672	
TOU-GS2B	255000-004562	**6550 MILES AVE RM 127**	8/5/2016	$2,616.64	8833	
TOU-GS2B	255000-004562	**6550 MILES AVE RM 127**	9/6/2016	$2,703.92	9009	
TOU-GS2B	255000-004562	**6550 MILES AVE RM 127**	10/5/2016	$2,513.23	8333	
TOU-GS2B	255000-004562	**6550 MILES AVE RM 127**	11/4/2016	$1,275.74	7181	
TOU-GS2B	255000-004562	**6550 MILES AVE RM 127**	12/7/2016	$1,226.67	5984	
TOU-GS2B	255000-004562	**6550 MILES AVE RM 127**	1/6/2017	$941.90	4803	
TOU-GS2B	255000-004562	**6550 MILES AVE RM 127**	2/6/2017	$998.40	4247	
TOU-GS2B	255000-004562	**6550 MILES AVE RM 127**	3/8/2017	$1,105.55	5306	
TOU-GS2B	255000-004562	**6550 MILES AVE RM 127**	4/6/2017	$1,143.58	5795	
TOU-GS2B	255000-004562	**6550 MILES AVE RM 127**	5/8/2017	$1,284.40	6465	
TOU-GS2B	255000-004562	**6550 MILES AVE RM 127**	6/7/2017	$1,429.35	6377	
TOU-GS2B	255000-004562	**6550 MILES AVE RM 127**	7/7/2017	$2,656.31	7971	
				$22,227.00	87976	*$ 54,024.94*
						177,017.00

GS-2	259000-079651	**CITY HALL**	8/5/2016	$2,191.89	12348	
GS-2	259000-079651	**CITY HALL**	9/6/2016	$2,192.31	12354	
GS-2	259000-079651	**CITY HALL**	10/5/2016	$2,103.07	12350	
GS-2	259000-079651	**CITY HALL**	11/4/2016	$1,603.46	13329	
GS-2	259000-079651	**CITY HALL**	12/7/2016	$1,669.73	13645	
GS-2	259000-079651	**CITY HALL**	1/6/2017	$1,555.77	11569	
GS-2	259000-079651	**CITY HALL**	2/6/2017	$1,660.48	12501	
GS-2	259000-079651	**CITY HALL**	3/8/2017	$1,607.90	11782	
GS-2	259000-079651	**CITY HALL**	4/6/2017	$1,589.25	11527	
GS-2	259000-079651	**CITY HALL**	5/8/2017	$1,720.65	13324	
GS-2	259000-079651	**CITY HALL**	6/7/2017	$1,760.18	11890	
GS-2	259000-079651	**CITY HALL**	7/7/2017	$2,367.94	12228	
				$22,022.63	148847	*$ 35,144.27*
						149,273.00

TOU-GS2B	222012-604686	**6900 BISSELL ST**	8/17/2016	$1,746.36	6591	
TOU-GS2B	222012-604686	**6900 BISSELL ST**	9/16/2016	$1,662.54	6591	
TOU-GS2B	222012-604686	**6900 BISSELL ST**	10/18/2016	$1,365.86	6749	
TOU-GS2B	222012-604686	**6900 BISSELL ST**	11/17/2016	$967.67	5904	
TOU-GS2B	222012-604686	**6900 BISSELL ST**	12/17/2016	$1,006.44	5833	
TOU-GS2B	222012-604686	**6900 BISSELL ST**	1/18/2017	$1,016.00	5820	
TOU-GS2B	222012-604686	**6900 BISSELL ST**	2/16/2017	$1,095.02	5932	
TOU-GS2B	222012-604686	**6900 BISSELL ST**	3/20/2017	$1,011.27	6090	
TOU-GS2B	222012-604686	**6900 BISSELL ST**	4/19/2017	$879.57	5515	
TOU-GS2B	222012-604686	**6900 BISSELL ST**	5/18/2017	$948.43	5600	
TOU-GS2B	222012-604686	**6900 BISSELL ST**	6/19/2017	$1,369.91	6152	
TOU-GS2B	222012-604686	**6900 BISSELL ST**	7/19/2017	$1,720.92	7016	
				$14,789.99	73793	*$ 97,885.98*
						901,414.00

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TOU-PA2B	259000-029445	**6900 BISSELL ST**	8/17/2016	$5,113.84	37289	
TOU-PA2B	259000-029445	**6900 BISSELL ST**	9/16/2016	$5,083.21	38336	
TOU-PA2B	259000-029445	**6900 BISSELL ST**	10/18/2016	$4,654.11	47284	
TOU-PA2B	259000-029445	**6900 BISSELL ST**	11/17/2016	$3,789.53	43890	
TOU-PA2B	259000-029445	**6900 BISSELL ST**	12/17/2016	$3,780.16	44081	
TOU-PA2B	259000-029445	**6900 BISSELL ST**	1/18/2017	$4,007.13	45641	
TOU-PA2B	259000-029445	**6900 BISSELL ST**	2/16/2017	$3,840.17	41174	
TOU-PA2B	259000-029445	**6900 BISSELL ST**	3/20/2017	$1,403.92	3978	
TOU-PA2B	259000-029445	**6900 BISSELL ST**	4/19/2017	$1,839.51	10701	
TOU-PA2B	259000-029445	**6900 BISSELL ST**	5/18/2017	$4,161.80	45910	
TOU-PA2B	259000-029445	**6900 BISSELL ST**	6/19/2017	$5,228.96	47696	
TOU-PA2B	259000-029445	**6900 BISSELL ST**	7/19/2017	$5,721.83	43609	
				$48,624.17	**449589**	***$ 97,885.98***
						901,414.00
TOU-GS1A	254000-004729	**6900 BISSELL ST**	8/17/2016	$34.91	68	
TOU-GS1A	254000-004729	**6900 BISSELL ST**	9/16/2016	$38.24	83	
TOU-GS1A	254000-004729	**6900 BISSELL ST**	10/18/2016	$38.36	80	
TOU-GS1A	254000-004729	**6900 BISSELL ST**	11/17/2016	$37.32	93	
TOU-GS1A	254000-004729	**6900 BISSELL ST**	12/17/2016	$37.21	92	
TOU-GS1A	254000-004729	**6900 BISSELL ST**	1/18/2017	$40.14	99	
TOU-GS1A	254000-004729	**6900 BISSELL ST**	2/16/2017	$39.47	110	
TOU-GS1A	254000-004729	**6900 BISSELL ST**	3/20/2017	$40.71	101	
TOU-GS1A	254000-004729	**6900 BISSELL ST**	4/19/2017	$37.36	89	
TOU-GS1A	254000-004729	**6900 BISSELL ST**	5/18/2017	$37.06	93	
TOU-GS1A	254000-004729	**6900 BISSELL ST**	6/19/2017	$42.64	104	
TOU-GS1A	254000-004729	**6900 BISSELL ST**	7/19/2017	$41.40	98	
				$464.82	**1110**	**$ 540.42**
						2,310.00
TOU-GS2B	259000-030056	**6900 BISSELL ST**	8/17/2016	$2,254.07	7140	
TOU-GS2B	259000-030056	**6900 BISSELL ST**	9/16/2016	$1,831.70	6534	
TOU-GS2B	259000-030056	**6900 BISSELL ST**	10/18/2016	$1,699.10	6912	
TOU-GS2B	259000-030056	**6900 BISSELL ST**	11/17/2016	$1,215.79	6501	
TOU-GS2B	259000-030056	**6900 BISSELL ST**	12/17/2016	$993.60	5691	
TOU-GS2B	259000-030056	**6900 BISSELL ST**	1/18/2017	$993.05	6777	
TOU-GS2B	259000-030056	**6900 BISSELL ST**	2/16/2017	$854.75	4125	
TOU-GS2B	259000-030056	**6900 BISSELL ST**	3/20/2017	$979.42	4381	
TOU-GS2B	259000-030056	**6900 BISSELL ST**	4/19/2017	$910.20	4037	
TOU-GS2B	259000-030056	**6900 BISSELL ST**	5/18/2017	$1,138.24	4634	
TOU-GS2B	259000-030056	**6900 BISSELL ST**	6/19/2017	$1,696.82	5817	
TOU-GS2B	259000-030056	**6900 BISSELL ST**	7/19/2017	$2,458.66	7156	
				$17,025.40	**69705**	**$ 40,511.11**
						140,210.00

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AL-2	259000-030450	**3401 E FLORENCE AVE**	8/17/2016	$2,310.72	22772	
AL-2	259000-030450	**3401 E FLORENCE AVE**	9/16/2016	$1,738.36	17874	
AL-2	259000-030450	**3401 E FLORENCE AVE**	10/18/2016	$1,674.34	18118	
AL-2	259000-030450	**3401 E FLORENCE AVE**	11/17/2016	$1,312.94	15830	
AL-2	259000-030450	**3401 E FLORENCE AVE**	12/17/2016	$1,114.22	13634	
AL-2	259000-030450	**3401 E FLORENCE AVE**	1/18/2017	$1,149.37	14110	
AL-2	259000-030450	**3401 E FLORENCE AVE**	2/16/2017	$1,311.44	15373	
AL-2	259000-030450	**3401 E FLORENCE AVE**	3/20/2017	$1,453.96	16942	
AL-2	259000-030450	**3401 E FLORENCE AVE**	4/19/2017	$1,353.03	15272	
AL-2	259000-030450	**3401 E FLORENCE AVE**	5/18/2017	$1,464.00	16192	
AL-2	259000-030450	**3401 E FLORENCE AVE**	6/19/2017	$1,717.61	17839	
AL-2	259000-030450	**3401 E FLORENCE AVE**	7/19/2017	$2,315.96	21842	
				$18,915.95	205798	$ 23,909.08
						380,340.00
TOU-GS2B	259000-030108	**6542 MILES AVE**	8/5/2016	$6,111.19	42306	
TOU-GS2B	259000-030108	**6542 MILES AVE**	9/6/2016	$6,037.22	44086	
TOU-GS2B	259000-030108	**6542 MILES AVE**	10/5/2016	$5,729.86	40102	
TOU-GS2B	259000-030108	**6542 MILES AVE**	11/4/2016	$3,876.35	39100	
TOU-GS2B	259000-030108	**6542 MILES AVE**	12/7/2016	$3,893.88	40486	
TOU-GS2B	259000-030108	**6542 MILES AVE**	1/6/2017	$3,423.32	34470	
TOU-GS2B	259000-030108	**6542 MILES AVE**	2/6/2017	$3,703.33	35585	
TOU-GS2B	259000-030108	**6542 MILES AVE**	3/8/2017	$3,619.26	34298	
TOU-GS2B	259000-030108	**6542 MILES AVE**	4/6/2017	$3,727.63	34412	
TOU-GS2B	259000-030108	**6542 MILES AVE**	5/8/2017	$4,179.70	39390	
TOU-GS2B	259000-030108	**6542 MILES AVE**	6/7/2017	$4,615.03	37678	
TOU-GS2B	259000-030108	**6542 MILES AVE**	7/7/2017	$6,436.85	41166	
				$55,353.62	463079	$ 113,641.72
						927,928.00
TOU-GS2B	255000-000870	**6538 MILES AVE**	7/7/2016	$1,112.86	4435	
TOU-GS2B	255000-000870	**6538 MILES AVE**	8/5/2016	$1,122.87	5878	
TOU-GS2B	255000-000870	**6538 MILES AVE**	9/6/2016	$1,310.22	5842	
TOU-GS2B	255000-000870	**6538 MILES AVE**	10/5/2016	$1,005.79	4684	
TOU-GS2B	255000-000870	**6538 MILES AVE**	11/4/2016	$695.22	4957	
TOU-GS2B	255000-000870	**6538 MILES AVE**	12/7/2016	$846.69	6898	
TOU-GS2B	255000-000870	**6538 MILES AVE**	1/6/2017	$764.94	5274	
TOU-GS2B	255000-000870	**6538 MILES AVE**	2/6/2017	$853.10	6029	
TOU-GS2B	255000-000870	**6538 MILES AVE**	3/8/2017	$861.94	6153	
TOU-GS2B	255000-000870	**6538 MILES AVE**	4/6/2017	$808.49	6036	
				$9,382.12	56186	$ 19,310.35
						112,672.00

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MAXENERGY I4
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TOU-GS1A	259000-028971	**6548 MILES AVE UNIT A**	8/22/2016	$246.35	1326	
TOU-GS1A	259000-028971	**6548 MILES AVE UNIT A**	9/21/2016	$382.77	2142	
TOU-GS1A	259000-028971	**6548 MILES AVE UNIT A**	10/21/2016	$362.40	2255	
TOU-GS1A	259000-028971	**6548 MILES AVE UNIT A**	11/21/2016	$484.71	3276	
TOU-GS1A	259000-028971	**6548 MILES AVE UNIT A**	12/21/2016	$489.40	3311	
TOU-GS1A	259000-028971	**6548 MILES AVE UNIT A**	1/23/2017	$566.63	3663	
TOU-GS1A	259000-028971	**6548 MILES AVE UNIT A**	2/22/2017	$401.47	2485	
TOU-GS1A	259000-028971	**6548 MILES AVE UNIT A**	3/23/2017	$310.73	1888	
TOU-GS1A	259000-028971	**6548 MILES AVE UNIT A**	4/24/2017	$333.37	2023	
TOU-GS1A	259000-028971	**6548 MILES AVE UNIT A**	5/23/2017	$352.71	2167	
TOU-GS1A	259000-028971	**6548 MILES AVE UNIT A**	6/22/2017	$215.75	1179	
TOU-GS1A	259000-028971	**6548 MILES AVE UNIT A**	7/24/2017	$143.40	652	
				$4,289.69	**26367**	**$ 6,058.45**
						52,791.00
TOU-GS1A	255000-004564	**6548 MILES AVE**	7/22/2016	$66.08	229	
TOU-GS1A	255000-004564	**6548 MILES AVE**	8/22/2016	$68.19	237	
TOU-GS1A	255000-004564	**6548 MILES AVE**	9/21/2016	$65.83	228	
TOU-GS1A	255000-004564	**6548 MILES AVE**	10/21/2016	$337.08	2197	
TOU-GS1A	255000-004564	**6548 MILES AVE**	11/21/2016	$491.98	3330	
TOU-GS1A	255000-004564	**6548 MILES AVE**	12/21/2016	$60.28	232	
TOU-GS1A	255000-004564	**6548 MILES AVE**	1/23/2017	$69.09	264	
TOU-GS1A	255000-004564	**6548 MILES AVE**	2/22/2017	$63.46	239	
TOU-GS1A	255000-004564	**6548 MILES AVE**	3/23/2017	$61.08	229	
TOU-GS1A	255000-004564	**6548 MILES AVE**	4/24/2017	$66.93	250	
TOU-GS1A	255000-004564	**6548 MILES AVE**	5/23/2017	$42.56	106	
TOU-GS1A	255000-004564	**6548 MILES AVE**	6/22/2017	$27.49	0	
				$1,420.05	**7541**	**$ 1,931.92**
						15,117.00
TOU-GS1A	255000-007499	**6548 MILES AVE**	8/5/2016	$409.19	2311	
TOU-GS1A	255000-007499	**6548 MILES AVE**	9/6/2016	$476.57	2707	
TOU-GS1A	255000-007499	**6548 MILES AVE**	10/5/2016	$576.66	3347	
TOU-GS1A	255000-007499	**6548 MILES AVE**	11/4/2016	$696.51	4774	
TOU-GS1A	255000-007499	**6548 MILES AVE**	12/7/2016	$499.82	3377	
TOU-GS1A	255000-007499	**6548 MILES AVE**	1/6/2017	$408.26	2704	
TOU-GS1A	255000-007499	**6548 MILES AVE**	2/6/2017	$398.50	2460	
TOU-GS1A	255000-007499	**6548 MILES AVE**	3/8/2017	$395.71	2445	
TOU-GS1A	255000-007499	**6548 MILES AVE**	4/6/2017	$348.12	2137	
TOU-GS1A	255000-007499	**6548 MILES AVE**	5/8/2017	$365.42	2236	
TOU-GS1A	255000-007499	**6548 MILES AVE**	6/7/2017	$439.67	2623	
TOU-GS1A	255000-007499	**6548 MILES AVE**	7/7/2017	$649.46	3482	
				$5,663.89	**34603**	**$ 7,928.28**
						69,312.00

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MAXENERGY I4
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TOU-GS2B	259000-016010	**6208 S ALAMEDA ST**	8/18/2016	$1,604.97	6433	
TOU-GS2B	259000-016010	**6208 S ALAMEDA ST**	9/19/2016	$1,631.41	7042	
TOU-GS2B	259000-016010	**6208 S ALAMEDA ST**	10/19/2016	$1,362.77	6706	
TOU-GS2B	259000-016010	**6208 S ALAMEDA ST**	11/18/2016	$1,524.41	6929	
TOU-GS2B	259000-016010	**6208 S ALAMEDA ST**	12/19/2016	$1,476.83	6248	
TOU-GS2B	259000-016010	**6208 S ALAMEDA ST**	1/19/2017	$1,234.06	5504	
TOU-GS2B	259000-016010	**6208 S ALAMEDA ST**	2/17/2017	$1,247.26	5388	
TOU-GS2B	259000-016010	**6208 S ALAMEDA ST**	3/21/2017	$1,107.67	5605	
TOU-GS2B	259000-016010	**6208 S ALAMEDA ST**	4/20/2017	$1,032.25	5523	
TOU-GS2B	259000-016010	**6208 S ALAMEDA ST**	5/19/2017	$1,031.49	5514	
TOU-GS2B	259000-016010	**6208 S ALAMEDA ST**	6/20/2017	$1,250.96	6103	
TOU-GS2B	259000-016010	**6208 S ALAMEDA ST**	7/20/2017	$1,783.75	6762	
				$16,287.83	73757	$ 33,842.60
						148,102.00
TOU-PA2B	345M-006695	**FLORENCE/SALT LAKE**	7/18/2016	$7,041.30	60590	
TOU-PA2B	345M-006695	**FLORENCE/SALT LAKE**	8/17/2016	$7,121.91	59802	
TOU-PA2B	345M-006695	**FLORENCE/SALT LAKE**	9/16/2016	$6,935.58	57675	
TOU-PA2B	345M-006695	**FLORENCE/SALT LAKE**	10/17/2016	$7,007.63	79167	
TOU-PA2B	345M-006695	**FLORENCE/SALT LAKE**	11/16/2016	$5,600.78	72138	
TOU-PA2B	345M-006695	**FLORENCE/SALT LAKE**	12/16/2016	$5,453.89	69503	
TOU-PA2B	345M-006695	**FLORENCE/SALT LAKE**	1/17/2017	$5,778.46	71385	
TOU-PA2B	345M-006695	**FLORENCE/SALT LAKE**	2/15/2017	$5,447.62	62035	
TOU-PA2B	345M-006695	**FLORENCE/SALT LAKE**	3/20/2017	$6,487.27	78676	
TOU-PA2B	345M-006695	**FLORENCE/SALT LAKE**	4/18/2017	$5,678.89	66260	
TOU-PA2B	345M-006695	**FLORENCE/SALT LAKE**	5/17/2017	$3,744.23	36677	
TOU-PA2B	345M-006695	**FLORENCE/SALT LAKE**	6/19/2017	$4,373.72	32312	
TOU-PA2B	345M-006695	**FLORENCE/SALT LAKE**	7/18/2017	$5,063.87	28388	
				$75,735.15	774608	$ 142,454.20
						1,552,103.00
TOU-PA2B	345M-006130	**SALT LAKE/SANTA ANA**	6/9/2017	$7,247.73	78872	
TOU-PA2B	345M-006130	**SALT LAKE/SANTA ANA**	7/11/2017	$9,607.49	89876	
				$16,855.22	168,748.00	$ 48,424.79
						338,247.00
						$ 658,160.36
					2,641,707.00	5,115,012.00
						$54,846.69

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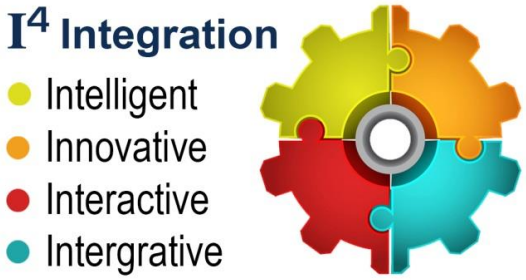
MAXENERGY I4
Intelligent • Innovative • Interactive • Integrated

On behalf of Max Energy Team



Thank you for the opportunity

Max Energy International Technologies LLC

Corporate Headquarters
11611 Pomona Rd. Suite 110,
Corona California 92880 USA
Telephone:1 (714) 388-9729
Technical Support:1 (951) 439-0095
Email:Oscar.r@maxenergyi4.com
Website:www.maxenergyi4.com

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

FILED
9-01-16
08:00 AM

Application Of Southern California Edison Company (U 338-E) For Authority To Increase Its Authorized Revenues For Electric Service In 2018, Among Other Things, And To Reflect That Increase In Rates.	A1609001

TEST YEAR 2018 GENERAL RATE CASE APPLICATION OF SOUTHERN CALIFORNIA EDISON COMPANY (U 338-E)

KRIS G. VYAS
GLORIA M. ING

Attorneys for
SOUTHERN CALIFORNIA EDISON COMPANY

2244 Walnut Grove Avenue
Post Office Box 800
Rosemead, California 91770
Telephone:(626) 302-6613
Facsimile: (626) 302-6693
E-mail: scegrc@sce.com

Dated: September 1, 2016

TEST YEAR 2018 GENERAL RATE CASE APPLICATION OF SOUTHERN CALIFORNIA EDISON COMPANY (U 338-E)

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Appendix A Financial Statements, Including Income Statement And Balance Sheet

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE

STATE OF CALIFORNIA

Application Of Southern California Edison Company (U 338-E) For Authority To Increase Its Authorized Revenues For Electric Service In 2018, Among Other Things, And To Reflect That Increase In Rates.

TEST YEAR 2018 GENERAL RATE CASE APPLICATION OF SOUTHERN CALIFORNIA EDISON COMPANY (U 338-E)

I.
INTRODUCTION

Southern California Edison Company (SCE or Company) respectfully files this application for a Test Year 2018 General Rate Case (GRC). In this application, SCE asks the California Public Utilities Commission (CPUC or Commission) to authorize a base revenue requirement (ABRR) of $5.885 billion to become effective January 1, 2018, and to reflect the ABRR in distribution, generation and new system generation (peakers) rates. Including sales reductions and $48 million in other one-time balancing and memorandum account recoveries, our request represents a $313 million, or 5.5 percent, increase over currently authorized base rates.

A. Summary Of Reasons For SCE's Request

As discussed in SCE's Chief Executive Officer Kevin Payne's testimony in Exhibit SCE-01, advancements in key energy technologies, along with changing customer behaviors about clean energy and being able to choose and control their energy use, are together creating an unprecedented new era in how electricity is generated, delivered, and used.

But what has not changed is every customer's expectation that the lights will turn on when he/she flips a switch, that the power will stay on to provide safety, security, and in some cases life support (especially during emergencies), and that voltage will not fluctuate so as to disrupt manufacturing and cause economic losses. What has not changed is SCE's responsibility to deliver safe

and reliable electricity to its customers, regardless of whether it is on a 4kV circuit with old obsolete equipment, or a new 16kV circuit with a majority of the customers using solar photovoltaic, or anything in between.

Meeting this core responsibility is the focus of SCE's GRC showing. SCE's infrastructure continues to age and deteriorate. Equipment failures pose serious safety and reliability risks, and SCE is continuing to work proactively to mitigate those risks. SCE has highlighted these issues in the past several rate cases, and appreciates that the Commission has authorized funding to pursue several infrastructure replacement programs with increasing scope. But SCE has not arrived at a steady state of maintenance where grid performance is no longer eroding. SCE must also leverage its infrastructure replacement programs to implement solutions that improve safety and reliability by updating decades-old grid design and engineering standards. As customers use the grid differently by adding distributed resources, feeding excess generation back to the grid, or changing load patterns by charging electric vehicles at night, SCE must make the necessary modifications to keep up with these changes.

Moreover, as Mr. Payne discusses in SCE-01, the utility must evolve beyond its traditional role of providing adequate service at low rates. Similarly, the role of regulators and customer advocates can no longer be to just monitor and verify that utilities provide adequate service at low rates. The utility, policymakers, customer advocates, and Distributed Energy Resources (DER) related private industry must collaborate to maintain the existing grid while building new capabilities. SCE understands that it has the dual responsibilities of improving safety and reliability while modifying the grid. In doing so, SCE also needs to spend customers' money wisely.

The Commission's dedication to safety, reliability, clean energy, and customer choice is clear. The Safety Model Assessment Proceeding is helping drive a culture and discipline of risk-informed decision-making that prioritizes safety and reliability. California, led by this Commission, is spearheading a transformative energy policy to assure both the widespread deployment of DERs and the innovative use of these resources to provide services and benefits to the grid. Recently, the California legislature passed Assembly Bill 327 (codified as Public Utilities Code Section 769). That Bill requires that utilities develop distribution resource plans to integrate DERs and recognizes the need to consider "investments in distribution infrastructure" to achieve this. In response, this Commission opened the Distribution Resources Plan (DRP) proceeding to undertake the process of "moving the IOUs towards a more full integration of DERs into their distribution system planning, operations, and investment."[1]

---

1 DRP Order Instituting Rulemaking (DRP OIR), at p. 4.

SCE has identified five key strategic objectives that support California's public policies and guide SCE's work. SCE's mission is clear: keep its customers safe, provide them reliable service, give them more energy choices, communicate quickly and effectively with them, and prudently spend the money they pay in rates.

SCE's GRC showing demonstrates its commitment to these five strategic objectives:

- **Be Safe In All We Do**
- **Reinforce Grid Reliability And Resiliency**
- **Integrate Distributed Energy Resources without Compromising Safety and Reliability**
- **Improve Service and Choices to Meet Evolving Customer Needs**
- **Enhance Operational Efficiency and Effectiveness**

Table 1 summarizes SCE's requested ABRR and CPUC-jurisdictional base-rate revenue changes for Test Year 2018 and the two post-Test Years, 2019 and 2020.

TABLE 1
Summary of Earnings At Present and Proposed Rates
($000)

Line No.	Item	Recorded 2015	Estimated 2016	Estimated 2017	Estimated 2018	FERC 2018	CPUC-GRC 2018	CPUC-GRC 2019	CPUC-GRC 2020
	At Present Rates								
1.	**Authorized Base Revenue Requirement**	6,080,010	6,461,352	6,739,019	6,730,324	1,067,016	5,663,308	5,663,308	5,663,308
2.	**Expenses:**								
3.	Operation & Maintenance	2,009,371	2,043,602	2,067,370	2,118,419	157,808	1,960,611	2,046,114	2,097,351
4.	Depreciation	1,655,532	1,742,006	1,840,653	2,003,455	258,141	1,745,313	1,865,733	2,044,825
5.	Taxes	653,122	801,000	824,940	687,973	215,660	472,313	458,457	426,398
6.	Revenue Credits	(214,563)	(205,598)	(209,624)	(215,907)	(51,274)	(164,633)	(171,260)	(182,258)
7.	**Total Expense**	4,103,462	4,381,011	4,523,339	4,593,939	580,334	4,013,605	4,199,044	4,386,316
8.	**NET OPERATING REVENUE**	1,976,548	2,080,341	2,215,680	2,136,385	486,682	1,649,703	1,464,264	1,276,992
9.	**RATE BASE**	22,599,453	24,834,567	27,027,261	28,718,713	5,714,018	23,004,695	25,212,394	27,484,750
10.	**RATE OF RETURN**	8.75%	8.38%	8.20%	7.44%	8.52%	7.17%	5.81%	4.65%
	At Proposed Rates								
11.	**Authorized Base Revenue Requirement**						5,663,308	5,885,244	6,418,388
12.	Proposed Change						221,936	533,145	570,223
13.	**Total Proposed Revenue Requirement**						5,885,244	6,418,388	6,988,612
14.	**Expenses:**								
15.	Operation & Maintenance						1,963,468	2,054,907	2,112,494
16.	Depreciation						1,745,313	1,865,733	2,044,825
17.	Taxes						532,144	686,456	852,315
18.	Revenue Credits						(164,633)	(171,260)	(182,258)
19.	**Total Expense**						4,076,292	4,435,837	4,827,376
20.	**NET OPERATING REVENUE**						1,808,951	1,982,551	2,161,236
21.	**RATE BASE**						23,004,695	25,212,394	27,484,750
22.	**RATE OF RETURN**						7.86%	7.86%	7.86%
	Revenue Change								
23.	One-time Balancing/Memorandum Account Recovery						**48,094**	**(48,094)**	
24.	GRC Estimated kWh Sales Reductions						(42,915)	(6,428)	(56,904)
25.	GRC Revenue Change						**312,944**	**491,478**	**627,128**

B. Commission Jurisdictional Revenue Requirement

The expenses and capital expenditures presented in the prepared testimony accompanying this application include certain items that are subject to the ratemaking authority of the Federal Energy Regulatory Commission (FERC). To determine 2018-2020 Commission-jurisdictional revenue requirements, SCE must split those costs that are to be recovered through rates authorized by the Commission from those authorized by FERC. In D.04-07-022 (SCE's 2003 GRC), the Commission

adopted SCE's proposed method for doing so. The Commission followed this same method in SCE's prior GRCs since our 2006 GRC.[2]

C. Total Compensation Study

Total Compensation Studies have been an element of utility GRCs for over 20 years. In our 1992 GRC, the Commission directed that SCE and Commission staff "continue their joint studies on compensation."[3] In our 1995 GRC, the Commission ordered that in our next GRC we were to "present a [total compensation] study in which independent experts have undertaken all analysis with regard to benchmarks, job matching, and the selection of comparable firms."[4] SCE's next GRC was for Test Year 2003. In its decision on that 2003 GRC, the Commission found that the Total Compensation Study presented in that proceeding complied with that directive:

> In accordance with Commission direction in prior GRCs (D.87-12-066, D.91 12 076, and D.96-01-011), SCE and ORA jointly selected an independent expert, Hewitt Associates, to perform a total compensation study. SCE and ORA jointly managed the study.
>
> …
>
> The submission of the total compensation study comports with prior Commission directives. We appreciate SCE's and ORA's cooperative efforts in this respect.[5]

SCE's 2006, 2009, 2012, and 2015 GRCs also included Total Compensation Studies performed by an independent expert jointly selected and managed by SCE and the Commission's Office of Ratepayer Advocates (ORA). For this 2018 GRC, ORA declined to participate in the selection of the independent expert and the management of the total compensation study, but SCE continued to use AON Hewitt, the same expert ORA jointly selected in the 2006, 2009, 2012, and 2015 GRCs,[6] to perform a total compensation study. The study compares SCE's total compensation – salaries, benefits, and long- and short-term incentives – to compensation offered at other employers in the relevant labor markets.

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2 D.06-05-016, D.09-03-025, D.12-11-051, D. 15-11-021.
3 *Re Southern California Edison Co*., D.91-12-076, 42 CPUC2d 645, 1991 Cal. PUC LEXIS 911.
4 *Re Southern California Edison Co*., D.96-01-011, 64 CPUC2d 241, 1996 Cal. PUC LEXIS 23.
5 *Re Southern California Edison Co*., D.04-07-022, 235 P.U.R. 4th 1, 2004 Cal. PUC LEXIS 325.
6 In 2011, Hewitt and Associates LLC (the independent expert selected for total compensation studies in the 2006, 2009, and 2012 GRCs) was acquired by AON and is now known as AON Hewitt.

D. Previously Litigated Issues On Which The Commission Has Taken A Position

The cost estimates and requests included in SCE's Test Year 2018 GRC are consistent with applicable laws and Commission precedent.

SCE's requests include the following, which the Commission has previously taken a position and that SCE asks the Commission to reconsider in this proceeding:

1. Customer Deposits

As discussed in Exhibit SCE-09, Volume 02, customer deposits are funds collected from customers for security against non-payment that will be returned to those same customers or used as a credit against their bills in the event of non-payment. This practice, which is widely followed by other utilities, protects other customers in the event the new customer defaults. As discussed in Exhibit SCE-09, SCE remains the only California electric utility that the Commission requires to offset rate base by the amount of customer deposits. In this 2018 GRC application, SCE asks the Commission to correct this aberrant policy and align SCE's ratemaking practice to the one applied to other California electric utilities.

2. Long-Term Incentives, Executive Short-Term Incentives, And Executive Benefits

As mentioned above, in its 2012 and 2015 GRCs, SCE submitted the results of a Total Compensation Study performed by an independent expert under the joint management of SCE and the Commission staff. Those studies showed that SCE's total compensation – salaries, benefits, and short- and long-term incentives – were essentially at market levels. Despite that result, the Commission's decisions in the 2012 and 2015 GRCs rejected SCE's requests to recover the costs of long-term incentive pay, and allowed only partial recovery of short-term incentives and benefits. In this 2018 GRC, SCE once again submits the results of a Total Compensation Study showing SCE's total compensation statistically equivalent to the market average and asks the Commission to reconsider this categorical rejection of long-term incentives and its partial rejection of short-term incentives and benefits. Such rejections are fundamentally incompatible with cost-of-service ratemaking principles and ignore evidence of SCE's market level compensation and the customer benefits arising from the use of variable pay programs. These ratemaking policy issues and customer benefits are discussed in Exhibit SCE-06, Volume 02. The Total Compensation Study report is provided in Exhibit SCE-06, Volume 03.

3. Equity Compensation for Non-Employee Directors

In its 2012 and 2015 GRCs, SCE sought recovery of total compensation for non-employee directors, including equity compensation, given that the law requires a corporate board and

these expenses were reasonable in amount and typical costs of conducting business in the State of California.[7] However, the Commission has denied SCE's request to recover equity compensation costs on the grounds that the primary functions of the Board of Directors include representing the interests of shareholders.[8] SCE respectfully notes that the duty of the Board of Directors is to act in the best interests of SCE as a whole, and equity compensation to directors reinforces focus on long-term interests for the benefit of customers and shareholders. In addition, market data shows that not only is the total compensation provided to directors reasonable, but the portion that consists of equity compensation is also reasonable. The reasonable compensation provided to directors, including equity compensation, is recoverable as a normal cost of business and supports SCE's overall mission of providing electric services to its customers.

E. Additional And Related Requests

1. Summary of Additional and Related Requests From Exhibit SCE-09, Volume 01

In addition to SCE's requests described above, SCE is also making several other requests, which are summarized below and explained in detail in the exhibits accompanying this application:

- **A Post-Test Year Ratemaking Mechanism For Years Between Test Year 2018 And SCE's Next GRC**

  SCE's proposal for Post-Test Year ratemaking, which would operate between 2018 and SCE's next GRC Test Year, is found in Exhibit SCE-09, Volume 01.[9]

- **Establishment of the DER Deferred Project Memorandum Account (DERDPMA)**

  Regarding SCE's deferral pilot program, SCE proposes the establishment of the DERDPMA to track the 2018 GRC authorized requirement associated with individual projects upon their deferral for refund to customers.[10]

- **Establishment of the PUC 706 SCE Officer Compensation Memorandum Account (SOCMA)**

  Pursuant to Public Utilities Code Section 706, which requires the establishment of a

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7 D.12-11-051, p. 494 and D.15-11-021, p. 309.
8 *Id*.
9 *See* Exhibit SCE-09 Vol. 01, Chapter X.
10 *See* Exhibit SCE-09 Vol. 01, Section IV.F.1.

ratemaking mechanism to track officer compensation costs, SCE proposes the establishment of the SOCMA.[11]

- **Modification of the Pole Loading and Deteriorated Pole Programs Balancing Account (PLDPBA)**

  SCE proposes to maintain the two-way PLDPBA during the 2018 GRC cycle and requests that the Commission eliminate any cap above authorized levels.[12]

- **Recovery of Residential Rate Implementation Recorded Costs and Modification of the Residential Rate Implementation Memorandum Account (RRIMA)**

  Pursuant to D.15-07-001, SCE requests that the Commission find reasonable SCE's recorded entries in the RRIMA and its forecast through December 2017 and authorize the transfer of the December 31, 2017 balance to SCE's Base Revenue Requirement Balancing Account (BRRBA) for cost recovery.[13] SCE also proposes to modify the RRIMA Preliminary Statement so that SCE will seek recovery of the 2018 through 2020 year-end recorded balance in its annual April 1 ERRA Review proceeding.[14]

- **Modification of the Safety and Reliability Investment Incentive Mechanism (SRIIM)**

  SCE proposes to modify portions of the capital spending categories and staffing components of the 2015 SRIIM approved in D.15-11-021.[15]

- **Recovery of 2012-2014 Bark Beetle CEMA Costs**

  SCE requests that the Commission find that the company's O&M expenses recorded in the Bark Beetle CEMA for the 2012-2014 period be found reasonable and authorize the transfer of the December 31, 2014 balance to SCE's BRRBA for cost recovery.[16]

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11 *See* Exhibit SCE-09 Vol. 01, Section IV.F.2.
12 *See* Exhibit SCE-09 Vol. 01, Section IV.F.3.
13 SCE will provide the most recent balance in this account and other accounts discussed below in the Update Phase of this GRC.
14 *See* Exhibit SCE-09 Vol. 01, Section IV.F.4.
15 *See* Exhibit SCE-02 Vol. 01, Sections II.A, II.B.1 and II.B.2, and Exhibit SCE-09, Vol. 1, Section IV.F.5.
16 *See* Exhibit SCE-09 Vol. 01, Section IV.F.6, and Exhibit SCE-12, Sections I.A and VII.

- **Elimination of the Project Development Division Memorandum Account (PDDMA)**

  SCE is no longer pursuing generation planning efforts. Thus, the PDDMA is no longer needed.[17]

- **Elimination of the Marine Corps Air Ground Combat Center Memorandum Account (MCAGCCMA) and Disposition of the After-Tax Gain On Sale**

  Given the Commission's approval of SCE's sale of certain distribution assets located at the United States Marine Corps Air Ground Combat Center, SCE requests that the Commission approve its proposed treatment of the associated gain on sale and the elimination of the MCAGCCMA.[18]

- **Recovery of the Edison SmartConnect Opt-Out Revenue Requirement and Recorded Costs and Elimination of the Edison SmartConnect Opt-Out Balancing Account (SOBA)**

  SCE requests that the Commission find reasonable SCE's recorded entries in the SOBA and its forecast through December 2017, and authorize the transfer of the December 31, 2017 balance to SCE's BRRBA for cost recovery. The Commission should approve SCE's Opt-out GRC revenue requirement proposal, which would eliminate the need for SCE to record the revenue requirement in the SOBA.[19]

- **Elimination of the Residential Services Disconnection (RSD) Memorandum Account (RSDMA) and Recovery of RSD Recorded Costs**

  SCE requests that the Commission find reasonable SCE's recorded entries in the RSDMA and its forecast through December 2017 and authorize the transfer of the December 31, 2017 balance to SCE's BRRBA for cost recovery.[20] SCE also requests that the Commission eliminate the RSDMA since pursuant to D.14-06-036 these activities will no longer be performed.

- **Elimination of the Energy Data Request Program (EDRP) Memorandum Account (EDRPMA) and Recovery of Energy Data Request Program Recorded Costs**

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17 *See* Exhibit SCE-09 Vol. 01, Section IV.F.7.
18 *See* Exhibit SCE-09 Vol. 01, Section IV.F.8.
19 *See* Exhibit SCE-03, Section III.B.3, and Exhibit SCE-09, Vol. 1, Section IV.F.9.
20 *See* Exhibit SCE-09 Vol. 01, Section IV.F.10.

SCE requests that the Commission find reasonable SCE's recorded entries in the EDRPMA and its forecast through December 2017 and authorize the transfer of the December 31, 2017 balance to SCE's BRRBA for cost recovery. The Commission should approve SCE's EDRP GRC revenue requirement proposal, which would eliminate the need for SCE to record the revenue requirement in the EDRPMA.[21]

- **Recovery of SCE's Customer Data Access (CDA) Project Costs**
  SCE's costs associated with the CDA Project are included in the GRC revenue requirement; therefore O&M cost recovery through the BRRBA is no longer necessary.[22]
- **Continuation of the Tax Accounting Memorandum Account (TAMA)**
  In SCE's March 18, 2016 Advice Letter 3314-E-B, SCE proposed to address future TAMA activities in the 2018 GRC proceeding. Therefore, SCE proposes the continuation of the TAMA.[23]
- **Continuation of the Post-Employment Benefit Other than Pensions Balancing Account (PBOPBA)**
  SCE proposes to continue the PBOPBA during the 2018 GRC cycle to record the difference between CPUC-authorized and recorded PBOP expenses.[24]
- **Continuation of the Pension Cost Balancing Account (PCBA)**
  SCE proposes to continue the PCBA during the 2018 GRC cycle to record the difference between CPUC-authorized and recorded pension expenses.[25]
- **Continuation of the Medical Programs Balancing Account (MPBA)**
  SCE proposes to continue the MPBA during the 2018 GRC cycle to record the difference between CPUC-authorized and recorded medical, dental, and vision expenses.[26]
- **Continuation of the Results Sharing Memorandum Account (RSMA)**
  SCE proposes to continue the RSMA during the 2018 GRC cycle to record the

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21 *See* Exhibit SCE-09 Vol. 01, Section IV.F.11.
22 *See* Exhibit SCE-09 Vol. 01, Section IV.F.12.
23 *See* Exhibit SCE-09 Vol. 02, Section III.2(a)(1), and Exhibit SCE-09 Vol. 01, Section IV.F.13.
24 *See* Exhibit SCE-06 Vol. 02, Sections IX.3, IX.4, and IX.5, and Exhibit SCE-09 Vol. 01, Section IV.F.14.
25 *See* Exhibit SCE-09 Vol. 01, Section IV.F.15.
26 *See* Exhibit SCE-09 Vol. 01, Section IV.F.16.

difference between CPUC-authorized and actual Results Sharing expenses paid out (and rename the account the Short Term Incentive Plan Memorandum Account (STIPMA)).[27]

2. Ongoing Efforts Stemming From 2009 and 2012 GRC Settlements With Disability Rights Advocates

In SCE's 2015 GRC, the Commission approved a joint proposal between SCE and the Center for Accessible Technology regarding the appointment of an accessibility coordinator at SCE and further activities to improve accessibility of SCE's operations. Since entering into that proposal, SCE and the Center for Accessible Technology have continued their dialogue to follow-up on accessibility issues. In this 2018 GRC, SCE and the Center of Accessible Technology have once again jointly developed testimony that supports SCE's continuing efforts to improve the accessibility of its operations. The joint testimony is found in Exhibit SCE-11.

F. Exhibits Supporting SCE's Request

SCE's application is accompanied by the following separately numbered exhibits. SCE is ready to proceed with its showing on these exhibits according to the schedule shown in Section II.C, below.[28]

2018 General Rate Case
Exhibit List

SCE-01 Policy
SCE-02 Transmission & Distribution
Volume 01 - Operational Overview and Risk-Informed Decision-Making
Volume 02 - Customer Driven Programs
Volume 03 - System Planning
Volume 04 - Distribution Maintenance and Inspection
Volume 05 - Distribution Construction and Maintenance
Volume 06 - Substation Construction and Maintenance
Volume 07 - Transmission Construction and Maintenance
Volume 08 - Infrastructure Replacement
Volume 09 - Poles
Volume 10 - Grid Modernization
Volume 11 - Grid Technology
Volume 12 - Safety, Training & Environmental Programs
Volume 13 - Other Costs, Other Operating Revenue

[27] *See* Exhibit SCE-09 Vol. 01, Section IV.F.17.

[28] In accordance with the Rate Case Plan (RCP), as modified by D.93-07-030 and D.07-07-004, pricing exhibits and presently effective and proposed tariffs will be addressed in the pricing phase of this case.

2018 General Rate Case
Exhibit List

SCE-03 Customer Service
SCE-04 Information Technology
Volume 01 – O&M and Hardware
Volume 02 - Capitalized Software
Volume 03 - Customer Service Re-Platform
SCE-05 Power Supply
Volume 01 - Nuclear (Palo Verde)
Volume 02 - Energy Procurement
Volume 03 - Hydro O&M and Capital
Volume 04 - Mountainview, Peakers, and Mohave Closure
Volume 05, Part 1 - Solar Photovoltaic and Fuel Cells
Volume 05, Part 2 - Catalina
SCE-06 Human Resources
Volume 01 – O&M
Volume 02 - Benefits and Other Compensation
Volume 03 - Total Compensation Study
SCE-07 Operational Services
Volume 01 - Business Resiliency
Volume 02 - Corporate Environmental Services
Volume 03 - Corporate Real Estate
Volume 04 - Corporate Health and Safety
Volume 05 - Corporate Security
Volume 06 - Supply Management & Supplier Diversity
Volume 07 - Transportation Services
SCE-08 Administrative & General
Volume 01 - Ethics and Compliance
Volume 02 - Regulatory Affairs, Corporate Communications & Local Public Affairs
Volume 03 - Financial Services, Audits and Enterprise Risk Management
Volume 04 – Legal (Law, Claims, and Workers' Compensation and Disability Management)
Volume 05 - Property and Liability Insurance
SCE-09 Results of Operations
Volume 01 - Requested Revenue Requirements, Ratemaking, Forecasts of Sales, Other Operating Revenue, Cost Escalation, Post-Year Ratemaking
Volume 02 - Plant and Reserve, Depreciation Expense, Taxes, and Rate Base
Volume 03 - Depreciation Study
SCE-10 Compliance Requirements from 2009-2015 GRC Decisions Requirements From Other Proceedings and or Settlements

2018 General Rate Case
Exhibit List

SCE-11 Testimony Regarding Accessibility Issues – Developed Jointly By SCE And Center For Accessible Technology
SCE-12 Catastrophic Event Memorandum Account Testimony – 2012-2014 Bark Beetle
SCE-13 Witness Qualifications

II.

STATUTORY AND REGULATORY REQUIREMENTS

A. Statutory And Other Authority – Rule 2.1

Rule 2.1 requires that all applications: (1) clearly and concisely state authority or relief sought; (2) cite the statutory or other authority under which that relief is sought; and, (3) be verified by the applicant. Rules 2.1(a), 2.1(b), and 2.1(c) set forth further requirements that are addressed separately below. The relief being sought is summarized in Sections I (Summary of the Reasons for SCE's Request) and IV (Conclusion), and is further described in the testimony accompanying this application. The statutory and other authority under which this relief is being sought include California Public Utilities Code Sections 314.5, 377, 451, 454, 463, 463.5, 491, 701, 728, 728.1, 729, 740.1, 795, *et al*., the Commission's Rules of Practice and Procedure, and prior decisions, orders, and resolutions of this Commission, including D. 14-12-025. This application has been verified by an SCE officer as provided in Rule 1.11.

B. Legal Name And Correspondence – Rules 2.1(a) And 2.1(b)

Pursuant to Rules 2.1(a) and 2.1(b),[29] SCE is a public utility organized and existing under the laws of the State of California. The location of SCE's principal place of business is: 2244 Walnut Grove Avenue, Rosemead, California.

Correspondence or communications regarding this application should be addressed to:

[29] Rule 2.1(a) requires the application to state the exact legal name of the applicant and location of its principal place of business, and, if a corporation, the state under the laws of which the applicant was organized. Rule 2.1(b) requires the application to state the name, title, address, telephone number, facsimile transmission number, and e-mail address of the person to whom correspondence or communications in regard to the application are to be addressed.

Alejandra Arzola
Case Administrator
Southern California Edison Company
Post Office Box 800
8631 Rush Street
Rosemead, California 91770
Telephone: (626) 302-3062
Facsimile: (626) 302-6693
E-mail: scegrc@sce.com

C. Proposed Categorization, Need For Hearings, Issues To Be Considered, Proposed Schedule – Rule 2.1(c)

Commission Rule 2.1(c) requires that all applications shall state "the proposed category for the proceeding, the need for hearing, the issues to be considered including relevant safety considerations, and a proposed schedule."[30] SCE proposes this application be designated a "ratesetting" proceeding, as defined in California Public Utilities Code §1701.1(c)(3) and Rule 1.3(e).[31] The need for hearings and the issues (including safety issues) to be considered in such hearings will depend in large part on the degree to which other parties contest SCE's request. In Exhibit SCE-07, Volume 4, SCE provides testimony on its corporate safety programs. In addition, where relevant, SCE has included testimony on relevant risk factors, including safety and reliability, in the other volumes of testimony.

SCE's proposed procedural schedule is based on the Commission's modified Rate Case Plan (RCP) schedule from D. 14-12-025. SCE has made a modification to accommodate ORA's request to have its testimony served in April 7, 2017 instead of February 20, 2017. To the RCP schedule, SCE has added proposed dates for responses or protests to this application (Rule 2.6) and a placeholder for oral arguments (Rule 13.13) and a settlement conference (Rule 12.1).[32]

Finally, while the RCP provides for public participation hearings in the applicant utility's service territory, SCE requests that a portion of the evidentiary hearings for the 2018 GRC be held in southern California. The Commission held two days of evidentiary hearings in southern California for both SCE's

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30 TITLE 20 CAL. CODE REGS. Div. 1, Art. 2, §2.1.

31 "Ratesetting cases, for purposes of this article, are cases in which rates are established for a specific company, including, but not limited to, general rate cases, performance-based ratemaking, and other ratesetting mechanisms." CAL. PUB. UTIL. CODE §1701.1(c)(3). "'Ratesetting' proceedings are proceedings in which the Commission sets or investigates rates for a specifically named utility (or utilities), or establishes a mechanism that in turn sets the rates for a specifically named utility (or utilities)." TITLE 20 CAL. CODE REGS §1.3(e).

32 SCE's proposed schedule provides for a settlement conference following evidentiary hearings. However, whether and precisely when such a conference might take place cannot be determined at this time.

2009 GRC (A.07-11-011) and SCE's 2012 GRC (A.10-11-015). The witnesses that sponsor SCE's proposals in this application reside in southern California. Travel to and from the Commission's San Francisco offices for those witnesses, plus SCE's attorneys and other support staff, is costly, both in terms of direct costs and time away from other duties. Those costs are ultimately passed on to SCE's ratepayers. SCE therefore requests that the Commission schedule at least a portion of the evidentiary hearings for this 2018 GRC application in southern California. Although there was no webcast of SCE's 2015 GRC, for the same reasons described above, SCE also requests that the evidentiary hearings in this case be webcast, as they were in SCE's 2009 GRC.

SCE's 2018 General Rate Case Proposed Schedule

September 1, 2016	GRC Application filed
September 2, 2016	Application appears on CPUC Calendar
October 3, 2016	Protests to Application due
October 13, 2016	Reply to Protests due
By October 15, 2016	SCE holds public workshop on overall GRC application
By October 31, 2016	PHC held
By April 7, 2017	ORA serves opening testimony
By May 2, 2017	Intervenors serve opening testimony
By June 16, 2017	Concurrent rebuttal testimony served
April/May 2017	Public participation hearings
July/August 2017	Evidentiary hearings held
August 2017	Settlement conference
To be decided	Opening briefs filed
To be decided	Reply briefs filed
July/August 2017	Update testimony and hearings, if needed
November/December 2017	Proposed Decision
December 2017	Oral arguments on ALJ Proposed Decision
January 2018	Final Decision

D. Organization And Qualification To Transact Business – Rule 2.2

In compliance with Rule 2.2,[33] a copy of SCE's Certificate of Restated Articles of Incorporation, effective on March 2, 2006, and presently in effect, certified by the California Secretary of State, was filed with the Commission on March 14, 2006, in connection with Application No. 06-03-020,[34] and is by reference made a part hereof.

A copy of SCE's Certificate of Determination of Preferences of the Series D Preference Stock filed with the California Secretary of State on March 7, 2011, and presently in effect, certified by the California Secretary of State, was filed with the Commission on April 1, 2011, in connection with Application No. 11-04-001, and is by reference made a part hereof.

A copy of SCE's Certificate of Determination of Preferences of the Series E Preference Stock filed with the California Secretary of State on January 12, 2012, and a copy of SCE's Certificate of Increase of Authorized Shares of the Series E Preference Stock filed with the California Secretary of State on January 31, 2012, and presently in effect, certified by the California Secretary of State, were filed with the Commission on March 5, 2012, in connection with Application No. 12-03-004, and are by reference made a part hereof.

A copy of SCE's Certificate of Determination of Preferences of the Series F Preference Stock filed with the California Secretary of State on May 5, 2012, and presently in effect, certified by the California Secretary of State, was filed with the Commission on June 29, 2012, in connection with Application No. 12-06-017, and is by reference made a part hereof.

A copy of SCE's Certificate of Determination of Preferences of the Series G Preference Stock filed with the California Secretary of State on January 24, 2013, and presently in effect, certified by the California Secretary of State, was filed with the Commission on January 31, 2013, in connection with Application No. 13-01-016, and is by reference made a part hereof.

A copy of SCE's Certificate of Determination of Preferences of the Series H Preference Stock, filed with the California Secretary of State on February 28, 2014, and presently in effect, certified by the California Secretary of State, was filed with the Commission on March 24, 2014, in connection with Application No. 14-03-013, and is by reference made a part hereof.

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[33] Rule 2.2 requires the applicant to submit a copy of its organizing documents and evidence of its qualification to transact business in California, or to refer to that documentation if previously filed with the Commission.

[34] Application 06-03-020, *For Approval of Early Transfer of Anaheim's Share of SONGS 2&3 to SCE*.

A copy of SCE's Certificate of Determination of Preferences of the Series J Preference Stock, filed with the California Secretary of State on August 19, 2015, and presently in effect, certified by the California Secretary of State, was filed with the Commission on October 2, 2015, in connection with Application No. 15-10-001, and is by reference made a part hereof.

A copy of SCE's Certificate of Determination of Preferences of the Series K Preference Stock, filed with the California Secretary of State on March 2, 2016, and presently in effect, certified by the California Secretary of State, was filed with the Commission on April 1, 2016, in connection with Application No. 16-04-001, and is by reference made a part hereof.

Certain classes and series of SCE's capital stock are listed on a "national securities exchange" as defined in the Securities Exchange Act of 1934 and copies of SCE's latest Annual Report to Shareholders and its latest proxy statement sent to its stockholders has been filed with the Commission with a letter of transmittal dated March 18, 2016, pursuant to General Order Nos. 65-A and 104-A of the Commission.

E. Balance Sheet And Income Statement – Rule 2.3(h) and Rule 3.2(a)(1)

Appendix A to this application contains copies of SCE's balance sheet as of June 30, 2016, and income statement for the period ended June 30, 2016, the most recent period available.

F. Present And Proposed Rates – Rule 3.2(a)(2) And Rule 3.2(a)(3)

The presently effective rates proposed to be changed, and the changes proposed to be made thereto are addressed in Exhibit SCE-09, Volume 01. Proposed tariff sheets reflecting our revenue allocation and rate design proposals will be addressed in Phase 2 of this proceeding.

If the Commission were to allocate the increase in 2018 revenues shown in Table 1 to SCE's customer groups on a System Average Percentage Change (SAPC) basis, the impact on each customer group would be as shown in Table 2.

TABLE 2
Estimated Impact Of This Request On Customer Rates

Customer Group	System Revenues ($000)			Bundled (¢/kWh)	
	Current Revenues ($000) [1]	2018 GRC Proposed	% Change over Current	Current Rates (¢/kWh) [1]	Proposed Average Rates
Residential	4,729,345	162,047	3.43%	17.15	17.73
Lighting - Small and Medium Power	4,112,709	105,161	2.56%	15.59	15.97
Large Power	1,804,479	34,212	1.90%	10.78	10.95
Agricultural and Pumping	387,371	8,410	2.17%	11.86	12.11
Street and Area Lighting	126,305	297	0.24%	17.04	17.08
Standby	257,361	2,817	1.09%	8.97	9.04
Total	**11,417,570**	**312,945**	**2.74%**	**14.87**	**15.26**

[1] "Current": Jun 01, 2016 rates with 2018 sales forecasts

The increases shown in Table 2 are illustrative only. As mentioned earlier, revenue allocation and rate design issues associated with this filing will be addressed in a separate phase.

G. Description Of SCE's Property And Equipment, Original Cost Thereof, And Depreciation Reserve – Rule 3.2(a)(4)

SCE's service territory is located throughout central and southern California, and includes approximately 200 incorporated communities as well as outlying rural territories. A list of the counties and municipalities served by SCE is attached hereto as Appendix B.

SCE is engaged in the business of generating, transmitting, and distributing electric energy in portions of central and southern California. In addition to its properties in California, SCE owns, jointly with others, a facility located in Arizona. SCE's share of these facilities produces electric energy for use by SCE customers in California.

SCE owns and operates 33 hydroelectric plants located throughout central and southern California, one combined-cycle gas plant with two units, five gas-fired peaker units, a diesel-driven electric generating plant, and 25 solar photovoltaic sites (rooftop solar plants in southern California, as well as one ground-based solar plant located in central California). SCE has a 78.21% interest in San Onofre Nuclear Generating Station (SONGS) Units 2 and 3 located in southern California. SCE does not operate, but owns 15.8% interest in Palo Verde Nuclear Generating Station Units 1, 2, and 3 located in Arizona.

Pursuant to Commission Order in Decision No. 49665, dated February 16, 1954, SCE has, since 1954, used straight-line remaining life depreciation for computing book depreciation expense for accounting and ratemaking purposes. The original cost and depreciation reserve applicable to SCE's property and equipment are shown in the Balance Sheet attached as Appendix A of this application, and

in the schedules included as Exhibit SCE-09 (Depreciation Study) of the testimony supporting this application.

H. Summary Of Earnings – Rule 3.2(a)(5)

A summary of earnings is shown in Table 1, above.

I. Tax Depreciation – Rule 3.2(a)(7)

Pursuant to Commission Decision No. 59926, dated April 12, 1960, SCE uses accelerated depreciation for income tax purposes and "flows through" reductions in income tax to ratepayers within the Commission's jurisdiction for property placed in service prior to 1981. Pursuant to Decision No. 93848 in Order Instituting Investigation (OII) No. 24, SCE uses the Accelerated Cost Recovery System (ACRS) in determining depreciation for federal income tax purposes and "normalizes" the depreciation timing differences to ratepayers for property placed in service after 1980 in compliance with the Economic Recovery Tax Act of 1981. Pursuant to Decision No. 86-01-061 in OII No. 86-11-019, Phase II, SCE uses the Modified Accelerated Cost Recovery System (MACRS) in determining depreciation for federal income tax purposes and, in compliance with the Tax Reform Act of 1986, continues to "normalize" depreciation timing differences to ratepayers for property placed in service after 1986.

J. Proxy Statement – Rule 3.2(a)(8)

Certain classes and series of SCE's and Edison International's (SCE's parent company) capital stock are listed on a "National Securities Exchange" as defined in the Securities Exchange Act of 1934.

Three copies of the 2016 Edison International and SCE joint proxy statement were provided to the Commission in compliance with Ordering Paragraph No. 1 of Decision No. 88-01-063, Condition No. 5d, by a letter of transmittal dated March 18, 2016.

K. Statement Pursuant To Rule 3.2(a)(10)

Rule 3.2(a)(10)[35] requires that the "application of electrical … corporations shall separately state whether or not the increase reflects and passes through to customers only increased costs to the corporation for the services or commodities furnished by it." SCE's application includes a request for authorization to add various capital expenditures to rate base. These requested rate base additions would earn a return on, as well as a return of capital. In that sense, SCE's request in this proceeding is not limited to passing through to customers "only increased costs to the corporation for the services or commodities furnished by it."

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[35] Rule 3.2(a)(9) applies only to telephone utilities, so is not addressed in this application.

L. Service Of Notice – Rules 3.2(b), 3.2(c), 3.2(d)

As required by Rule 3.2(b), a notice stating in general terms the proposed increases in rates will be mailed to the designated officials of the state and the counties and cities listed in Appendix B. As required by Rule 3.2(c), notice will be published in a newspaper of general circulation in each county in SCE's service territory within which the rate changes would be effective. A list of the cities and counties affected by the increases proposed in this application is attached as Appendix B. Finally, pursuant to Rule 3.2(d), notice shall be furnished to customers affected by the proposed increase by including such notice with the regular bills mailed to those customers. Finally, pursuant to Rule 3.2(e), SCE will file proof of compliance with the notice requirements of Rule 3.2(b)-(d) within 20 days after compliance with the last of these subsections that is applicable.

M. Treatment of Confidential Information

On August 18, 2016, the Commission issued a proposed decision in R.14-11-001 regarding the submission of confidential information to the Commission. SCE's September 1, 2016 submission of confidential information to the Commission (testimony, workpapers, and data request responses) complies with the requirements of the August 18, 2016 decision. As such, SCE has submitted a declaration executed by an officer supporting SCE's submission of any confidential master data request response and any volume of testimony or workpaper that contains confidential information.

N. Other Information

In Appendix A of Decision No. 07-07-004 on the Rate Case Plan,[36] the Commission required the submission of a compliance exhibit as part of the utilities' Notice of Intent (NOI) for a general rate case application.[37] Although SCE is no longer required to submit an NOI,[38] SCE has still submitted a compliance exhibit as Exhibit SCE-10.[39]

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36 Decision No. 07-07-004, Appendix A, pp. A.30 – A.33.

37 *See* Section 7.A on p. A-32 of Appendix A in Decision No. 07-07-004 ("All studies and information required to be submitted in the rate case by the Commissioner in prior rate decisions and subsequent policy statements of decisions."

38 *See* Decision No. 14-12-025 where the CPUC eliminated the requirement for utilities to submit an NOI.

39 In addition, SCE is still submitting in its 2018 GRC other requirements previously identified for the NOI such as five years of recorded data, adjustments, etc. *See* page A-31 of Appendix A in D. 07-07-004. SCE continues to not submit information on demand side management, resource plan, and rate design in its Phase I GRC submission for the reasons stated in SCE's 2015 Application (A. 13-11-003).

O. Service List

The official service list has not yet been established in this proceeding. SCE is thus serving this application on the service list established by the Commission in SCE's 2015 General Rate Case in A.13-11-003.

III.
CONCLUSION

SCE respectfully asks the Commission to authorize the revenue adjustments and other requests included herein to become effective January 1, 2018, and to issue its decision:

1. Finding reasonable the requested ABRR and ordering that ABRR to be made effective January 1, 2018;
2. Ordering the concurrent withdrawal and cancellation of existing rates, charges, and classifications to be superseded by rates and other tariff changes that reflect the revenues requested herein;
3. Rendering Findings of Fact and Conclusions of Law, and issuing Orders consistent with the materials accompanying this filing; and,
4. Granting such other relief as the Commission finds to be just and reasonable.

Respectfully submitted,

SOUTHERN CALIFORNIA EDISON COMPANY

KRIS G. VYAS
GLORIA M. ING

/s/ Kris G. Vyas
By: Kris G. Vyas

Attorneys for
SOUTHERN CALIFORNIA EDISON COMPANY

2244 Walnut Grove Avenue
Post Office Box 800
Rosemead, California 91770
Telephone: (626) 302-6613
Facsimile: (626) 302-6693
E-mail: scegrc@sce.com

DATE: September 1, 2016

Appendix A

Financial Statements,

Including Income Statement And Balance Sheet

SOUTHERN CALIFORNIA EDISON COMPANY
"FINANCIAL STATEMENT" AS DEFINED BY RULE 2.3, OF THE
RULES OF PROCEDURE GOVERNING FORMAL PROCEEDINGS BEFORE THE
PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

June 30, 2016

(a) Amount and kinds of stock authorized by articles of incorporation and amount outstanding.

	Number of Shares	Par Value Per Share
Amount and kinds of stock authorized:		
$25 Cumulative preferred	24,000,000	$25
$100 Cumulative preferred	12,000,000	$100
Preference	50,000,000	None
Common	560,000,000	None

	Number of Shares	Amount Outstanding (in millions)
Amounts and kinds of stock issued and outstanding:		
$25 Cumulative preferred:		
4.08% Series	650,000	$ 16
4.24% Series	1,200,000	30
4.32% Series	1,653,429	41
4.78% Series	1,296,769	33
$1,000 liquidation value, cumulative preference:		
Series E	350,000	350
$2,500 liquidation value, cumulative preference:		
Series F*	190,004	475
$2,500 liquidation value, cumulative preference:		
Series G*	160,004	400
$2,500 liquidation value, cumulative preference:		
Series H*	110,004	275
$2,500 liquidation value, cumulative preference:		
Series J*[1]	130,004	325
$2,500 liquidation value, cumulative preference:		
Series K*[2]	120,004	300
Common Stock, no par value	434,888,104	2,168
Total		$ 4,413

* Issued to an SCE Trust in guarantee of an issue of Trust Preference Securities.
[1] Issued in August, 2015.
[2] Issued in March, 2016.

(b) Terms of preference and preferred stock, whether cumulative or participating, or on dividends or assets, or otherwise.

Each share of Common Stock is entitled to one vote. Each share of Cumulative Preferred Stock, 4.08% Series, 4.24% Series, 4.32% Series and 4.78% Series, is entitled to six votes. Shares of Preference Stock are not entitled to vote. For terms of preference, etc., see Applicant's Restated Articles of Incorporation dated March 2, 2006 ("Articles"), filed March 14, 2006, with Application 06-03-020. The terms of the Cumulative Preferred Stock are set forth in the Articles. Terms of additional series of Preference Stock are set forth in Certificates of Determination of Preferences as follows: Series F Preference Stock, filed June 29, 2012, with Application 12-06-017; Series G Preference Stock, filed January 31, 2013, with Application 13-01-016; Series H Preference Stock, filed March 24, 2014, with Application 14-03-013; Series J Preference Stock, filed October 2, 2015, with Application 12-06-017; and Series K Preference Stock, filed April 1, 2016, with Application 16-04-001. All shares of Series B Preference Stock, Series C Preference Stock, Series D Preference Stock, and Series E Preference Stock have been redeemed and are no longer outstanding.

(c) Brief description of each security agreement, mortgage and deed of trust upon applicant's property, showing date of execution, debtor and secured party, mortgagor and mortgagee, and trustor and beneficiary, amount of indebtedness authorized to be secured thereby, and amount of indebtedness actually secured, together with any sinking fund provisions.

Trustor, Southern California Edison Company; Trustee, The Bank of New York Mellon Trust Company, N.A., successor in 2005 to The Bank of New York, successor in 2000 to Harris Trust and Savings Bank, and Trustee, D.G. Donovan, successor in 1993 to R. G. Mason, successor in 1983 to Wells Fargo Bank, National Association, successor in 1970 to Security Pacific National Bank, successor by consolidation and merger in 1935 to Pacific-Southwest Trust and Savings Bank; bonds authorized and outstanding are as follows:

Series	Date of Issue	Due Date	Interest Rate	Principal Balance (in millions)
Tax-Exempt Indebtedness [1]:				
Palo Verde Pollution Control Bonds:				
Maricopa County, AZ 2000 Series A and B [2]	7/19/2000	6/1/2035	5.00%	$ 144.400
Four Corners Pollution Control Bonds:				
City of Farmington, NM 2005 Series A and B [2]	3/23/2005	4/1/2029	1.875%	$ 203.460
City of Farmington, NM 2011 Series [2]	5/19/2011	4/1/2029	1.875%	$ 55.540
Mohave Pollution Control Bonds:				
Clark County, NV 2010 Series [2]	12/16/2010	6/1/2031	1.875%	$ 75.000
SONGS Pollution Control:				
CPCFA 2011 Series [2, 3]	9/1/2011	9/1/2031	Variable	$ 30.000
CSCDA 2010 Series A [2]	9/21/2010	9/1/2029	4.50%	$ 100.000
CSCDA 2006 Series A [2]	4/12/2006	4/1/2028	1.375%	$ 157.500
CSCDA 2006 Series B [2]	4/12/2006	4/1/2028	1.90%	$ 38.500
CSCDA 2006 Series C-D [4]	4/12/2006	11/1/2033	4.25%	$ 135.000
Taxable Indebtedness [1]:				
Series 2004B	1/14/2004	1/15/2034	6.00%	525
Series 2004G	3/26/2004	4/1/2035	5.75%	350
Series 2005B	1/19/2005	1/15/2036	5.55%	250
Series 2005E	6/27/2005	7/15/2035	5.35%	350
Series 2006A	1/31/2006	2/1/2036	5.625%	350
Series 2006E	12/11/2006	1/15/2037	5.55%	400
Series 2008A	1/22/2008	2/1/2038	5.95%	600
Series 2008B	8/18/2008	8/15/2018	5.50%	400
Series 2009A	3/20/2009	3/15/2039	6.05%	500
Series 2010A	3/11/2010	3/15/2040	5.50%	500
Series 2010B	8/30/2010	9/1/2040	4.50%	500
Series 2011A	5/17/2011	6/1/2021	3.875%	500
Series 2011E	11/22/2011	12/1/2041	3.90%	250
Series 2012A	3/13/2012	3/15/2042	4.05%	400
Series 2013A	3/7/2013	3/15/2043	3.90%	400
Series 2013C	10/2/2013	10/1/2013	3.50%	600
Series 2013D	10/2/2013	10/1/2043	4.65%	800
Series 2014B	5/9/2014	5/1/2017	1.125%	400
Series 2014C	11/7/2014	11/1/2017	1.25%	100
Series 2015A	11/16/2015	2/1/2022	1.845%	471
Series 2015B	11/16/2015	2/1/2022	2.40%	325
Series 2015C	11/16/2015	2/1/2045	3.60%	425
				10,335

[1] None of SCE's debt obligations have sinking fund provisions.
[2] Secured by first and refunding mortgage bonds.
[3] Held by SCE.
[4] Secured by SCE's first and refunding mortagage bonds, but payment of interest and principal guaranteed by bond insurance.

(d) Amounts of bonds authorized and issued, giving name of the public utility which issued same, describing each class separately, and giving date of issue, par value, rate of interest, date of maturity and how secured, together with amount of interest paid thereon during the last fiscal year.

For the 12 months ended December 31, 2015, interest in the amount of $453 million was paid on all bonds issued and outstanding. For other data required by this subparagraph (d), see response to subparagraph (c).

(e) Each note outstanding, giving date of issue, amount, date of maturity, rate of interest, in whose favor, together with amount of interest paid thereon during the last fiscal year.

For the 12 months ended December 31, 2015, interest in the amount of $20 million was paid on all notes issued and outstanding. For other data required by this subparagraph (e), see response to subparagraph (f).

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(f) Other indebtedness, giving same by classes and describing security, if any, with a brief statement of the devolution or assumption of any portion of such indebtedness upon or by any person or corporation if the original liability has been transferred, together with amount of interest paid thereon during the last fiscal year.

(1) Other Long-Term Debt	Date of Issue	Due Date	Interest Rate	Principal Balance (in millions)
Taxable Indebtedness (unsecured):				
1999 6.65% Notes	4/6/1999	4/1/2029	6.65%	$ 300
5.06% Fort Irwin Acquisition Debt	8/1/2003	8/1/2053	5.06%	7
				307

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(2) Current Liabilities:	(in millions)	
Short-term debt	$ 506	
Current portion of long-term debt	479	
Accounts payable	1,163	
Accrued taxes	37	
Customer deposits	257	
Derivative liabilities	195	
Regulatory liabilities	1,072	
Other current liabilities	684	$ 4,393
(3) Deferred Credits:		
Deferred income taxes and credits	9,509	
Derivative liabilities	1,100	
Pensions and benefits	1,292	
Asset retirement obligations	2,588	
Regulatory liabilities	6,017	
Other deferred credits and other long-term liabilities	1,786	22,292
Total		$ 26,685

No security was given to cover above debts in items (2) and (3).
Interest, if any, will be paid when paying principal.

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(g) Rate and amount of dividends paid during the five previous fiscal years, and the amount of capital stock on which dividends were paid each year.

Year Ending December 31, 2011

Class of Stock	Number of Shares Outstanding*	Dividends Paid	Dividend Rate Per Annum
Cum. Pfd. 4.08%	650,000	$663,000.49	4.08%
Cum. Pfd. 4.24%	1,200,000	$1,272,000.54	4.24%
Cum. Pfd. 4.32%	1,653,429	$1,785,703.32	4.32%
Cum. Pfd. 4.78%	1,296,769	$1,549,641.93	4.78%
Preference Stock. Series A	4,000,000	$23,100,000.00	Variable Rate
Preference Stock. Series B	2,000,000	$12,250,000.00	6.125%
Preference Stock. Series C	2,000,000	$12,000,000.00	6.000%
Preference Stock. Series D	1,250,000	$5,890,625.00	6.500%

Year Ending December 31, 2012

Class of Stock	Number of Shares Outstanding*	Dividends Paid	Dividend Rate Per Annum
Cum. Pfd. 4.08%	650,000	$663,000.00	4.08%
Cum. Pfd. 4.24%	1,200,000	$1,272,000.00	4.24%
Cum. Pfd. 4.32%	1,653,429	$1,785,704.00	4.32%
Cum. Pfd. 4.78%	1,296,769	$1,549,640.00	4.78%
Preference Stock. Series A	3,250,000	$16,895,150.00	Variable Rate
Preference Stock. Series B	2,000,000	$12,250,000.00	6.125%
Preference Stock. Series C	2,000,000	$12,000,000.00	6.000%
Preference Stock. Series D	1,250,000	$8,125,000.00	6.500%
$1,000 Preference Stock. Series E	350,000	$11,788,194.00	6.250%
$2,500 Preference Stock. Series F	190,004	$15,512,045.00	5.625%

* Denotes maximum number of shares that were outstanding during the year.

SOUTHERN CALIFORNIA EDISON COMPANY

Year Ending December 31, 2013

Class of Stock	Number of Shares Outstanding*	Dividends Paid	Dividend Rate Per Annum
Cum. Pfd. 4.08%	650,000	$663,000.44	4.08%
Cum. Pfd. 4.24%	1,200,000	$1,272,000.51	4.24%
Cum. Pfd. 4.32%	1,653,429	$1,785,703.32	4.32%
Cum. Pfd. 4.78%	1,296,769	$1,549,641.60	4.78%
Preference Stock. Series A	3,250,000	$14,933,750.00	Variable Rate
Preference Stock. Series B**	2,000,000	$2,007,600.00	6.130%
Preference Stock. Series C**	2,000,000	$3,933,400.00	6.000%
Preference Stock. Series D	1,250,000	$8,125,000.00	6.500%
$1,000 Preference Stock. Series E	350,000	$21,875,000.00	6.250%
$2,500 Preference Stock. Series F	190,004	$26,719,312.52	5.630%
$2,500 Preference Stock. Series G	160,004	$17,907,114.39	5.100%

Year Ending December 31, 2014

Class of Stock	Number of Shares Outstanding*	Dividends Paid	Dividend Rate Per Annum
Cum. Pfd. 4.08%	650,000	$663,000.44	4.08%
Cum. Pfd. 4.24%	1,200,000	$1,272,000.46	4.24%
Cum. Pfd. 4.32%	1,653,429	$1,785,703.32	4.32%
Cum. Pfd. 4.78%	1,296,769	$1,549,641.46	4.78%
Preference Stock. Series A	3,250,000	$16,030,625.00	Variable Rate
Preference Stock. Series D	1,250,000	$8,125,000.00	6.500%
$1,000 Preference Stock. Series E	350,000	$21,875,000.00	6.250%
$2,500 Preference Stock. Series F	190,004	$26,719,312.52	5.630%
$2,500 Preference Stock. Series G	160,004	$20,400,510.00	5.100%
$2,500 Preference Stock. Series H	110,004	$12,255,133.13	5.750%

Year Ending December 31, 2015

Class of Stock	Number of Shares Outstanding*	Dividends Paid	Dividend Rate Per Annum
Cum. Pfd. 4.08%	650,000	$663,000.00	4.08%
Cum. Pfd. 4.24%	1,200,000	$1,272,000.00	4.24%
Cum. Pfd. 4.32%	1,653,429	$1,785,703.00	4.32%
Cum. Pfd. 4.78%	1,296,769	$1,549,639.00	4.78%
Preference Stock. Series A	-	$11,935,086.00	Variable Rate
Preference Stock. Series D	-	$8,125,000.00	6.500%
$1,000 Preference Stock. Series E	350,000	$21,875,000.00	6.250%
$2,500 Preference Stock. Series F	190,004	$26,719,313.00	5.625%
$2,500 Preference Stock. Series G	160,004	$20,400,510.00	5.100%
$2,500 Preference Stock. Series H	110,004	$15,813,075.00	5.750%
$2,500 Preference Stock. Series J	130,004	$5,386,364.00	5.375%

* Denotes maximum number of shares that were outstanding during the year.

** Preference Stock Series B & C were redeemed by SCE on 02/28/2013.

STATEMENT OF INCOME
SIX MONTHS ENDED JUNE 30, 2016

(In millions)

OPERATING REVENUE	$ 5,204
OPERATING EXPENSES:	
Purchase power and fuel	1,858
Other operation and maintenance	1,290
Depreciation, decommissioning and amortization	978
Property and other taxes	176
Total operating expenses	4,302
OPERATING INCOME	902
Interest and other income	65
Interest expense	(265)
Other expenses	(19)
INCOME BEFORE INCOME TAX	683
INCOME TAX	21
NET INCOME	662
Less: Preferred and preference stock dividend requirements	61
NET INCOME AVAILABLE FOR COMMON STOCK	$ 601

SOUTHERN CALIFORNIA EDISON COMPANY

BALANCE SHEET
JUNE 30, 2016
ASSETS
(in millions)

UTILITY PLANT:		
Utility plant, at original cost	$	41,076
Less- accumulated provision for depreciation and decommissioning		8,531
		32,545
Construction work in progress		2,952
Nuclear fuel, at amortized cost		132
		35,629
OTHER PROPERTY AND INVESTMENTS:		
Nonutility property - less accumulated depreciation of $78		76
Nuclear decommissioning trusts		4,344
Other investments		170
		4,590
CURRENT ASSETS:		
Cash and equivalents		20
Receivables, less allowances of $56 for uncollectible accounts		784
Accrued unbilled revenue		681
Inventory		254
Prepaid taxes		0
Derivative assets		65
Regulatory assets		478
Other current assets		192
		2,474
DEFERRED CHARGES:		
Regulatory assets		7,792
Derivative assets		69
Other long-term assets		227
		8,088
	$	50,781

SOUTHERN CALIFORNIA EDISON COMPANY

BALANCE SHEET
JUNE 30, 2016
CAPITALIZATION AND LIABILITIES
(in millions)

CAPITALIZATION:		
Common stock	$	2,168
Additional paid-in capital		656
Accumulated other comprehensive loss		(20)
Retained earnings		9,023
Common shareholder's equity		11,827
Preferred and preference stock		2,245
Long-term debt		10,024
Total capitalization		24,096
CURRENT LIABILITIES:		
Short-term debt		506
Current portion of long-term debt		479
Accounts payable		1,163
Accrued taxes		37
Accrued interest		0
Customer deposits		257
Derivative liabilities		195
Regulatory liabilities		1,072
Other current liabilities		684
		4,393
DEFERRED CREDITS:		
Deferred income taxes and credits		9,509
Deferred investment tax credits		0
Customer advances		0
Derivative liabilities		1,100
Pensions and benefits		1,292
Asset retirement obligations		2,588
Regulatory liabilities		6,017
Other deferred credits and other long-term liabilities		1,786
		22,292
NONCONTROLLING INTERESTS		0
	$	50,781

SOUTHERN CALIFORNIA EDISON COMPANY

DETAIL OF UTILITY PLANT AND ACCUMULATED PROVISION
FOR DEPRECIATION BY CLASS
June 30, 2016

UTILITY PLANT
(in millions)

CLASS		
Production	$	3,284
Transmission		11,931
Distribution		21,574
General		2,783
Intangible		1,469
Other utility plant		34
Total utility plant, at original cost less contributions	$	41,075

ACCUMULATED PROVISION FOR DEPRECIATION
(in millions)

CLASS		
Production	$	1,010
Transmission		1,718
Distribution		4,725
General		1,002
Intangibles		722
Other utility plant		24
Retirement work in progress		(670)
Total accumulated provision for depreciation	$	8,531

Source: John McCarson
Danielle Black

Appendix B

List Of Cities And Counties

SOUTHERN CALIFORNIA EDISON

An *EDISON INTERNATIONAL* Company

Incorporated Cities and Counties Served by SCE

COUNTIES

Fresno	Kern	Madera	Riverside	Tuolumne
Imperial	Kings	Mono	San Bernardino	Tulare
Inyo	Los Angeles	Orange	Santa Barbara	Ventura

CITIES

Adelanto
Agoura Hills
Alhambra
Aliso Viejo
Apple Valley
Arcadia
Artesia
Avalon
Baldwin Park
Barstow
Beaumont
Bell
Bell Gardens
Bellflower
Beverly Hills
Big Bear Lake
Bishop
Blythe
Bradbury
Brea
Buena Park
Calabasas
California City
Calimesa
Camarillo
Canyon Lake
Carpinteria
Carson
Cathedral City
Cerritos
Chino
Chino Hills
Claremont
Commerce
Compton
Corona
Costa Mesa
Covina
Cudahy
Culver City
Cypress
Delano
Desert Hot Springs
Diamond Bar
Downey
Duarte
Eastvale
El Monte
El Segundo
Exeter
Farmersville
Fillmore
Fontana
Fountain Valley
Fullerton
Garden Grove
Gardena
Glendora
Goleta
Grand Terrace
Hanford
Hawaiian Gardens
Hawthorne
Hemet
Hermosa Beach
Hesperia
Hidden Hills
Highland
Huntington Beach
Huntington Park
Indian Wells
Industry
Inglewood
Irvine
Irwindale
Jurupa Valley
La Canada Flintridge
La Habra
La Habra Heights
La Mirada
La Palma
La Puente
La Verne
Laguna Beach
Laguna Hills
Laguna Niguel
Laguna Woods
Lake Elsinore
Lake Forest
Lakewood
Lancaster
Lawndale
Lindsay
Loma Linda
Lomita
Long Beach
Los Alamitos
Lynwood
Malibu
Mammoth Lakes
Manhattan Beach
Maywood
McFarland
Menifee
Mission Viejo
Monrovia
Montclair
Montebello
Monterey Park
Moorpark
Moreno Valley
Murrieta
Newport Beach
Norco
Norwalk
Ojai
Ontario
Orange
Oxnard
Palm Desert
Palm Springs
Palmdale
Palos Verdes
Paramount
Perris
Pico Rivera
Placentia
Pomona
Port Hueneme
Porterville
Rancho Cucamonga
Rancho Mirage
Rancho Palos Verdes
Rancho Santa Margarita
Redlands
Redondo Beach
Rialto
Ridgecrest
Rolling Hills
Rolling Hills Estates
Rosemead
San Bernardino
San Buenaventura
San Dimas
San Fernando
San Gabriel
San Jacinto
San Marino
Santa Ana
Santa Barbara
Santa Clarita
Santa Fe Springs
Santa Monica
Santa Paula
Seal Beach
Sierra Madre
Signal Hill
Simi Valley
South El Monte
South Gate
South Pasadena
Stanton
Tehachapi
Temecula
Temple City
Thousand Oaks
Torrance
Tulare
Tustin
Twentynine Palms
Upland
Valencia
Victorville
Villa Park
Visalia
Walnut
West Covina
West Hollywood
Westlake Village
Westminster
Whittier
Wildomar
Woodlake (Three Rivers)
Yorba Linda
Yucaipa
Yucca Valley

Last Updated: 7/18/2016

VERIFICATION

I am an officer of the applicant corporation herein, and am authorized to make this verification on its behalf. I am informed and believe that the matters stated in the foregoing document are true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 1st day of September, 2016 at Rosemead, California.

/s/ Ronald O. Nichols
Ronald O. Nichols
President
SOUTHERN CALIFORNIA EDISON COMPANY
8631 Rush Street
Post Office Box 800
Rosemead, California 91770

MAXENERGY I4
Intelligent • Innovative • Interactive • Integrated

SOUTHERN CALIFORNIA EDISON TIME OF USE 2018 CHARTS

TOU schedules with 1.6:1 peak to off-peak differential	Off-Peak Summer up to 100% of Baseline	Peak Summer up to 100% of Baseline	Off-Peak Summer over 100% of Baseline	Peak Summer over 100% of Baseline
Baseline credit of roughly 4 cents	$0.194	$0.311	$0.233	$0.350
No baseline credit	$0.210	$0.336	$0.210	$0.336

SOUTHERN CALIFORNIA EDISON 2018 TOU RATE	DESIGN WINDOW CASE A.16-09-003 2018 COMMERCIAL RATE CHARGES (TOU)
	4PM to 9PM ON PEAK DURING SUMMER WEEKDAYS
	4PM to 9PM MID-PEAK FOR SUMMER WEEKENDS AND FOR WINTER WEEKDAYS AND WEEKENDS
	8AM to 4PM SUPPER OFF-PEAK PERIOD FOR WINTER WEEKDAYS AND WEEKENDS

SCE 2018 - 2020	GRC RECOVERY REQUEST
	DISTRIBUTION AUTOMATION $185-320 MILLIOM
	SUBSTATION AOUTOMATION $185 – 320 MILLION
	COMMUNICATION SYSTEMS $270-470 MILLIOM
	YTECHNOLOGY PLATFORMS & APPLICATIONS $215 – 375 MILLION
	GRID REINFORCEMENT $550 – 1,100 MILLION
	TOTAL $1,405 – 2,585 MILLIONS

ATTACHMENT “C”

Confidential Information

DRAFT

2018 LCR PRO FORMA

RENEWABLE POWER PURCHASE AND SALE AGREEMENT

between

MAX ENERGY I4 COMPANY

and

CITY OF HUNTINGTON PARK

(ID #)

[STANDARD CONTRACT TERMS AND CONDITIONS THAT MAY NOT BE MODIFIED PER THE CPUC D. 08-04-009, D.08-08-028, D.10-03-021 AND D.11-01-025 ARE SHOWN IN GREEN SHADED TEXT.]

TERMS THAT ARE BOXED AND SHADED IN LIGHT YELLOW ARE EITHER *SCE COMMENTS* OR GENERATING FACILITY-TYPE SPECIFIC COMMENTS THAT SHOULD BE REMOVED OR ACCEPTED, AS APPLICABLE.

The contents of this document are subject to restrictions on disclosure as set forth herein.

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E. Payments and Invoicing.

F. Product Replacement Damage Amount.

G. Seller's Milestone Schedule and Material Permits.

H. Milestone Progress Reporting Form.

I. Non-Disclosure Agreement.

J. Time of Delivery Periods and Product Payment Allocation Factors.

K. Procedure for Demonstration of Contract Capacity and Partial or Full Return of Development Security.

L. Seller's Estimate of Lost Output.

M. Form of Letter of Credit.

N. SCE Penalties and CAISO Sanctions.
{SCE Comment: For Intermittent only.}

CAISO Costs and CAISO Sanctions.
{SCE Comment: For Baseload only.}

O. Actual Availability Report.

P. Meteorological Station Specifications.
{SCE Comment: For Intermittent only.}

Q. Notice of SCE's Rights.

R. Availability Guarantee Lost Production Payment.
{SCE Comment: For Wind only.}

RENEWABLE POWER PURCHASE AND SALE AGREEMENT

between

SOUTHERN CALIFORNIA EDISON COMPANY

and

[SELLER'S NAME]

(ID #*[Number]*)

PREAMBLE

This Renewable Power Purchase and Sale Agreement, together with the exhibits and attachments (collectively, the "Agreement") is made and effective as of the following date: *[Date of Execution]* ("Effective Date").

This Agreement is entered into between:

(i) **Southern California Edison Company** ("SCE"), a California corporation, whose principal place of business is at 2244 Walnut Grove Avenue, Rosemead, California 91770, and

(ii) ***[Seller's Name]*** ("Seller"), a *[Seller's jurisdiction of organization and type of organization]*, whose principal place of business is at *[Seller's place of business]*.

SCE and Seller are sometimes referred to herein individually as a "Party" and jointly as the "Parties." Unless the context otherwise specifies or requires, capitalized terms in this Agreement have the meanings set forth in Exhibit A.

RECITALS

A. Seller is willing to construct, own, and Operate a Generating Facility which qualifies as of the Effective Date as an ERR, and to sell the Product to SCE pursuant to the terms and conditions set forth in this Agreement; and

B. SCE is willing to purchase the Product from Seller pursuant to the terms and conditions set forth in this Agreement.

ARTICLE ONE. SPECIAL CONDITIONS

1.01 Generating Facility.

(a) Name: *[Generating Facility Name]*.

(b) Location of Site: *[Generating Facility Address]*, as further described in Exhibit B.

(c) Description: As set forth in Exhibit B.

(d) Product: All electric energy produced by the Generating Facility throughout the Delivery Term, net of Station Use; all Green Attributes; all Capacity Attributes; and all Resource Adequacy Benefits; generated by, associated with or attributable to the Generating Facility throughout the Delivery Term.

(e) Interconnection Point: *[insert name or location]*.
{SCE Comment: Placeholder for name of substation or method of identifying location of interconnection to Transmission Provider's electric system.}

(f) Delivery Point: At the point of interconnection with the CAISO-Controlled Grid, *[insert name or location]*.
{SCE Comment: Placeholder for identifying location on CAISO-Controlled Grid.}

(g) ERR Type: *[Generation Technology]*.

(h) Contract Capacity: *[Number]* MW.
The Contract Capacity may be reduced as set forth in Section 3.06(g).

(i) Expected Annual Net Energy Production. *{SCE Comment: For all technologies except Solar Photovoltaic.}*

The Expected Annual Net Energy Production for each Term Year will be the value calculated in accordance with the following formula:

EXPECTED ANNUAL NET ENERGY PRODUCTION, in kWh = A x B x C

Where:

A = Contract Capacity in kW.

B = *[Number]* % capacity factor.

C = 8,760 hours per year.

Expected Annual Net Energy Production. *{SCE Comment: For Solar Photovoltaic.}*

The Expected Annual Net Energy Production for each Term Year will be the value calculated in accordance with the following formula:

EXPECTED ANNUAL NET ENERGY PRODUCTION, in kWh

= A x B x C

Where:

A = The Installed DC Rating, in kW_{PDC}. (As of the Effective Date and until SCE's verification of Seller's installation of the Generating Facility pursuant to Exhibit K, this rating is deemed to be *[Number]* $kW_{PDC.}$).

B = Annual Energy Yield Factor *[Number]* kWh AC per kW_{PDC} per year.

C = Annual degradation factor ("Annual Degradation Factor") in each Term Year as follows:

Term Year	Annual Degradation Factor
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	

17	
18	
19	
20	

1.02 Forecasted Initial Synchronization Date.

The Forecasted Initial Synchronization Date is *[Date]*.

1.03 Forecasted Commercial Operation Date.

The Forecasted Commercial Operation Date is *[Date]*.

1.04 Commercial Operation Deadline.

(a) Subject to any extensions made pursuant to Sections *1.04(b) {if applicable}*, 3.06(c) or 5.03, and further subject to Section 1.04(c), the Commercial Operation Date must be no later than the earlier of (i) *[sixty (60) days] {for Baseload} [one hundred twenty (120) days] {for Intermittent}* from the Initial Synchronization Date, and (ii) *[Date]*, ("Commercial Operation Deadline").
{SCE Comment: Depending on Offer, may include a provision that provides that the Generating Facility cannot come on-line earlier than a specified date.}

(b) The Commercial Operation Deadline will be extended on a day-for-day basis for any delay in enactment of the Federal Tax Credit Legislation beyond *[Date]*.
{SCE Comment: For Generating Facilities that qualify for a Federal Tax Credit specified in Section 1.10 below.}

(c) Notwithstanding anything in this Agreement to the contrary, the Commercial Operation Deadline may not be later than *[Date]*.

1.05 Term.

The Term commences on the Commercial Operation Date determined in accordance with Section 2.03 and ends on the later of:

(a) the last day of the calendar month *[number of months in Original Term (#)]* months (*[number of years in Term (#)]* years) from the month of the Commercial Operation Date (the "Original Term"); or

(b) If SCE provides Notice to Seller no later than *[number text (number)] {SCE Note: One year prior to end of term}* years after the Commercial Operation Date that Seller is obligated to deliver to SCE at the Delivery Point the quantity of Product that is two (2) times the quantity of Banked Curtailed Energy as of the last day of the Original Term ("Curtailed Return Term Notice"), then the Term ends on the earlier of:

(i) the day on which Seller has delivered to SCE at the Delivery Point the quantity of Product that is two (2) times the quantity of the Banked Curtailed Energy; or

(ii) two (2) years after the last day of the Original Term

(the period set forth in Section 1.05(b)(i) or Section 1.05(b)(ii) is referred to as the "Curtailed Return Term").

1.06 Product Price.

(a) Original Term: During the Original Term, the Product Price is *[Dollar amount text]* dollars (*$[Number]*) per MWh, *[escalated at [Number text] percent ([Number] %) per Term Year] {if applicable}*.

(b) Curtailed Return Term: During the Curtailed Return Term, the Product Price shall be fifty percent (50%) of the Product Price set forth in Section 1.06(a) *[for the final Term Year of the Original Term] {if Renewable Energy Price is escalating}*.

(c) Excess Deliveries.

(i) If during any Settlement Interval Seller delivers Metered Amounts in excess of one hundred ten percent (110%) of the Contract Capacity, then the Product Price applicable to all such excess MWh in such Settlement Interval shall be Zero dollars ($0), and if there is a Negative LMP during such Settlement Interval, Seller shall pay to SCE an amount equal to the Negative LMP times such excess MWh.

(ii) If during any Term Year Seller delivers Metered Amounts in excess of one hundred fifteen percent (115%) of the Expected Annual Net Energy Production for such Term Year, then the Product Price applicable to all such excess MWh in such Term Year shall be equal to seventy-five percent (75%) of the Product Price otherwise applicable under Section 1.06(a) (or Section 1.06(b), if applicable).

1.07 Performance Assurance Amount.

Commencing with the Commercial Operation Date and for every Term Year during the Term, Seller shall post and maintain Performance Assurance in a dollar amount as shown on the chart below, but not less than One Million dollars ($1,000,000) for any Term Year. For purposes of the chart below, the first Term Year covers the period from the Commercial Operation Date to and including the end of the first Term Year.

MAX ENERGY I4 PURCHASE POWER AGREEMENT (PROPOSAL SOLUTION EXHIBIT 4)

- PPA (PURCHASE POWER AGREEMENT) 2 TWO TERM AGREEMENTS EACH TERM 15 FIFTEEN YEARS PROVIDING THE CLIENT WITH LONG TERM POWER COST STABILITY AND ECONOMIC SECURITY

- $0.010 KWH FIX-RATES ALL YEAR WITH 5% ANNUAL ESCALATOR

- $0.000 ZERO MONEY UPFRONT REQUIREMENTS FROM CLIENT

- **$106,592,126.70** 30-YEAR POWER COST PROJECTIONS FOR HUNTINGTON PARK

- **$63,539,753.52** ESTIMATED TOTAL POWER COST SAVINGS

MEI4 AND FINANCIAL PARTNERS PROVIDE WITH 100% OF CONSTRUCTION CAPITAL UNDER THE (PUBLIC PRIVATE PARTNERSHIP) PPP STRUCTURE (EXHIBIT 5)

IMMEDIATE AND DIRECT BENEFITS TO THE CLIENT WHEN ENTERING IN TO PARTNERSHIP AGREEEMNT(S) WITH MAX ENERGY I4 THROUGH THE PPA & PPP (EXHIBIT 6)

- ZERO CAPITAL INVESTMENT FOR ENTIRE SYSTEM TECHNOLOGY AND PROJECT IMPLEMENTATION AND MONTHLY STILL PAY AROUND THE SAME COST FOR RENEWABLE POWER

- SUPERSEED STATE OF CALIFORNIA 2017-2040 RENEWABLE POWER COMPLIANCE STANDARDS

- FEMA FEDERAL EMERGENCY MANAGEMENT AGENCY COMPLIANCE (EMERGENCY POLICY AND CONCERVATION ACT 42 U.S.C. 620, 44 CFR TITLE 40, AND TITLE 42 THE PUBLIC HEALTH AND WELFARE 1801-1819 DEVELOPMENT AND CONTROL OF ATOMIC ENERGY

- STATE OF THE ART SMART SOLAR HYBRID MICROGRID WITH ALMOST ZERO BLACKOUT POSSIBILITIES WITH INTEGRATED ENERGY STORAGE AND MANAGEMENT 1ST CLASS TECHNOLOGY

- STATE OF THE ART EMERGENCY CENTER EQUIPED WITH SMART SOLAR HYBRID MICRO OFF-GRID SUSTAIBALE WITH UPTO 7-DAYS OFF-GRID SUSTAINABILITY SYSTEM

- UPTO $2.5 MILLION FOR NEW AND ROOF IMPROVEMENTS AS NEEDED

- CLIENT KEEPS THE SOLAR SYSTEM AFTER THE FULL 30-YEAR PPA TERM COMPLETION

CITY OF HUNTINGTON PARK
PROJECT PROPOSAL SUMMARY

SMART SOLAR HYBRID PROJECT OBJECTIVE

- 1.5 MEGA WATT (MW) PHOTOVOLTAIC SMART ROOFTOP AND CANOPY SYSTEM COVERS UP TO 90% 511,501.20 MWH FROM THE (5,115,012 MWH OF TOTAL POWER USAGE DEMAND FROM ALL 9 NINE PROJECT SITES AND WITH A PROJECTED PROJECT BUDGET OF $5.25-$5.5 MILLION

SMART LITHIUM ION ENERGY STORAGE AND MANAGEMENT

- 1-MW OF ENRGY STORAGE AND POWER MANAGEMENT LITHIUM ION WITH UP TO 4,000 OPERATION CYCLES WITH POWER ON DEMAND AND WITH AN ESTIMATED PROJECTED PROJECT BUDGET OF $3.5 MILLION

SMART PUBLIC LIGHTING WITH LITHIUM ION ENERGY STORAGE AND MANAGEMENT (INSTALLATION SITES TO BE SELECTED BY THE CLIENT)

- 200 SMART PUBLIC LIGHTING SYSTEMS WITH OFF-GRID SUSTAINABILITY CAIPABILITIES OPERATED WITH ENRGY STORAGE AND POWER MANAGEMENT LITHIUM ION WITH UPTO 4,000 OPERATION CYCLES AND POWER ON DEMAND WITH A PROJECTED BUDGET OF $400-$500 THOUSAND DOLLARS

SMART PUBLIC ELECTRIC VEHICLE CHARGING STATION EQUIPPED WITH LITHIUM ION ENERGY STORAGE AND MANAGEMENT SYSTEM (INSTALLATION SITE TO BE SELECTED BY THE CLIENT)

- EV CHARGING STATION WITH 100% CLEAN POWER AND WITH A 10 KW CHARGING CAPACITY

CITY OF HUNTINGTON PARK
PROJECT PROPOSED SITES

CITY HALL (6550 MILES AVE) SUSTAINABLE MICRO GRID

- PHOTOVOLTAIC SYSTEM
- SMART ENERGY STORAGE AND MANAGEMENT SYSTEM
- NEW SPANISH TILE ROOF

POLICE STATION (6542 MILES AVE) SUSTAINABLE MICRO GRID

- PHOTOVOLTAIC SYSTEM
- SMART ENERGY STORAGE AND MANAGEMENT SYSTEM
- NEW SPANISH TILE ROOF

COURT HOUSE (6548 MILES AVE) SUSTAINABLE MICRO GRID

- PHOTOVOLTAIC SYSTEM
- SMART ENERGY STORAGE AND MANAGEMENT SYSTEM
- NEW SPANISH TILE ROOF

ANNEX BUILDING (6538 MILES AVE) SUSTAINABLE MICRO GRID

- PHOTOVOLTAIC SYSTEM
- SMART ENERGY STORAGE AND MANAGEMENT SYSTEM
- NEW SPANISH TILE ROOF

PUBLIC WORKS (6900 BISSELL ST) SUSTAINABLE MICRO GRID

- PHOTOVOLTAIC SYSTEM
- SMART ENERGY STORAGE AND MANAGEMENT SYSTEM
- SPANISH TILE ROOF MODIFICATIONS AS NEEDED ONLY

PARK AND RECREATION FACILITY (3401 FLORANCE AVE)

- PHOTOVOLTAIC SYSTEM
- SMART ENERGY STORAGE AND MANAGEMENT SYSTEM BACK-UP POWER ONLY
- SPANISH TILE ROOF MODIFICATIONS AS NEEDED ONLY OR SHINGLE MATERIAL REPLACEMENT

PARK AND RECREATION FACILITY (6208 ALAMEDA AVE)

- PHOTOVOLTAIC SYSTEM
- SMART ENERGY STORAGE AND MANAGEMENT SYSTEM BACK-UP POWER ONLY
- SPANISH TILE ROOF MODIFICATIONS AS NEEDED ONLY OR SHINGLE MATERIAL REPLACEMENT

PARK AND RECREATION FACILITY (3801 E. 61ST ST)

- PHOTOVOLTAIC SYSTEM
- SMART ENERGY STORAGE AND MANAGEMENT SYSTEM BACK-UP POWER ONLY
- SPANISH TILE ROOF MODIFICATIONS AS NEEDED ONLY OR SHINGLE MATERIAL REPLACEMENT

PARK AND RECREATION FACILITY (6925 SALT LAKE AVE) SUSTAINABLE MICRO GRID DESIGNED TO SUSTAIN AND SUPPORT EMERGENCY UNINTERRUPTED POWER SUPPLY TO THE BASEBALL FIELD LIGHTING AND ALTERNATIVE POWER OUTLETS

- PHOTOVOLTAIC SYSTEM
- SMART ENERGY STORAGE AND MANAGEMENT SYSTEM

CITY OF HUNTINGTON PARK POWER ANALYSIS REPORTS

PAYMENT PERIOD	12	**Monthly Payment**		**Yearly Payment**	
NUMBER OF YEARS	Year	Existing Edison 10 – 19%	Proposed Max Energy5.0%	Edison	PPA
1	2018	$54,000.00	$54,000.00	$648,000.00	$648,000.00

2	2019	$59,400.00	$56,700.00	$712,800.00	$680,400.00
3	2020	$65,340.00	$59,535.00	$784,080.00	$714,420.00
4	2021	$71,874.00	$62,511.75	$862,488.00	$750,141.00
5	2022	$79,061.40	$65,637.34	$948,736.80	$787,648.05
6	2023	$86,967.54	$68,919.20	$1,043,610.48	$827,030.45
7	2024	$95,664.29	$72,365.16	$1,147,971.53	$868,381.98
8	2025	$105,230.72	$75,983.42	$1,262,768.68	$911,801.07
9	2026	$115,753.80	$79,782.59	$1,389,045.55	$957,391.13
10	2027	$127,329.18	$83,771.72	$1,527,950.10	$1,005,260.68
11	2028	$140,062.09	$87,960.31	$1,680,745.11	$1,055,523.72
12	2029	$154,068.30	$92,358.33	$1,848,819.63	$1,108,299.90
13	2030	$169,475.13	$96,976.24	$2,033,701.59	$1,163,714.90
14	2031	$186,422.65	$101,825.05	$2,237,071.75	$1,221,900.64
15	2032	$205,064.91	$106,916.31	$2,460,778.92	$1,282,995.68
16	2033	$225,571.40	$112,262.12	$2,706,856.81	$1,347,145.46
17	2034	$248,128.54	$117,875.23	$2,977,542.50	$1,414,502.73
18	2035	$272,941.40	$123,768.99	$3,275,296.74	$1,485,227.87
19	2036	$300,235.53	$129,957.44	$3,602,826.42	$1,559,489.26
20	2037	$330,259.09	$136,455.31	$3,963,109.06	$1,637,463.73
21	2038	$363,285.00	$143,278.08	$4,359,419.97	$1,719,336.91
22	2039	$399,613.50	$150,441.98	$4,795,361.96	$1,805,303.76
23	2040	$439,574.85	$157,964.08	$5,274,898.16	$1,895,568.95
24	2041	$483,532.33	$165,862.28	$5,802,387.98	$1,990,347.39
25	2042	$531,885.56	$174,155.40	$6,382,626.77	$2,089,864.76
26	2043	$585,074.12	$182,863.17	$7,020,889.45	$2,194,358.00
27	2044	$643,581.53	$192,006.33	$7,722,978.40	$2,304,075.90
28	2045	$707,939.69	$201,606.64	$8,495,276.24	$2,419,279.70
29	2046	$778,733.65	$211,686.97	$9,344,803.86	$2,540,243.68
30	2047	$856,607.02	$222,271.32	$10,279,284.25	$2,667,255.87
			Total =	**$106,592,126.70**	**$43,052,373.18**
			SAVINGS =	**$63,539,753.52**	

Term Year	Percentage of Total Term Project Revenues		
	15 Year Term	15 Year Term	10 Year Term
1	0.0%	0.0%	0.0%
2	0.0%	0.0%	0.0%
3	0.0%	0.0%	0.0%
4	0.0%	0.0%	0.0%
5	0.0%	0.0%	0.0%
6	0.0%	0.0%	0.0%
7	0.0%	0.0%	0.0%
8	0.0%	0.0%	0.0%
9	0.0%	0.0%	0.0%
10	0.0%	0.0%	0.0%
11	0.0%	0.0%	
12	0.0%	0.0%	
13	0.0%	0.0%	
14	0.0%	0.0%	
15	0.0%	0.0%	

16	0.0%	0.0%	
17	5.0%		
18	3.0%		
19	3.0%		
20	3.0%		
Curtailed Return Term	3.0%	3.0%	0.0%

{SCE Comment: Table to be populated with applicable numbers and inapplicable rows and columns to be deleted.}

1.08 Interconnection Queue Position.

[Number(s) to be inserted]

1.09 Curtailment Cap.

[Contract Capacity times 50 hours] MWh per Term Year.

1.10 Federal Tax Credit.

Seller (check one box only):

(a) _____ qualifies for and will take the Federal Investment Tax Credit.

(b) _____ qualifies for and will take the Federal Production Tax Credit, and has selected to be eligible for Federal Production Tax Credit reimbursement under Section 4.01(d).

(c) _____ qualifies for and will take the Federal Production Tax Credit, but has selected to not be eligible for Federal Production Tax Credit reimbursement under Section 4.01(d).

(d) _____ will not take a Federal Tax Credit.

1.11 Compliance Expenditure Cap.

If Seller establishes to SCE's reasonable satisfaction that a change in Applicable Laws occurring after the Effective Date has increased Seller's cost above the cost that could reasonably have been contemplated as of the Effective Date to take all actions to comply with Seller's obligations under the Agreement with respect to obtaining, maintaining, conveying or effectuating SCE's use of (as applicable), the items listed in Sections 1.11(a) through (d), then Seller's required out-of-pocket expenses are limited to *[Dollar amount text]* dollars ($*[Number]*) *{SCE Comment: The amount shall be equal to one percent (1%) of the expected annual Project revenues, but not less than One Hundred*

Thousand dollars ($100,000)} in the aggregate each Term Year ("Compliance Expenditure Cap") between the Effective Date and the last day of the Term:

(a) CEC Pre-Certification or CEC Certification and Verification;

(b) Green Attributes;

(c) Capacity Attributes; and

(d) Resource Adequacy Benefits.

Any actions required for Seller to comply with its obligations set forth in the first paragraph above, the cost of which will be included in the Compliance Expenditure Cap, shall be referred to collectively as the "Compliance Actions."

If Seller reasonably anticipates the need to incur out-of-pocket expenses in excess of the Compliance Expenditure Cap in order to take any Compliance Action Seller shall provide Notice to SCE of such anticipated out-of-pocket expenses.

SCE will have sixty (60) days to evaluate such Notice (during which time period Seller is not obligated to take any Compliance Actions described in the Notice) and shall, within such time, either (1) agree to reimburse Seller for all or some portion of the costs that exceed the Compliance Expenditure Cap (such SCE-agreed upon costs, the "Accepted Compliance Costs"), or (2) waive Seller's obligation to take such Compliance Actions, or any part thereof for which SCE has not agreed to reimburse Seller.

If SCE agrees to reimburse Seller for the Accepted Compliance Costs, then Seller shall take such Compliance Actions covered by the Accepted Compliance Costs as agreed upon by the Parties and SCE shall reimburse Seller for Seller's actual costs to effect the Compliance Actions, not to exceed the Accepted Compliance Costs.

1.12 Generating Facility Identification Number.

[Number to be inserted]

**** End of ARTICLE ONE ****

ARTICLE TWO. TERM AND CONDITIONS PRECEDENT; TERMINATION

2.01 Obligations Prior to Commencement of the Term.

(a) CPUC Filing and Approval of this Agreement.

Within ninety (90) days after the Effective Date, SCE shall file with the CPUC the appropriate request for CPUC Approval. SCE shall expeditiously seek CPUC Approval, including promptly responding to any requests for information related to the request for CPUC Approval. As requested by SCE, Seller shall use commercially reasonable efforts to support SCE in obtaining CPUC Approval. SCE has no obligation to seek rehearing or to appeal a CPUC decision which fails to approve this Agreement or which contains findings required for CPUC Approval with conditions or modifications unacceptable to either Party.

(b) Seller's Queue Position.

Within at least *[number]* (*#*) days after the Effective Date, Seller shall submit a Fully Deliverable Interconnection Request. Section 1.08 of the Agreement shall automatically be amended to reflect the interconnection queue position associated with such request. Seller shall not withdraw or revoke such request for interconnection, and shall maintain such request as a Fully Deliverable Interconnection Request.

Seller must not withdraw the Interconnection Queue Position identified in Section 1.08 or assign or transfer that Interconnection Queue Position to any entity or for the benefit of any power purchase and sale agreement other than the Agreement without SCE's prior written consent.

(c) Seller's Regulatory and Governmental Filings.

(i) Within one hundred eighty (180) days after the Effective Date, Seller shall file an application or other appropriate request for CEC Pre-Certification for the Generating Facility.

(ii) Within at least *[number]* (*#*) days prior to the Forecasted Commercial Operation Date, Seller shall file all applications or other appropriate requests with the proper authorities for all Material Permits, and shall promptly respond to any requests for information from the requesting authority.

2.02 Conditions Precedent to Commencement of Term.

(a) Commencement of Term.

The Term commences upon the Commercial Operation Date.

(b) Commercial Operation.

(i) Subject to the remainder of this subsection 2.03(b), the Commercial Operation Date shall be a date selected by Seller upon at least three (3) Business Days Notice to SCE; *provided*, the Commercial Operation Date may not be earlier than *[Date]*.

(ii) The Commercial Operation Date may not occur until each of the following has been satisfied:

(1) Seller has completed the installation and testing of the Generating Facility for purposes of financing, Permits, the interconnection agreement, operating agreements, the EPC agreement and manufacturer's warranties;

(2) Seller has received an independent engineer's certification that the Generating Facility has been completed in all material respects (except punch list items that do not materially and adversely affect the ability of the Generating Facility to operate as intended);

(3) Seller has met all conditions set forth in Section 3.12(c);

(4) Seller has posted with SCE the Performance Assurance required under Section 8.02 calculated in accordance with Section 1.07; and

(5) Seller has paid to SCE the full amount of the Excess Network Upgrade Costs, if applicable.

2.03 Termination Rights.

(a) Termination Rights of the Parties.

If either Party exercises a termination right, as set forth in Sections 2.03(a)(i), 2.03(a)(ii), 2.03(a)(iii), or 5.04, a Termination Payment will be calculated in accordance with Section 6.03, the Forward Settlement Amount will be Zero dollars ($0), the terminating Party will be considered the Non-Defaulting Party and, if the termination occurs before the commencement of the Term, Seller will be entitled to a return of any Development Security provided to SCE.

(i) Termination Rights of Both Parties.

(1) Either Party has the right to terminate this Agreement on Notice, which will be effective five (5) Business Days after such Notice is given, if CPUC Approval has not been obtained or waived by SCE in its sole discretion within three hundred sixty-five (365) days after SCE files its request for CPUC Approval and a Notice of termination is given on or before the three hundred ninety-fifth (395th) day after SCE files the request for CPUC Approval.

(2) Either Party has the right to terminate this Agreement on Notice, which will be effective five (5) Business Days after such Notice is

given, if CEC Pre-Certification has not been obtained by Seller within three hundred sixty-five (365) days after the Effective Date and a Notice of termination is given on or before the three hundred ninety-fifth (395th) day after the Effective Date.

(3) Either Party has the right to terminate this Agreement on Notice, which will be effective five (5) Business Days after such Notice is given, if Seller has not obtained Permit Approval of the Construction Permits within *[number]* (*#*) days prior to the Forecasted Commercial Operation Date and a Notice of termination is given on or before *[number]* (*#*) days prior to the Forecasted Commercial Operation Date.

(ii) Termination Rights of Seller.

Seller has the right to terminate this Agreement on Notice, which will be effective five (5) Business Days after such Notice is given to SCE, if the Federal Tax Credit Legislation applicable to Seller's selection of (a), (b), or (c) in Section 1.10 is not enacted on or before *[Date]*, and such Notice is given to SCE not later than *[Date]*.
{SCE Comment: For Generating Facilities that qualify for the Federal Tax Credit selected in Section 1.10 if the Federal Tax Credit for the applicable technology is scheduled to expire prior to the Commercial Operation Deadline.}

(iii) Termination Rights of SCE.

SCE has the right to terminate this Agreement on Notice, which will be effective five (5) Business Days after such Notice is given to Seller, on or before the date that is sixty (60) days after Seller provides to SCE the results of any Interconnection Study or the interconnection agreement tendered to Seller by the Transmission Provider if:

(1) Such Interconnection Study or agreement as of the date of the termination Notice, estimates, includes, specifies or reflects that the maximum total cost of transmission upgrades or new transmission facilities to SCE, or any Transmission Provider under the jurisdiction of the CAISO, including costs reimbursed by SCE, or any Transmission Provider under the jurisdiction of the CAISO, to Seller ("Aggregate Network Upgrade Costs"), may in the aggregate exceed *[dollar amount text]* dollars ($*[Number]*) ("Network Upgrades Cap"), irrespective of any subsequent amendments of such Interconnection Study or agreement or any contingencies or assumptions upon which such Interconnection Study or agreement is based; or

{SCE Comment: Monetary threshold to be based upon transmission-related costs allocated to the Generating Facility that SCE would incur as estimated in the most recent Interconnection Study.}

(2) SCE must procure transmission service from any other Transmission Provider to allow SCE to Schedule electric energy from the Generating Facility and the cost for such transmission service is not reimbursed or paid by Seller.

Notwithstanding anything to the contrary in this Section 2.03(a)(iii), SCE shall have no right to terminate this Agreement under this Section 2.03(a)(iii), if Seller, concurrently with its provision of the relevant Interconnection Study or agreement pursuant to Section 3.17(a), irrevocably agrees that Seller shall owe to SCE (I) the amount by which the Aggregate Network Upgrade Costs exceed the Network Upgrades Cap ("Excess Network Upgrade Costs"), and (II) any costs for transmission services specified in Section 2.03(a)(iii)(2). If Seller elects to pay, without reimbursement, for the Excess Network Upgrade Costs pursuant to this Section 2.03(a)(iii), in no event shall Seller have any interest in or rights or title to any Network Upgrades (as defined in the CAISO Tariff) or Congestion Revenue Rights (as defined in the CAISO Tariff) in connection with the development of the Generating Facility or the delivery of Product to SCE pursuant to this Agreement.

(b) Uncured Defaults.

Upon the occurrence of an Event of Default, the Non-Defaulting Party may terminate this Agreement as set forth in Section 6.02.

(c) End of Term.

This Agreement automatically terminates at the end of the Term as set forth in Section 1.05 unless earlier terminated as provided in this Agreement.

2.04 Rights and Obligations Surviving Termination.

(a) Survival of Rights and Obligations Generally.

The rights and obligations that are intended to survive a termination of this Agreement are all of those rights and obligations that this Agreement expressly provides survive any such termination and those that arise from Seller's or SCE's covenants, agreements, representations, and warranties applicable to, or to be performed, at or during any time before or as a result of the termination of this Agreement, including:

(i) The obligation of Seller to pay the Availability Guarantee Lost Production Payment in accordance with Section 3.19;
{SCE Comment: Wind only.}

(ii) The obligation of Seller to pay the Product Replacement Damage Amount as set forth in Section 3.07(b);

(iii) The obligation to make, or the right to receive, a Termination Payment as set forth in Section 6.03;

(iv) The indemnity obligations as set forth in Section 10.03;

(v) The obligation of confidentiality as set forth in Section 10.10;

(vi) The right to pursue remedies as set forth in Sections 6.02 and 12.04;

(vii) The limitation of liabilities as set forth in Article Seven;

(viii) A Party's obligation:

(1) To make or receive payment, as applicable, for CAISO Revenues and make payment for CAISO Costs, CAISO Sanctions, and SCE Penalties, as applicable, during the Startup Period and the Term as set forth in Article Four, Exhibits E and Q; and

(2) To make or receive Product Payments as set forth in Exhibit E;

(ix) The covenants and indemnifications regarding the limitations on Seller's and Seller's Affiliates' ability to offer, make or agree to third party sales as set forth in Sections 2.04(b) and 3.06(h), if applicable;

(x) The obligation of Seller to pay to SCE the Development Security if SCE terminates this Agreement in accordance with Section 6.02 prior to Commercial Operation;

(xi) The obligation of Seller to post Performance Assurance as set forth in Section 8.02;

(xii) The dispute resolution provisions of Article Twelve;

(xiii) The obligation of SCE to return any Development Security under Section 3.06 and Performance Assurance under Section 8.02, as applicable; and

(xiv) Seller's obligations under Section 3.01(d)(iv).

(b) Limitations on Seller's and Seller's Affiliates' Ability to Make or Agree to Third Party Sales from the Site after Certain Terminations of this Agreement.

If Seller terminates this Agreement, as provided in Sections 2.03(a)(i)(2), 2.03(a)(i)(3), or 5.04 (based on a Force Majeure as to which Seller is the Claiming Party), or if SCE terminates this Agreement as provided in Section 3.06(d), or due to an Event of Default of Seller prior to Commercial Operation Deadline, neither

Seller nor Seller's Affiliates may sell, or enter into a contract to sell, electric energy, Green Attributes, Capacity Attributes, or Resource Adequacy Benefits, generated by, associated with or attributable to a generating facility installed at the Site to a party other than SCE for a period of two (2) years following the effective date of such termination (the "Restricted Period").

This prohibition on contracting and sale will not apply if, before entering into such contract or making a sale to a party other than SCE, Seller or Seller's Affiliate provides SCE with a written offer to sell the electric energy, Green Attributes, Capacity Attributes and Resource Adequacy Benefits to SCE at the Product Price and on other terms and conditions materially similar to the terms and conditions contained in this Agreement and SCE fails to accept such offer within forty-five (45) days after SCE's receipt thereof.

Neither Seller nor Seller's Affiliates may sell or transfer the Generating Facility, or any part thereof, or land rights or interests in the Site (including the Interconnection Queue Position) during the Restricted Period so long as the limitations contained in this Section 2.04(b) apply, unless the transferee agrees to be bound by the terms set forth in this Section 2.04(b) pursuant to a written agreement approved by SCE. Upon termination of this Agreement pursuant to the Sections referenced in the first paragraph of this Section 2.04(b), Seller shall deliver a Notice of SCE's Rights in respect of the Site, in the form attached hereto as Exhibit Q, that SCE may record giving notice of SCE's rights under this Section 2.04(b).

Seller shall indemnify and hold SCE harmless from all benefits lost and other damages sustained by SCE as a result of any breach of the covenants contained within this Section 2.04(b).

**** End of ARTICLE TWO ****

ARTICLE THREE. SELLER'S OBLIGATIONS

3.01 Conveyance of Entire Output, Conveyance of Green Attributes, Capacity Attributes and Resource Adequacy Benefits.

(a) Metered Amounts. Seller shall dedicate and convey the *entire* Metered Amounts throughout the Delivery Term to SCE. Seller shall convey title to and risk of loss of all Metered Amounts to SCE at the Delivery Point.

(b) Green Attributes. Seller hereby provides and conveys all Green Attributes associated with all electricity generation from the Project to Buyer as part of the Product being delivered. Seller represents and warrants that Seller holds the rights to all Green Attributes from the Project, and Seller agrees to convey and hereby conveys all such Green Attributes to Buyer as included in the delivery of the Product from the Project.

(c) Capacity Attributes and Resource Adequacy Benefits. Subject to Section 1.11, Seller shall dedicate and convey any and all Capacity Attributes and Resource Adequacy Benefits generated by, associated with or attributable to the Generating Facility throughout the Delivery Term to SCE and SCE shall be given sole title to all such Capacity Attributes and Resource Adequacy Benefits in order for SCE to meet its resource adequacy obligations under any Resource Adequacy Rulings.

Seller represents, warrants and covenants to SCE that Seller:

(i) Has not used, granted, pledged, assigned or otherwise committed any portion of the generating capacity of the Generating Facility to meet the resource adequacy requirements of, or to confer Resource Adequacy Benefits on, any entity other than SCE; and

(ii) Throughout the Delivery Term, will not use, grant, pledge, assign or otherwise commit any portion of the generating capacity of the Generating Facility to meet the resource adequacy requirements of, or to confer Resource Adequacy Benefits on, any entity other than SCE.

(d) Further Action by Seller. Subject to Section 1.11, commencing at least six (6) months before the Initial Synchronization Date and throughout the Delivery Term, Seller shall, at its own cost, take all actions and execute all documents or instruments necessary to effectuate the use of the Green Attributes, Capacity Attributes and Resource Adequacy Benefits for SCE's sole benefit throughout the Delivery Term, which actions include:

(i) Cooperating with and encouraging the regional entity responsible for resource adequacy administration to certify or qualify the Contract Capacity for resource adequacy purposes;

(ii) Testing the Generating Facility in order to certify the Generating Facility for resource adequacy purposes;

(iii) Complying with all current and future CAISO Tariff provisions that address resource adequacy and are applicable to the Generating Facility, including provisions regarding performance obligations and penalties, if applicable;

(iv) Complying with Applicable Laws regarding the certification and transfer of Renewable Energy Credits, including participation in the Western Renewable Energy Generation Information System ("WREGIS") or other process recognized under Applicable Laws for the registration, transfer or ownership of Green Attributes associated with the Generating Facility. With respect to WREGIS, Seller shall cause and allow SCE to be the "Qualified Reporting Entity" and "Account Holder" (as these two terms are defined by WREGIS) for the Generating Facility;

(v) Committing to SCE the entire Metered Amounts of the Generating Facility; and

(vi) Pursuing and obtaining any and all Capacity Attributes and Resource Adequacy Benefits to the extent that Applicable Laws, including as may be changed after the Effective Date, allow for any Capacity Attributes or Resource Adequacy Benefits to be obtained other than by the completion of deliverability network upgrades.

(e) Other Sales of Product. From the Effective Date throughout the Delivery Term, Seller shall not sell the Product (or any portion thereof) to any entity other than SCE.

(f) Bioenergy Benefits. For all electric generation using biomenthane as fuel, Seller shall transfer to SCE sufficient renewable and environmental attributes of biomethane production and capture to ensure that there are zero (0) net emissions associated with the production of electricity from the Generating Facility using the biomethane.

For all electric generation using biomethane as fuel, neither SCE nor Seller may make a marketing, regulatory, or retail claim that asserts that a procurement contract to which that entity was a party resulted, or will result, in greenhouse gas reductions related to the destruction of methane if the capture and destruction is required by law. If the capture and destruction of the biomethane is not required by law, neither SCE nor Seller may make a marketing, regulatory, or retail claim that asserts that a procurement contract to which that entity was a party resulted, or will result, in greenhouse gas reductions related to the destruction of methane, unless the environmental attributes associated with the capture and destruction of the biomethane pursuant to that contract are transferred to SCE and retired on

behalf of the retail customers consuming the electricity associated with the use of that biomethane, or unless Seller's procurement contract with the source of biomethane prohibits the source of biomethane from separately marketing the environmental attributes associate with the capture and destruction of the biomethane sold pursuant to that contract, and such attributes have been retired. *{SCE Comment: Biomethane projects only.}*

3.02 Resource Adequacy Performance Obligation.

Commencing on the [date] and throughout the Delivery Term, in each month, Seller shall pay to SCE an amount (the "RA Deficit Payments") equal to the product of the difference, expressed in kW, of (i) the Qualifying Capacity of the Generating Facility, minus (ii) the Net Qualifying Capacity of the Generating Facility ("RA Deficit"), multiplied by the current CPM Capacity price as listed in Section 43.7.1 of the CAISO Tariff or its equivalent successor (the "Multiplier"), expressed in $/kW-month. Should the CPM Capacity price cease to be published by the CAISO and no equivalent successor is published, the Multiplier shall be equal to the last CPM Capacity price listed in the CAISO Tariff and escalated by two percent (2%) every twelve (12) months thereafter. In any event, the Multiplier may not exceed $120/kW-year.

3.03 Other Sales of Product.

From the Effective Date throughout the Delivery Term, Seller shall not sell the Product (or any portion thereof) to any entity other than SCE.

3.04 Allocation of Availability Incentive Payments and Non-Availability Charges.

If the Generating Facility is subject to the terms of the Availability Standards, Non-Availability Charges, and Availability Incentive Payments as contemplated under Section 40.9 of the CAISO Tariff, any Availability Incentive Payments will be for the benefit of Seller and for Seller's account and any Non-Availability Charges will be the responsibility of Seller and for Seller's account.

3.05 Permits, Interconnection and Transmission Service Agreements, and CAISO Tariff Compliance.

(a) Seller shall obtain and maintain throughout the Delivery Term any and all interconnection and transmission service rights and Permits required to effect delivery of the electric energy from the Generating Facility to the Delivery Point.

(b) Seller shall be responsible for all costs and charges directly caused by, associated with, or allocated to the interconnection of the Generating Facility to the Transmission Provider's electric system and transmission of electric energy from the Generating Facility to the Transmission Provider's electric system.

(c) Seller shall comply with the CAISO Tariff, including securing and maintaining in full force all required CAISO agreements, certifications and approvals.

(d) Seller shall secure through the CAISO the CAISO Resource ID that is to be used solely for this Generating Facility.

(e) Seller shall comply with the requirements of Appendix H to Appendix CC of the CAISO Tariff.

3.06 Development Security.

(a) Amount.

Seller shall post and thereafter maintain development security ("Development Security") equal to *[Ninety dollars ($90)] {SCE Comment: For Baseload} [Sixty dollars ($60)] {SCE Comment: For Intermittent}* for each kilowatt of Contract Capacity.

(b) Posting Requirements.

Seller shall post the Development Security in accordance with the following terms and conditions:

(i) Seller shall post one-half of the Development Security within thirty (30) days following the Effective Date, with the remainder to be posted within thirty (30) days after CPUC Approval is obtained or waived by SCE in its sole discretion;

(ii) The Development Security shall be held by SCE as security for Seller achieving Commercial Operation on or before the Commercial Operation Deadline and demonstrating the Contract Capacity in accordance with the terms of this Agreement.

(iii) The Development Security must be in the form of either a cash deposit or a Letter of Credit;

(iv) If Seller posts any Development Security in cash, Seller will receive Simple Interest Payments in accordance with the procedure specified in Section 4.06 of this Agreement; and

(v) If Seller provides the Development Security by means of a Letter of Credit, such Letter of Credit must be provided substantially in the form of Exhibit M.

(c) Daily Delay Liquidated Damages to Extend Commercial Operation Deadline.

Seller may extend the Commercial Operation Deadline by paying to SCE damages in an amount equal to one percent (1%) of the Development Security per day for each day (or portion thereof) from and including the Commercial Operation Deadline to and excluding the Commercial Operation Date ("Daily Delay Liquidated Damages").

To extend the Commercial Operation Deadline, Seller must, at the earliest possible time, but no later than 6 a.m. on the first day of the proposed Commercial Operation Deadline extension, provide SCE with Notice of its election to extend the Commercial Operation Deadline along with Seller's estimate of the duration of the extension and its payment of Daily Delay Liquidated Damages for the full estimated Commercial Operation Deadline extension period.

Seller may further extend the Commercial Operation Deadline beyond the original Commercial Operation Deadline extension period subject to the same terms applicable to the original Commercial Operation Deadline extension.

The Daily Delay Liquidated Damages payments applicable to days included in any Commercial Operation Deadline extension are nonrefundable and are in addition to, and not a part of, the Development Security.

Seller will be entitled to a refund (without interest) of any estimated Daily Delay Liquidated Damages payments paid by Seller which exceed the amount required to cover the number of days by which the Commercial Operation Deadline was actually extended.

In no event may Seller extend the Commercial Operation Deadline for more than a total of one hundred eighty (180) days by the payment of Daily Delay Liquidated Damages.

(d) Failure to Meet Commercial Operation Deadline.

Subject to Seller's right to extend the Commercial Operation Deadline as provided in Section 1.04, Section 3.06(c), and Section 5.03 (for Force Majeure where Seller is the Claiming Party), in the event that (i) Seller and SCE mutually agree that Commercial Operation will not occur on or before the Commercial Operation Deadline; (ii) the Commercial Operation Date will not occur due to any termination of this Agreement as a result of an Event of Default by Seller occurring on or before the Commercial Operation Deadline; (iii) the procurement of *[the applicable electrical generating equipment]* for the Generating Facility does not occur within ninety (90) days after the applicable date set forth in the Milestone Schedule; (iv) close of construction financing for the Generating Facility is not completed within one hundred twenty (120) days after the applicable date set forth in the Milestone Schedule; or (v) Seller abandons the Generating Facility, SCE shall be entitled to:

(A) The entire Development Security, including the right to draw on and retain for its sole benefit any Letter of Credit and the proceeds thereof, as well as any cash, posted as Development Security; and

(B) Terminate this Agreement;

provided, SCE shall give Notice to Seller of any determination under Sections 3.06(d)(iii) through (v) that the Commercial Operation Date is unlikely to occur on or before the Commercial Operation Deadline, and if within thirty (30) days from the date of such Notice Seller can establish to SCE's reasonable satisfaction that Commercial Operation Date is likely to occur on or before the Commercial Operation Deadline, SCE may not terminate the Agreement prior to the Commercial Operation Deadline or retain the Development Security at that time, but shall retain all other rights under this Agreement, including the right to terminate the Agreement and retain the entire Development Security if the Commercial Operation Date does not occur on or before the Commercial Operation Deadline in accordance with clause (i) of the first paragraph of this Section 3.06(d).

If SCE terminates this Agreement pursuant to this Section 3.06(d), any amount of Development Security that Seller has not yet posted with SCE will be immediately due and payable by Seller to SCE.

In addition, subject to Section 2.04(b), if SCE terminates this Agreement pursuant to this Section 3.06(d), neither Party shall have liability for damages for failure to deliver or purchase Product after the effective date of such termination, and the Forward Settlement Amount will be Zero dollars ($0).

(e) Full Return of Development Security.

The Development Security will be returned to Seller in accordance with the procedure set forth in Exhibit K in each of the following circumstances:

(i) Subject to the Commercial Operation Date occurring on or before the Commercial Operation Deadline or any extended Commercial Operation Deadline as provided in this Agreement, if Seller demonstrates the full Contract Capacity specified in Section 1.01(h) in accordance with the procedure set forth in Exhibit K; or

(ii) If this Agreement is terminated in accordance with Section 2.03(a)(i), 2.03(a)(ii), 2.03(a)(iii) or 5.04; *provided*, a termination under Section 5.04 only entitles Seller to a return of the Development Security if the termination is based on a Force Majeure that prevents the Commercial Operation Date from occurring on or before the Commercial Operation Deadline or prevents Seller from demonstrating full Contract Capacity in accordance with Exhibit K.

(f) Partial Return of the Development Security.

If Commercial Operation occurs on or before the Commercial Operation Deadline, but the Demonstrated Contract Capacity is less than the Contract Capacity set forth in Section 1.01(h), then Seller will be entitled to a return of only a portion of the Development Security equal to the product of *[Ninety*

dollars ($90)] {SCE Comment: For Baseload} [Sixty dollars ($60)] {SCE Comment: For Intermittent} per kilowatt times the kilowatts of Demonstrated Contract Capacity.

(g) Modification of Special Conditions.

(i) If the Contract Capacity set forth in Section 1.01(h) is greater than the Demonstrated Contract Capacity,

(1) The Contract Capacity will be reduced to an amount equal to the Demonstrated Contract Capacity;

(2) The Expected Annual Net Energy Production will be recalculated using such adjusted Contract Capacity; and
{SCE Comment: For all technologies except Solar Photovoltaic}

The Expected Annual Net Energy Production will be recalculated using the Installed DC Rating pursuant to the procedures in Exhibit K; and
{SCE Comment: For Solar Photovoltaic}

(3) The Performance Assurance Amount for the Performance Assurance required to be posted and maintained pursuant to Section 8.02 will be recalculated using such adjusted Contract Capacity, and any amount of Performance Assurance in excess of that required for the adjusted Contract Capacity will be returned to Seller.

(ii) Neither Party will have any liability for failure to purchase or deliver Product associated with or attributable to capacity in excess of the Demonstrated Contract Capacity ("Unincluded Capacity"), subject to Section 3.06(h).

(h) Restrictions on Sales Related to Unincluded Capacity.

(i) Neither Seller nor Seller's Affiliates may sell, or enter into an agreement to sell, electric energy, Green Attributes, Capacity Attributes or Resource Adequacy Benefits associated with or attributable to Unincluded Capacity from any generating facility installed at the Site to a party other than SCE for a period of two (2) years following SCE's Notice to Seller of Seller's partial forfeiture of the Development Security pursuant to Exhibit K.

(ii) With respect to Seller's Affiliates, the prohibition on contracting and sale as set forth in Section 3.06(h)(i) will not apply if, before entering into the contract or making a sale to a party other than SCE, any Seller's Affiliate wishing to enter into a contract or sale provides SCE with a written offer

to sell the electric energy, Green Attributes, Capacity Attributes and Resource Adequacy Benefits related to Unincluded Capacity to SCE on terms and conditions materially similar to or no less favorable to SCE than the terms and conditions contained in this Agreement and SCE fails to accept such offer within forty-five (45) days after SCE's receipt thereof; *provided,* any Seller's Affiliate wishing to enter into a contract or sale must:

(1) Build a new generating facility separate from the Generating Facility to produce such additional electric energy and associated attributes;

(2) Establish an entity other than Seller to act as the seller for such additional electric energy and associated attributes;

(3) Meter such additional generating capacity separately from the Generating Facility, to SCE's reasonable satisfaction; and

(4) Separately interconnect such additional generating capacity to the Transmission Provider's system, to SCE's reasonable satisfaction.

If the preceding conditions are met, Seller's Affiliates (but not Seller) will be free to sell such additional electric energy and associated attributes to third parties.

3.07 Seller's Energy Delivery Obligation.

On the commencement of the first Term Year and for every Term Year thereafter, Seller is subject to the electric energy delivery requirements and damages for failure to perform as set forth in this Section 3.07.

(a) Performance Requirements.

(i) Seller's Energy Delivery Obligation.

"Seller's Energy Delivery Obligation" for the twenty-four (24) month period immediately preceding the end of each Term Year commencing at the end of the second Term Year ("Calculation Period") must equal one hundred forty percent (140%) of the Expected Annual Net Energy Production.
{SCE Comment: Wind only.}

"Seller's Energy Delivery Obligation" for the twenty-four (24) month period immediately preceding the end of each Term Year commencing at the end of the second Term Year ("Calculation Period") must equal one hundred seventy percent (170%) of the average of the two (2) Expected Annual Net Energy Production amounts applicable to the Calculation

Period.
{SCE Comment: All other intermittent technologies.}

"Seller's Energy Delivery Obligation" for the twelve (12) month period immediately preceding the end of each Term Year commencing at the end of the second Term Year ("Calculation Period") must equal ninety percent (90%) of the Expected Annual Net Energy Production.
{SCE Comment: Baseload technologies.}

(ii) Event of Deficient Energy Deliveries.

At the end of each Term Year commencing with the end of the second Term Year, if the sum of Qualified Amounts plus any Lost Output (calculated in accordance with Exhibit L) in the applicable Calculation Period does not equal or exceed Seller's Energy Delivery Obligation, then an Event of Deficient Energy Deliveries will be deemed to have occurred.
{SCE Comment: Wind and Solar only.}

At the end of each Term Year if the sum of the Qualified Amounts plus any Lost Output (calculated in accordance with Exhibit L) during the Term Year does not equal or exceed Seller's Energy Delivery Obligation, then an Event of Deficient Energy Deliveries will be deemed to have occurred.
{SCE Comment: All other technologies.}

(b) Product Replacement Damage Amount.

If an Event of Deficient Energy Deliveries occurs, as determined in accordance with Section 3.07(a)(ii) above, the Parties acknowledge that the damages sustained by SCE associated with Seller's failure to meet Seller's Energy Delivery Obligation would be difficult or impossible to determine, or that obtaining an adequate remedy would be unreasonably time consuming or expensive, and therefore agree that Seller shall pay SCE as liquidated damages an amount which is intended to compensate SCE for Seller's failure to perform, irrespective of whether SCE actually purchased replacement Product by reason of Seller's failure to perform (the "Product Replacement Damage Amount").

(i) Within ninety (90) days after the end of the applicable Term Year, SCE shall calculate any Product Replacement Damage Amount as set forth in Exhibit F, and shall provide Notice to Seller of any Product Replacement Damage Amount owing, including a detailed explanation of, and rationale for, its calculation methodology, annotated work papers and source data.

(ii) Seller shall have thirty (30) days after receipt of SCE's Notice to review SCE's calculation and either pay the entire Product Replacement Damage Amount claimed by SCE or pay any undisputed portion and provide

Notice to SCE of the portion Seller disputes along with a detailed explanation of, and rationale for, Seller's calculation methodology, annotated work papers and source data.

(iii) The Parties shall negotiate in good faith to resolve any disputed portion of the Product Replacement Damage Amount and shall, as part of such good faith negotiations, promptly provide information or data relevant to the dispute as each Party may possess which is requested by the other Party.

(iv) If the Parties are unable to resolve a dispute regarding any Product Replacement Damage Amount within thirty (30) days after the sending of a Notice of dispute by Seller, either Party may submit the dispute to mediation and arbitration as provided in Article Twelve.

(c) Continuing Obligations of Seller.

Notwithstanding any payment of a Product Replacement Damage Amount, all of Seller's obligations under Sections 3.01 and 3.02 continue to apply.

3.08 Metering, Communications, Telemetry and Meteorological Station(s).

(a) CAISO Approved Meter.

Seller shall, at its own cost, install, maintain and test all CAISO Approved Meters pursuant to the CAISO Tariff.

(b) Check Meter.

Seller will permit SCE to furnish and install one Check Meter on the high voltage side of the step-up transformer, substation, or any other location at SCE's sole discretion, associated with the Generating Facility in compliance with the applicable utility electric service requirements. Each Check Meter must be interconnected with SCE's communication network to permit:

(i) Periodic, remote collection of revenue quality meter data; and

(ii) Back-up real time transmission of operating-quality meter data.

(c) SCE's Access to Meters.

(i) Subject to Section 3.18, Seller hereby grants SCE reasonable access to all CAISO Approved Meters and Check Meters for meter readings and any purpose necessary to effectuate this Agreement.

(ii) Seller shall promptly provide SCE access to all meter data and data acquisition services both in real-time, and at later times, as SCE may reasonably request.

(iii) Prior to Initial Synchronization, Seller shall provide instructions to the CAISO granting authorizations or other documentation sufficient to

provide SCE with access to the CAISO Approved Meter and to Seller's settlement data on OMAR.

(d) CAISO Approved Meter Maintenance.

(i) Seller shall test and calibrate the CAISO Approved Meter, as necessary, but in no event will the period between testing and calibration dates be greater than twelve (12) months.

(ii) Seller shall bear its own costs for any meter check or recertification of the CAISO Approved Meter.

(iii) Seller shall replace the CAISO Approved Meter battery at least once every thirty-six (36) months or such shorter period as may be recommended by the CAISO Approved Meter manufacturer.

Notwithstanding the foregoing, if the CAISO Approved Meter battery fails, Seller shall replace such battery within one (1) day after becoming aware of its failure.

(iv) Seller shall use certified test and calibration technicians to perform any work associated with the CAISO Approved Meter.

(v) Seller shall inform SCE of test and calibration dates, provide SCE with access to observe and witness such testing and calibration, and provide SCE certified results of tests and calibrations within thirty (30) days after completion.

(e) SCADA and Telemetry System.

All communication, metering, telemetry, and associated generation operation equipment will be centralized into the Generating Facility's SCADA. Seller shall configure the SCADA so that SCE may access it via the GMS from the GOC. Seller shall link the systems via an approved SCE communication network, utilizing existing industry standard network protocol, as approved by SCE. The connection will be bidirectional in nature and used by the Parties to exchange all data points to and from the GOC. Seller shall be responsible for the costs of installing, configuring, maintaining and operating the SCADA and internal site links for the Generating Facility.

Seller shall be responsible for designing, furnishing, installing, operating, maintaining and testing a real time Telemetry System capable of interconnecting to the GMS, the CAISO-Approved Meter(s) and the Generating Facility's control system with the CAISO's Energy Communication Network.

The Telemetry System shall be designed in accordance with the CAISO monitoring and communication requirements and must be capable of:

(i) Reporting data from each CAISO-Approved Meter;

(ii) Providing the status of key control points from the Generating Facility's control system;

(iii) Routing generating unit set points to the Generating Facility's control system; and

(iv) Communicating availability of the Generating Facility pursuant to Section 3.08(g).

The Telemetry System must include a data processing gateway, internet connection, interconnecting cabling and all service agreements required for accessing the CAISO's Energy Communications Network.

The above mentioned connections and data transfer must be included in the systems engineering tasks as a part of the construction of the Generating Facility, and must be fully functional before Initial Synchronization.

(f) Meteorological Station(s) and Reporting Requirements.

Seller, at its own expense, shall install and maintain one (1) or more stand-alone meteorological stations at the Generating Facility in accordance with Exhibit P to monitor and report weather data to both the CAISO and the existing SCE weather station data collection system.

The station(s) must be installed at least sixty (60) days before Initial Synchronization.

The station(s) must be equipped with the Meteorological Equipment, as may be modified by Seller at SCE's direction from time to time to reflect the CAISO's PIRP/EIRP protocol and the requirements of Exhibit L.

The station(s) must be designed to collect and record data in accordance with CAISO's PIRP/EIRP protocols and the requirements of Exhibit L.

Data reports must be formatted in a manner consistent with the CAISO requirements published on the CAISO internet website.

Telemetering equipment must be designed to function in accordance with CAISO's PIRP/EIRP protocols.

The station(s) must be equipped to measure and record the minimum data required by the CAISO, in the manner specified by the CAISO.

Seller shall submit to SCE for review and approval, Seller's technical specifications for the meteorological station(s) along with a site plan showing the location of the station(s), the location of all *[Wind Turbines, the wind rose for the Site], [Solar Generating Units, Photovoltaic Modules, Current Inverters,]* and other prominent features, as applicable.
{SCE Comment: Intermittent only.}

(g) Real-Time Communication of Availability.

(i) Prior to Initial Synchronization, Seller shall install a telecommunication system and demonstrate to SCE's reasonable satisfaction that the system interfaces with the Web Client and the GMS to provide SCE with Seller's Real-Time Availability.

(ii) Seller shall maintain the telecommunications path, the hardware, and software to provide quality data to SCE throughout the Delivery Term.

(iii) Upon Notice from SCE, Seller shall repair or have corrected as soon as possible, but no later than five (5) days after receipt of such Notice any:

(1) Inoperable telecommunications path;

(2) Inoperable software; or

(3) Faulty instrumentation.

(iv) Seller shall submit an Actual Availability Report pursuant to Section 3.24 for any month in which Seller's telecommunications system was not available or did not provide quality data for longer than twenty-four (24) continuous hours.

3.09 Site Location and Control.

(a) This Agreement is Site specific as set forth in Section 1.01(b). Seller may change the location of the Site only upon SCE's prior written consent, which consent is in SCE's sole discretion.

(b) Seller shall have Site Control throughout the Delivery Term.

(c) Seller shall provide SCE with prompt Notice of any change in the status of Seller's Site Control.

3.10 Change in Structure, Ownership or Financing.

Seller shall provide Notice to SCE within five (5) Business Days after a change in the status of any of the following:

(a) Seller's exact and complete name, form of organization, direct or indirect ownership and state of incorporation or organization, or address of Seller's principal place of business; and

(b) Seller's construction-period financing and Operating-period financing, including the sources of equity investments and debt financings.

No Notice provided pursuant to this Section 3.10 constitutes or substitutes for any consent required pursuant to Sections 10.04 or 10.05.

3.11 Design.

At no cost to SCE, Seller shall be responsible for:

(a) Designing and constructing the Generating Facility;

(b) Using commercially reasonable efforts to acquire all Permits;

(c) Providing to SCE, at least thirty (30) days before the anticipated Initial Synchronization Date, the following Generating Facility information:

(i) Site plan drawings for the Generating Facility;

(ii) Electrical one-line diagrams;

(iii) Control and data-acquisition details and configuration documents;

(iv) Major electrical equipment specifications;

(v) General arrangement drawings;

(vi) Longitude and latitude of the centroid of the Site;
{SCE Comment: Solar only}

Longitude and latitude of each generator;
{SCE Comment: All other technologies}

(vii) Artist renderings of the Site, if any;

(viii) Aerial photographs of the Site, if any;

(ix) Site plan drawing of the geothermal well field;

(x) Process flow diagrams;

(xi) Piping and instrumentation diagrams;

(xii) Production well flow rates;

(xiii) Injection well flow rates and volumes;

(xiv) Wellhead pressures;

(xv) Geothermal fluid chemistry;

(xvi) Non-condensable gas composition;

(xvii) Current Inverter specification;

(xviii) Photovoltaic Module specification;

(xix) Solar energy collection grid diagrams;

(xx) Wind Turbine specification;

(xxi) Wind energy collection grid diagrams;

(xxii) Topographical maps showing the location of all Wind Turbines, and specifying the Wind Turbine model and Site-specific identification number; and

(xxiii) Map showing the location of the Meteorological Equipment, including specifying the longitude and latitude of such.
{SCE Comment: Include subsections above when applicable to the Generating Facility.}

(d) Providing SCE advance Notice at the earliest practicable time of any proposed material changes in the Generating Facility, but in no event less than thirty (30) days before the changes are to be made, which Notice must include the information set forth in Section 3.11(c), along with all specifications and drawings pertaining to any such changes and any changes to Exhibit B.

(e) Providing to SCE, prior to commencement of any construction activities on the Site, a report from an independent engineer (acceptable to both SCE and Seller) certifying that Seller has a written plan for the safe construction and Operation of the Generating Facility in accordance with Prudent Electrical Practices.

3.12 Operation and Record Keeping.

(a) Seller shall Operate the Generating Facility in accordance with Prudent Electrical Practices.

(b) Seller shall comply with Operating orders in compliance with the CAISO Tariff.

(c) On or prior to Initial Synchronization:

(i) SCE shall have obtained or waived CPUC Approval;

(ii) Seller shall obtain CEC Pre-Certification;

(iii) Seller shall take all steps necessary to ensure that SCE becomes authorized by the CAISO to Schedule the electric energy produced by the Generating Facility with the CAISO;

(iv) SCE shall have been authorized by the CAISO to Schedule the electric energy produced by the Generating Facility with the CAISO;

(v) Seller shall demonstrate to SCE's reasonable satisfaction that Seller has executed all necessary Transmission Provider and CAISO agreements;

(vi) Seller shall provide to SCE the DLF used by the Transmission Provider in the administration of the transmission service agreement for the Generating Facility;

(vii) Seller shall be Forecasting to SCE in accordance with Exhibit D;

(viii) Seller shall commence delivering electric energy to SCE at the Delivery Point;

(ix) Seller shall have installed and placed in operation all equipment and systems required under Section 3.08;
{SCE Comment: Intermittent only.}

(x) Seller shall have registered with the NERC as the Generating Facility's Generator Owner and Generator Operator if Seller is required to be a registered entity pursuant to the NERC Reliability Standards; and

(xi) Seller shall have furnished to SCE all insurance documents required under Section 10.11.

(d) Seller shall keep a daily operations log for the Generating Facility that shall include the following information:

(i) Availability of the Generating Facility;
{SCE Comment: All technologies except Solar Photovoltaic.}

Availability of the Inverter Block Units and associated Current Inverters;
{SCE Comment: Solar Photovoltaic only.}

(ii) Circuit breaker trip operations;

(iii) Any significant events related to the Operation of the Generating Facility;

(iv) Real and reactive power and energy production;

(v) Changes in Operating status;

(vi) Protective apparatus operations;

(vii) Any unusual conditions found during inspections;

(viii) Electric energy production, fuel consumption and efficiency (if applicable); and

(ix) Status and settings of generator controls including automatic voltage regulator and power system stabilizer.

(e) Seller shall log changes in the generator output setting if it is "block-loaded" to a specific kW capacity.
{SCE Comment: Baseload only.}

Seller shall maintain complete records of the Generating Facility's wind speeds and other pertinent meteorological conditions and operational status of each Wind Turbine.
{SCE Comment: Wind only.}

Seller shall maintain complete records of the Generating Facility's direct normal insolation, other pertinent meteorological conditions and operational status of

each Solar Generating Unit.
{SCE Comment: Solar Thermal only.}

Seller shall maintain complete records of the Generating Facility's plane of array insolation, other pertinent meteorological conditions and operational status of each Inverter Block Unit.
{SCE Comment: Solar Photovoltaic only.}

Seller shall maintain complete records of the Generating Facility's fuel consumption if a biomass or landfill generating facility, or geothermal fluid consumption if a geothermal generating facility.
{SCE Comment: Biomass and Geothermal only.}

(f) Seller shall keep a maintenance log for the Generating Facility that shall include information on maintenance (both breakdown and preventative) performed, outages, inspections, manufacturer recommended services and replacement, electrical characteristics of the generators, control settings or adjustments of equipment and protective devices.

Seller shall maintain documentation of all procedures applicable to the testing and maintenance of the Generating Facility protective devices as necessary to comply with NERC Reliability Standards applicable to protection systems for large electric generators, if Seller is required to be a registered entity pursuant to the NERC Reliability Standards.

Such information in Section 3.12(d), 3.12(e) and 3.12(f) above shall be provided or made available to SCE within twenty (20) days after any Notice.

(g) Seller shall promptly curtail the production of the Generating Facility:

(i) Upon Notice from SCE that Seller has been instructed by the CAISO or Transmission Provider to curtail energy deliveries;

(ii) Upon Notice that Seller has been given a curtailment order or similar instruction in order to respond to an Emergency; or

(iii) If SCE issues a Curtailment Order; *provided*, SCE may not issue a Curtailment Order during any EO Period.

(h) Information maintained pursuant to this Section 3.12 shall be kept by Seller throughout the Delivery Term and shall be provided or made available to SCE within twenty (20) days after any Notice.

(i) Seller must be interfaced with SCE's Generation Management System and be responsive to 5-minute Dispatch Instruction and other applicable CAISO Tariff rules.

(j) Thirty (30) days prior to the Commercial Operation Date, Seller shall provide a completed Master File for the Generating Facility to SCE (which may be redacted

by Seller to eliminate any portions reasonably believed by Seller to contain confidential information).

3.13 Obtaining Scheduling Coordinator Services.

Seller shall comply with all applicable CAISO Tariff procedures, protocol, rules and testing as necessary for SCE to submit Bids for the electric energy produced by the Generating Facility.

(a) Designating SCE as Scheduling Coordinator.

(i) At least thirty (30) days before Initial Synchronization, Seller shall take all actions and execute and deliver to SCE all documents necessary to authorize or designate SCE as the Scheduling Coordinator throughout the Delivery Term.

(ii) Throughout the Delivery Term, Seller shall not authorize or designate any other party to act as Scheduling Coordinator, nor shall Seller perform, for its own benefit, the duties of Scheduling Coordinator.

(b) Replacement of SCE as Scheduling Coordinator.

At least forty-five (45) days before the end of the Term, or as soon as practicable before the date of any termination of this Agreement before the end of the Term, Seller shall take all actions necessary to terminate the designation of SCE as Seller's Scheduling Coordinator as of hour ending 24:00 on the last day of the Term. These actions include the following:

(i) Seller shall submit to the CAISO a designation of a new Scheduling Coordinator for Seller to replace SCE;

(ii) Seller shall cause the newly designated Scheduling Coordinator to submit a letter to the CAISO accepting the designation; and

(iii) Seller shall inform SCE of the last date on which SCE will be Seller's Scheduling Coordinator. SCE must consent to any date other than the last day of the Term, such consent not to be unreasonably withheld.

3.14 Forecasting.

Seller shall Forecast in accordance with the provisions of Exhibit D.

Seller shall use commercially reasonable efforts to Operate the Generating Facility so that the available capacity or electric energy from the Generating Facility conforms with Forecasts provided in accordance with Exhibit D.

3.15 Scheduled Outages.

(a) Commencing at least sixty (60) days before Initial Synchronization and throughout the Delivery Term, Seller shall, no later than January 1, April 1, July 1 and October 1 of each year, submit to SCE, using the Web Client, Seller's

schedule of proposed planned outages ("Outage Schedule") for the subsequent twenty-four month period.

(b) Seller shall provide the following information for each proposed planned outage:

(i) Start date and time;

(ii) End date and time; and

(iii) Capacity online, in MW, during the planned outage.

(c) Within thirty (30) days after SCE's receipt of an Outage Schedule, SCE shall notify Seller in writing of any reasonable request for changes to the Outage Schedule, and Seller shall, consistent with Prudent Electrical Practices, accommodate SCE's requests regarding the timing of any planned outage.

(d) Seller shall cooperate with SCE to arrange and coordinate all Outage Schedules with the CAISO.

(e) If a condition occurs at the Generating Facility which causes Seller to revise its planned outages, Seller shall promptly provide Notice to SCE, using the Web Client, of such change (including an estimate of the length of such planned outage) as required in the CAISO Tariff after the condition causing the change becomes known to Seller.

(f) Seller shall promptly prepare and provide to SCE upon request, using the Web Client, all reports of actual or forecasted outages that SCE may reasonably require for the purpose of enabling SCE to comply with Section 761.3 of the California Public Utilities Code or any Applicable Law mandating the reporting by investor owned utilities of expected or experienced outages by electric energy generating facilities under contract to supply electric energy.

3.16 Progress Reporting Toward Meeting Milestone Schedule.

Seller shall use commercially reasonable efforts to meet the Milestone Schedule and avoid or minimize any delays in meeting this schedule. Seller shall provide a monthly written report of its progress toward meeting the Milestone Schedule using the procedures set forth in Exhibit H.

Seller shall include in such report a list of all letters, notices, applications, approvals, authorizations, filings, permits and licenses relating to any Transmission Provider, Governmental Authority or the CAISO and shall provide any such documents as may be reasonably requested on Notice from SCE.

In addition, Seller shall advise SCE as soon as reasonably practicable of any problems or issues of which Seller is aware which may materially impact Seller's ability to meet the Milestone Schedule.

3.17 Provision of Information.

Seller shall promptly provide to SCE copies of:

(a) Within ten (10) Business Days of receipt thereof, copies of any Interconnection Study or the interconnection agreement tendered to Seller by the Transmission Provider and, concurrently with the provision of the first Interconnection Study or interconnection agreement tendered to Seller by the Transmission Provider that may give rise to a termination right of SCE under Section 2.03(a)(iii), Seller shall also provide SCE a Notice of its irrevocable election to exercise or not exercise its right to assume financial responsibility for any Excess Network Upgrade Costs pursuant to Section 2.03(a)(iii), with a failure to provide such an election deemed to be an election not to exercise such rights;

(b) All applications and approvals or disapprovals relating to CEC Pre-Certification, CEC Certification, CEC Verification, any Permit and PIRP/EIRP (in the event SCE requests Seller to apply to be in PIRP/EIRP);

(c) All final and revised copies of material reports, studies and analyses furnished by the CAISO or any Transmission Provider, and any correspondence related thereto, concerning the interconnection of the Generating Facility to the Transmission Provider's electric system or the transmission of electric energy on the Transmission Provider's electric system;

(d) All notifications of adjustments in the DLF used by the Transmission Provider in the administration of the transmission service agreement for the Generating Facility within thirty (30) days of receiving such notification from the Transmission Provider;

(e) A copy of the Final Wind Report, and any updates thereafter for the time period beginning on the Effective Date and ending on the last day of the first Term Year; *{SCE Comment: Wind only.}*

All Geothermal Reservoir Reports, and any revisions thereto, for the time period beginning on the Effective Date and ending on the last day of the first Term Year; *{SCE Comment: Geothermal only.}*

[A copy of the IE Annual Energy Yield Factor Report and] {SCE Comment: Solar photovoltaic only.} all Solar Resource Evaluation Reports, and any revisions thereto, for the time period beginning on the Effective Date and ending on the last day of the first Term Year;
{SCE Comment: Solar only.}

(f) Any reports, studies, or assessments of the Generating Facility prepared for Seller by an independent engineer; and

(g) All Generating Facility and metering information as may be requested by SCE, including the following, at least thirty (30) days before Initial Synchronization:

For each CAISO Approved Meter:

(i) Generating Station/Unit ID;

(ii) CAISO Resource ID;

(iii) CAISO Approved Meter Device ID;

(iv) Password;

(v) Data path (network (ECN) or modem);

(vi) If modem, phone number;

(vii) Copy of meter certification;

(viii) List of any CAISO metering exemptions (if any); and

(ix) Description of any compensation calculations such as transformer losses and line losses.

For the Generating Facility:

(1) Utility transmission/distribution one line diagram;

(2) Physical location, address or descriptive identification;

(3) Latitude and longitude of the *[centroid of the Site] {SCE Comment: For solar only} [each generator of the Generating Facility] {SCE Comment: For all other technologies} [, and all Meteorological Equipment]*; *{SCE Comment: Intermittent only.}*

(4) Telephone number on site;

(5) Telephone number of control room;

(6) Telephone number for operational issues; and

(7) Telephone number for administrative issues.

(h) The names of the Interconnection Point and the Delivery Point within thirty (30) days after Seller's receipt of such information from the Transmission Provider or CAISO, as applicable.

{SCE Comment: Applicable if the official names of the Interconnection Point or Delivery Point are not known as of the Effective Date.}

(i) No later than twenty (20) days after each semi-annual period ending on June 30th or December 31st, a report listing all WMDVBEs that supplied goods or services to Seller during such period, including any certifications or other documentation of such WMDVBEs' status as such and the aggregate amount paid to WMDVBEs during such period.

(i) SCE has the right to disclose to the CPUC all such information provided by Seller pursuant to this Section 3.17(i).

(ii) Seller shall make reasonable efforts to accommodate requests by the CPUC (or by SCE in response to a request by the CPUC) to audit Seller in order to verify data provided by Seller pursuant to this Section 3.17(i).

(j) Internal Revenue Service tax Form W-9 and California tax Form 590 (or their equivalent), completed with Seller's information, and any other documentation necessary for SCE to comply with its tax reporting or withholding obligations with respect to Seller, within ten (10) Business Days of Seller's receipt of Notice from SCE requesting the same.

3.18 SCE's Access Rights.

Seller hereby grants SCE the right of ingress and egress to examine the Site and Generating Facility for any purpose reasonably connected with this Agreement or the exercise of any and all rights of SCE under Applicable Law or SCE's tariff schedules and rules on file with the CPUC. When at the Site, SCE, its authorized agents, employees and inspectors shall adhere to safety and security procedures as may reasonably be required by Seller, provided Seller has provided such procedures to SCE in writing in advance.

3.19 Availability Guarantee and Obligation to Make Availability Guarantee Lost Production Payment.

(a) Seller hereby guarantees that the Wind Turbines shall achieve Generating Facility Annual Availability equal to or greater than the Availability Guarantee during the Guarantee Period.

(b) Within thirty (30) days after the end of each Term Year, Seller shall provide SCE Notice of the Generating Facility Annual Availability for the prior Term Year.

Seller's Notice must include:

(i) The Generating Facility Annual Availability for the prior Term Year;

(ii) A copy of the Wind Turbine manufacturer's wind turbine availability calculation and methodology so long as any of the Wind Turbines are still under warranty;

(iii) A summary of availability of each Wind Turbine, based on the manufacturer's wind turbine availability calculation and methodology, during the prior Term Year;

(iv) A copy of all supporting data from the Generating Facility's control system;

(v) A letter from the Wind Turbine manufacturer, so long as any of the Wind Turbines are under warranty, or an independent engineer reasonably acceptable to SCE, stating that such Party has reviewed Seller's calculation and methods and results and found them to be consistent with the Wind Turbine manufacturer's wind turbine availability calculation methodology as set forth in its contract guarantee to Seller; and

(vi) An attestation from Seller's highest ranking executive that the calculation for determining availability is accurate.

(c) Within sixty (60) days of SCE's receipt of Seller's Notice in accordance with Section 3.19(b), SCE shall provide Seller a Notice which must include:

(i) A calculation of any Availability Guarantee Lost Production Payment calculated in accordance with Exhibit R;

(ii) An invoice for any Availability Guarantee Lost Production Payment owed to SCE; and

(iii) Annotated work papers, source data and a detailed explanation of the calculation.

(d) Seller will have thirty (30) days after receipt of SCE's Notice in accordance with Section 3.19(c) to review SCE's calculation and either pay the entire Availability Guarantee Lost Production Payment claimed by SCE or pay any undisputed portion and provide Notice to SCE of the portion Seller disputes along with a detailed explanation of, and rationale for, Seller's calculation methodology, and annotated work papers and source data.

The Parties shall negotiate in good faith to resolve any disputed portion of an Availability Guarantee Lost Production Payment and shall, as part of such good faith negotiations, promptly provide information or data relevant to the dispute as each Party may possess which is requested by the other Party.

If the Parties are unable to resolve a dispute regarding an Availability Guarantee Lost Production Payment within thirty (30) days after the sending of a Notice of dispute by Seller, either Party may submit the dispute to mediation and arbitration pursuant to Article Twelve.

The Availability Guarantee Lost Production Payment shall be made by Seller irrespective of whether SCE actually purchased replacement electric energy as a result of the Generating Facility's failure to achieve the Availability Guarantee.

The Availability Guarantee Lost Production Payment will be a credit against Product Replacement Damage Amount owed by Seller as provided in Exhibit F, but will not otherwise replace or reduce Seller's obligation to pay the Product

Replacement Damage Amount.
{SCE Comment: Wind only.}

3.20 Obtaining and Maintaining CEC Certification, and CEC Verification.

(a) Within thirty (30) days after the Commercial Operation Date, Seller shall file an application or other appropriate request with the CEC for CEC Certification for the Generating Facility.

(b) Subject to Section 1.11, Seller shall take all necessary steps, including making or supporting timely filings with the CEC, to obtain and maintain CEC Certification and CEC Verification throughout the Delivery Term.

(c) Upon request by SCE, Seller shall provide copies of all correspondence and documentation exchanged between the CEC and Seller.

3.21 Notice of Cessation or Termination of Service Agreements.

Seller shall provide Notice to SCE within one (1) Business Day after termination of, or cessation of service under, any agreement necessary to deliver Product to SCE at the Delivery Point or to meter the Metered Amounts.

3.22 Payments and Invoicing.

Throughout the Delivery Term, Seller shall issue Payment Invoices and pay SCE in accordance with Exhibit E.

3.23 Lost Output Report.

(a) Monthly Report; SCE Review.

Commencing on the Commercial Operation Date and continuing throughout the Term, Seller shall calculate Lost Output and prepare and provide to SCE a Lost Output Report by the tenth (10th) Business Day of each month in accordance with Exhibit L.

SCE will have thirty (30) days after receipt of Seller's monthly Lost Output Report or Supplemental Lost Output Report to review such report.

Upon SCE's request, Seller shall promptly provide to SCE any additional data and supporting documentation necessary for SCE to audit and verify any matters in the Lost Output Report.

(b) Disputes of Lost Output.

If SCE disputes Seller's Lost Output calculation, SCE shall provide Notice to Seller within thirty (30) days after receipt of Seller's Lost Output Report and include SCE's calculations and other data supporting its position.

The Parties shall negotiate in good faith to resolve any dispute.

If the Parties are unable to resolve a dispute within thirty (30) days after SCE's giving the dispute Notice, either Party may submit the dispute to mediation and arbitration as provided in Article Twelve.

Seller will have no right to claim any Lost Output for any month that was not identified in the original Lost Output Report for that month; *provided*, Seller may supplement the amount of Lost Output claimed ("Supplemental Lost Output") for the month with a supplemental Lost Output Report ("Supplemental Lost Output Report") if Seller can demonstrate that Seller neither knew nor could have known through the exercise of reasonable diligence about the Supplemental Lost Output within the foregoing thirty (30) day period and Seller provides the Supplemental Lost Output Report within ten (10) Business Days after learning the facts which provide the basis for the Supplemental Lost Output claim; *provided further*, in no event will SCE be obligated to accept a Supplemental Lost Output Report after thirty (30) days following the end of the applicable Term Year.

(c) Product Replacement Damage Amount Calculation.

The Lost Output amount that will be used by SCE in the Product Replacement Damage Amount calculation, set forth in Exhibit F, will be the amount calculated pursuant to Exhibit L or otherwise resolved pursuant to Section 3.23(b).

3.24 Actual Availability Report.

(a) Throughout the Delivery Term, Seller shall prepare and provide to SCE a report with the Actual Available Capacity of the Generating Facility (an "Actual Availability Report") for each month.

This report must be in the form set forth in Exhibit O and must be delivered to SCE no later than the seventh (7th) Business Day following the end of the month which is the subject of the Actual Availability Report.

(b) Upon SCE's request, Seller shall promptly provide to SCE any additional data and supporting documentation necessary for SCE to audit and verify any matters set forth in the Actual Availability Report.

3.25 Seller's Provision of Historic Wind Data.

(a) Seller shall provide to SCE a minimum of one (1) year of recorded meteorological data from the Site not later than ninety (90) days before Initial Synchronization.

Seller may provide data from additional years if any such data is available.

(b) Data Parameters.

For each equipment station that is installed, Seller shall provide the following data to the extent such data has been recorded:

(i) Wind direction;

(ii) Wind speed;

(iii) Air temperature;

(iv) Barometric pressure;

(v) Relative humidity;

(vi) Elevation of the station; and

(vii) Latitude and longitude of the station.

(c) Format of Data.

Seller shall provide the data:

(i) In the format to be specified by SCE; and

(ii) In the interval in which such data was recorded.

{SCE Comment: For Wind only. SCE will require such information from Seller if the Site is in an area for which SCE has no historic information.}

3.26 Seller's Provision of Historic Solar Data.

(a) Seller shall provide to SCE a minimum of one (1) year of recorded meteorological data from the Site not later than ninety (90) days before Initial Synchronization.

Seller may provide data from additional years if any such data is available.

(b) Data Parameters.

For each equipment station that is installed, Seller shall provide the following data to the extent such data has been recorded:

(i) Total global irradiance;

(ii) Wind direction;

(iii) Wind speed;

(iv) Air temperature;

(v) Barometric pressure;

(vi) Relative humidity;

(vii) Elevation of the station; and

(viii) Latitude and longitude of the station.

(c) Format of Data.

Seller shall provide the data:

(i) In the format to be specified by SCE; and

(ii) In the interval in which such data was recorded.
{SCE Comment: Solar only.}

3.27 Hydro Certification.

Seller shall provide to SCE a copy of the certification identified in Public Utilities Code Sections 2821(d)(1) and (e)(1) as evidence of Seller's compliance with Public Utilities Code Section 2821(c) within thirty (30) days of Seller's receipt of such documentation from the State Water Resources Control Board but in no event later than sixty (60) days after Initial Synchronization ("Hydro Certification").
{SCE Comment: Hydro only.}

3.28 NERC Electric System Reliability Standards.

Throughout the Delivery Term, Seller shall be:

(a) Responsible for complying with any NERC Reliability Standards applicable to the Generating Facility, including registration with NERC as the Generator Operator for the Generating Facility or other applicable category under the NERC Reliability Standards and implementation of all applicable processes and procedures required by NERC, WECC or CAISO for compliance with the NERC Reliability Standards; and

(b) Liable for all penalties assessed by NERC (through WECC or otherwise) for violations of the NERC Reliability Standards by the Generating Facility or Seller, as Generator Operator or other applicable category.

However, if Seller learns that NERC (through WECC or otherwise) is considering or intends to assess Seller with a penalty that Seller believes is attributable to SCE's actions or inactions as SC as described in the document entitled "NERC Reliability Standards - Responsibilities of the Generator Operator, Scheduling Coordinator, CAISO, and Reliability Coordinator" or other successor description or document on the CAISO website at the time of the potential assessment, Seller shall provide SCE with sufficient notice to allow SCE to take part in administrative processes, discussions or settlement negotiations with NERC, WECC or other entity arising from or related to the alleged violation or possible penalty. If the penalty is nonetheless assessed in spite of SCE's participation in the processes, discussions or settlement negotiations, or SCE waives its right to take part in the processes, discussion or settlement negotiations, SCE shall reimburse Seller for the penalty to the extent that:

(c) It was solely caused by SCE's actions or inactions as SC as described in the document entitled "NERC Reliability Standards - Responsibilities of the

Generator Operator, Scheduling Coordinator, CAISO, and Reliability Coordinator" or other successor description or document on the CAISO website at the time of the violation; and

(d) Seller can establish to SCE's reasonable satisfaction that the penalty was actually assessed against Seller by NERC and paid by Seller to NERC.

3.29 Application of Prevailing Wage.

To the extent applicable, Seller shall comply with the prevailing wage requirements of Public Utilities Code Section 399.14, subdivision (h).

*** *End of ARTICLE THREE* ***

ARTICLE FOUR. SCE'S OBLIGATIONS

4.01 Obligation to Pay and Invoice.

(a) SCE shall provide information to Seller regarding CAISO Revenues, CAISO Costs, CAISO Sanctions, and SCE Penalties and shall pay Seller, all in accordance with Exhibit E.

(b) Throughout the Delivery Term, SCE shall purchase Product generated by the Generating Facility and delivered at the Delivery Point in accordance with this Agreement, CAISO Tariff and Applicable Law, provided, subject to Section*[s]* 4.01(c) *[and 4.01(d)] {SCE Comment: for Sellers that select box (b), the Federal Production Tax Credit with eligibility for reimbursement, in Section 1.10}*, SCE has no obligation to purchase from Seller any Product that is not or cannot be delivered to the Delivery Point as a result of any circumstance, including:

(i) An outage of the Generating Facility;

(ii) A Force Majeure under Article Five; or

(iii) A reduction or curtailment of deliveries in accordance with Section 3.12(g).

(c) SCE will not be obligated to pay Seller for any CNPP in each Term Year up to the Curtailment Cap, but shall pay for (i) CNPP in each Term Year above the Curtailment Cap, and (ii) all CPP, in accordance with Exhibit E.

(d) SCE shall compensate Seller for lost Federal Production Tax Credits associated with the cumulative amount of Paid Curtailed Product in each Term Year, at the then applicable Federal Production Tax Credit rate times *[TBD]* in order to "gross-up" the lost Federal Production Tax Credit. Seller shall provide SCE with documentation that establishes to SCE's reasonable satisfaction that (i) Seller is entitled to receive Federal Production Tax Credits for the Paid Curtailed Product; and (ii) the amount of the compensation due under this Section 4.01(d). *{SCE Comment: for Sellers that select box (b), the Federal Production Tax Credit with eligibility for reimbursement, in Section 1.10}*

(e) SCE will not be obligated to pay Seller for any Product that Seller delivers in violation of Section 3.12(g), including but not limited to any energy Seller delivers in excess of the amount specified in any Curtailment Order, and Seller shall pay all CAISO Sanctions and CAISO Costs, and SCE shall retain all CAISO Revenues.

4.02 SCE's Check Meter.

(a) Providing Access to Seller.

Before Initial Synchronization, SCE shall provide to Seller remote access to the Check Meter through a website as specified by SCE. SCE may change the website and protocols from time to time.

(b) Testing of Check Meter.

SCE shall test and recalibrate the Check Meter at least once every Term Year. The Check Meter will be locked or sealed, and the lock or seal will be broken, only by a SCE representative. Seller has the right to be present whenever such lock or seal is broken. SCE shall replace the Check Meter battery at least once every 36 months; *provided*, if the Check Meter battery fails, SCE shall promptly replace such battery.

(c) Use of Check Meter for Back-Up Purposes.

(i) SCE shall routinely compare the Check Meter data to the CAISO Approved Meter data after adjusting the Check Meter for any compensation introduced by the CAISO into the CAISO Approved Meter.

(ii) If the deviation between the CAISO Approved Meter data and the Check Meter data for any comparison is greater than 0.3%, SCE shall provide Notice to Seller of such deviation and the Parties will mutually arrange for a meter check or recertification of the Check Meter or CAISO Approved Meter, as applicable.

(iii) SCE will bear its own costs for any meter check or recertification of the Check Meter.

(d) Testing procedures and standards for the Check Meter will be the same as for a comparable SCE-owned revenue-grade meter. Seller has the right to have representatives present during all such tests.

4.03 Scheduling Coordinator.

Commencing on Initial Synchronization, SCE shall act as Seller's Scheduling Coordinator and carry out all duties as Scheduling Coordinator in accordance with CAISO Tariff protocols.

4.04 Termination of Scheduling Coordinator.

SCE shall submit a letter to the CAISO identifying the date on which SCE resigns as Seller's Scheduling Coordinator on the first to occur of the following:

(a) Thirty (30) days before the end of the Term;

(b) The date of any Notice from Seller of suspension of its performance pursuant to Section 6.02; or

(c) The date of any early termination of this Agreement.

4.05 Exclusive Rights to Product and Cost Responsibility.

(a) SCE has the exclusive right, at any time or from time to time, to sell, assign, convey, transfer, allocate, designate, award, report or otherwise provide any and all such Green Attributes, Capacity Attributes or Resource Adequacy Benefits conveyed by Seller to SCE during the Delivery Term to third parties; *provided,* no such action constitutes a transfer of, or a release of SCE of, its obligations under this Agreement.

(b) Subject to Seller's obligations under this Agreement, including Sections 3.01, 3.02, 3.08, 3.12, and 3.20, SCE shall be responsible for any costs arising from or directly related to SCE's accounting for or otherwise claiming Green Attributes, Capacity Attributes and Resource Adequacy Benefits.

4.06 Interest Payments on Cash Deposits.

(a) SCE shall make monthly Simple Interest Payments, calculated using the Federal Funds Effective Rate, to Seller on cash amounts posted for the:

(i) Development Security; and

(ii) Performance Assurance.

(b) Upon receipt of a monthly invoice (provided by Seller to SCE's Manager of Credit and Collateral as set forth in Exhibit C) that sets forth the calculation of the Simple Interest Payment amount due, SCE shall make payment thereof by the third (3rd) Local Business Day of the first month after the last month to which the invoice relates so long as such date is after the day on which such invoice is received; *provided*,

(i) No Event of Default has occurred and is continuing with respect to Seller; and

(ii) No Early Termination Date for which any unsatisfied payment obligation of Seller exists, has occurred or has been designated as the result of an Event of Default by Seller.

(c) On or after the occurrence of an Event of Default by Seller or an Early Termination Date as a result of an Event of Default by Seller, SCE will retain any such Simple Interest Payment amount as an additional Development Security amount or a Performance Assurance amount hereunder until:

(i) In the case of an Early Termination Date, the obligations of Seller under this Agreement have been satisfied; or

(ii) In the case of an Event of Default, for so long as such Event of Default is continuing.

**** End of ARTICLE FOUR ****

ARTICLE FIVE. FORCE MAJEURE

5.01 No Default for Force Majeure.

Neither Party will be considered to be in default in the performance of any of its obligations set forth in this Agreement (except for obligations to pay money) when and to the extent failure of performance is caused by Force Majeure.

5.02 Requirements Applicable to the Claiming Party.

If a Party, because of Force Majeure, is rendered wholly or partly unable to perform its obligations when due under this Agreement, that Party (the "Claiming Party"), will be excused from whatever performance is affected by the Force Majeure to the extent so affected, *provided*, the Claiming Party must have complied with (a) and (b) directly below.

In order to be excused from its performance obligations hereunder by reason of Force Majeure:

(a) The Claiming Party, within fourteen (14) days after the initial occurrence of the claimed Force Majeure, must give the other Party Notice describing the particulars of the occurrence; and

(b) The Claiming Party must provide timely evidence reasonably sufficient to establish that the occurrence constitutes Force Majeure as defined in this Agreement.

The suspension of the Claiming Party's performance due to Force Majeure will be of no greater scope and of no longer duration than is required by the Force Majeure.

In addition, the Claiming Party shall use commercially reasonable and diligent efforts to remedy its inability to perform.

This Section 5.02 does not require the settlement of any strike, walkout, lockout or other labor dispute on terms which, in the sole judgment of the Claiming Party, are contrary to its interest.

It is understood and agreed that the settlement of strikes, walkouts, lockouts or other labor disputes will be at the sole discretion of the Claiming Party.

When the Claiming Party is able to resume performance of its obligations under this Agreement, the Claiming Party shall give the other Party prompt Notice to that effect.

5.03 Commercial Operation Deadline Extension.

If the Commercial Operation Date does not occur on or before the Commercial Operation Deadline as the result of a Force Majeure occurring before the Commercial Operation Deadline, then the Commercial Operation Deadline will, subject to Sections 1.04 and 5.04 and Seller's compliance with its obligations as the Claiming Party under Section 5.02, be extended on a day-for-day basis for the duration of the Force Majeure.

The contents of this document are subject to restrictions on disclosure as set forth herein.

5.04 Termination.

Either Party may terminate this Agreement on Notice, which will be effective five (5) Business Days after such Notice is provided, if (a) an event of Force Majeure extends for more than three hundred sixty-five (365) consecutive days and materially and adversely affects the operations of the Claiming Party, or (b) the Generating Facility is destroyed or rendered inoperable by a Force Majeure, and an independent, third party engineer determines in writing that the Generating Facility cannot be repaired or replaced within twenty-four (24) months after the first day of such Force Majeure.

*** *End of ARTICLE FIVE* ***

ARTICLE SIX. EVENTS OF DEFAULT; REMEDIES

6.01 Events of Default.

An "Event of Default" means, with respect to a Party (a "Defaulting Party"), the occurrence of any of the following:

(a) With respect to either Party:

(i) Any representation or warranty made by such Party herein is false or misleading in any material respect when made or when deemed made or repeated if the representation or warranty is continuing in nature;

(ii) Except for an obligation to make payment when due, the failure to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default specified below or to the extent excused by a Force Majeure) if this failure is not remedied within ten (10) days after Notice of the failure, which Notice sets forth in reasonable detail the nature of the failure;

(iii) A Party fails to make when due any payment required under this Agreement and this failure is not cured within three (3) Business Days after Notice of the failure;

(iv) A Party becomes Bankrupt; or

(v) A Party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting, surviving or transferee entity fails to assume all the obligations of that Party under this Agreement either by operation of law or pursuant to an agreement reasonably satisfactory to the other Party.

(b) With respect to Seller:

(i) Seller fails to post and maintain the Development Security pursuant to Section 3.06(a), and such failure is not cured within three (3) Business Days after Notice from SCE;

(ii) Seller fails to post and maintain the Performance Assurance pursuant to Section 8.02, and such failure is not cured within three (3) Business Days after Notice from SCE;

(iii) Commercial Operation does not occur on or before the Commercial Operation Deadline;

(iv) Except as permitted in Sections 10.04 and 10.05, Seller does not own or otherwise have control of the Generating Facility;

(v) Seller does not have Site Control in accordance with Section 3.09 and Seller has not cured such failure within sixty (60) days after the occurrence of the event which results in the failure;

(vi) The sum of Qualified Amounts plus Lost Output in any consecutive six (6) month period is not at least ten percent (10%) of the Expected Annual Net Energy Production, and Seller fails to demonstrate to SCE's reasonable satisfaction, within ten (10) Business Days after Notice from SCE, a legitimate reason for the failure to meet the ten percent (10%) minimum;

(vii) The Metered Amounts in any one hour interval, in kWh/hr, exceed one hundred fifteen percent (115%) of the Contract Capacity to this Agreement, (an "Event of Excess Deliveries"), without the prior written consent of SCE, and within ten (10) Business Days after Notice, Seller fails to demonstrate to SCE's satisfaction that Seller has identified the reason that the Event of Excess Deliveries occurred and that Seller has employed or is employing best efforts to ensure that no additional Events of Excess Deliveries will occur throughout the Delivery Term;
{SCE Comment: Baseload only.}

(viii) Seller intentionally or knowingly Forecasts or delivers, or attempts to Forecast or deliver, at the Delivery Point for sale under this Agreement electric energy that was not in fact generated by the Generating Facility;

(ix) Seller installs generating capacity in excess of the Contract Capacity and such excess generating capacity is not removed within five (5) Business Days after Notice from SCE;
{SCE Comment: Intermittent only.}

(x) Seller removes from the Site equipment upon which the Contract Capacity has been based, except for the purposes of replacement, refurbishment, repair or maintenance, and the equipment is not returned within five (5) Business Days after Notice from SCE;

(xi) The Generating Facility consists of an ERR type(s) different than that specified in Section 1.01(c);

(xii) Except where there has been a change in Applicable Laws that would affect Seller's status as an ERR, and Seller has made commercially reasonable efforts in accordance with Section 10.02(c) to comply with the change in law, the Generating Facility fails to qualify as an ERR;

(xiii) Except where there has been a change in law that would affect the eligibility of electric energy to qualify as renewable energy for the purposes of the RPS Legislation and Seller has made commercially reasonable efforts in accordance with Section 10.02(c) to comply with the

change in law, any electric energy from the Generating Facility and sold or to be sold to SCE hereunder fails to qualify as eligible renewable energy for purposes of the RPS Legislation;

(xiv) A termination of, or cessation of service under, any agreement necessary for Seller:

(1) To interconnect the Generating Facility to the Transmission Provider's electric system;

(2) To transmit the electric energy on the Transmission Provider's electric system; or

(3) To comply with the CAISO Tariff;

provided, if SCE and Seller mutually agree that a termination of, or cessation of service under, any such agreement is not due to the fault of Seller, Seller shall have thirty (30) days from such termination or cessation to cure such default;

(xv) Subject to Section 1.11, Seller fails to take any actions necessary to dedicate, convey or effectuate the use of any and all Green Attributes, Capacity Attributes and Resource Adequacy Benefits for SCE's sole benefit as specified in Section 3.01;

(xvi) Except for Credit and Collateral Requirements in Article Eight for which there is a separate Event of Default specified in this Section 6.01, Seller fails to satisfy the Credit and Collateral Requirements in Article Eight and the failure is not cured within three (3) Business Days after Notice from SCE;

(xvii) Subject to the terms of a Collateral Assignment Agreement, the occurrence and continuation of a default, event of default or other similar condition or event under one or more agreements or instruments relating to indebtedness for borrowed money, which results in the indebtedness becoming, or becoming capable at such time of being declared, immediately due and payable;

(xviii) The stock, equity ownership interest in Seller or assets of Seller has been pledged or assigned as collateral or otherwise to any party other than Lender;

(xix) Seller transfers or assigns the Interconnection Queue Position;

(xx) Seller fails to provide Hydro Certification in accordance with Section 3.27;
{SCE Comment: Hydro only.}

(xxi) Seller fails to take all commercially reasonable actions, including any actions required in Seller's Interconnection Agreement, to expeditiously obtain Full Capacity Deliverability Status;

(xxii) Seller withdraws or revokes its request for interconnection, or fails to maintain its request for interconnection as a Fully Deliverable Interconnection Request.

6.02 Early Termination.

If an Event of Default shall have occurred, the Party taking the default (the "Non-Defaulting Party") has the right:

(a) To designate by Notice, which will be effective five (5) Business Days after the Notice is given, a day, no later than twenty (20) calendar days after the Notice is effective, for the early termination of this Agreement (an "Early Termination Date"); *provided*, a Non-Defaulting Party's right to terminate this Agreement pursuant to this Section 6.02(a) may only be exercised within one hundred and eighty (180) days from the date that the default giving rise to the applicable Event of Default is no longer continuing, or, if no cure period is provided for, from the date the Non-Defaulting Party becomes aware of the Event of Default; and

(b) To pursue all remedies available at law or in equity against the Defaulting Party (including monetary damages), except to the extent that such remedies are limited by the terms of this Agreement.

Upon the effective designation of an Early Termination Date, the Non-Defaulting Party will have the right to immediately suspend performance under this Agreement, including performance under Section 3.01(e) but excluding the obligation to post and maintain Development Security and Performance Assurance in accordance with Section 3.06 or Article Eight.

6.03 Termination Payment.

As soon as practicable after an Early Termination Date is declared, the Non-Defaulting Party shall provide Notice to the Defaulting Party of the Termination Payment.

The Notice must include a written statement setting forth, in reasonable detail, the calculation of such Termination Payment including the Forward Settlement Amount, together with appropriate supporting documentation.

If the Termination Payment is positive, the Defaulting Party shall pay such amount to the Non-Defaulting Party within ten (10) Business Days after the Notice is provided. If the Termination Payment is negative (i.e., the Non-Defaulting Party owes the Defaulting Party more than the Defaulting Party owes the Non-Defaulting Party), then the Non-Defaulting Party shall pay such amount to the Defaulting Party within thirty (30) days after the Notice is provided.

The contents of this document are subject to restrictions on disclosure as set forth herein.

The Parties shall negotiate in good faith to resolve any disputes regarding the calculation of the Termination Payment. Any Disputes which the Parties are unable to resolve through negotiation may be submitted for resolution through mediation and arbitration as provided in Article Twelve.

**** End of ARTICLE SIX ****

ARTICLE SEVEN. LIMITATIONS OF LIABILITIES

EXCEPT AS SET FORTH HEREIN, THERE ARE NO WARRANTIES BY EITHER PARTY UNDER THIS AGREEMENT, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF.

FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES WILL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY WILL BE LIMITED AS SET FORTH IN SUCH PROVISION AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED, UNLESS THE PROVISION IN QUESTION PROVIDES THAT THE EXPRESS REMEDIES ARE IN ADDITION TO OTHER REMEDIES THAT MAY BE AVAILABLE.

SUBJECT TO SECTION 12.04, IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN, THE OBLIGOR'S LIABILITY WILL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY, SUCH DIRECT ACTUAL DAMAGES WILL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED.

DIRECT DAMAGES INCLUDE THE VALUE OF ANY FEDERAL TAX CREDITS SELECTED IN SECTION 1.10(a), (b), OR (c), DETERMINED ON AN AFTER-TAX BASIS, THAT ARE LOST BY SELLER DUE TO AN EVENT OF DEFAULT BY SCE WHERE SELLER PROVIDED NOTICE OF EARLY TERMINATION TO SCE IN ACCORDANCE WITH SECTION 6.02(a) AND SELLER HAS NOT BEEN ABLE TO MITIGATE THAT LOSS AFTER USE OF REASONABLE EFFORTS.
{SCE Comment: For Generating Facilities that qualify for a Federal Tax Credits selected in Section 1.10.}

UNLESS EXPRESSLY PROVIDED IN THIS AGREEMENT, INCLUDING WITHOUT LIMITATION THE PROVISIONS OF SECTION 10.03 (INDEMNITY), NEITHER PARTY WILL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE.

IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE.

TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

NOTHING IN THIS ARTICLE PREVENTS, OR IS INTENDED TO PREVENT SCE FROM PROCEEDING AGAINST OR EXERCISING ITS RIGHTS WITH RESPECT TO ANY DEVELOPMENT SECURITY, OR PERFORMANCE ASSURANCE.

**** End of ARTICLE SEVEN ****

ARTICLE EIGHT. CREDIT AND COLLATERAL REQUIREMENTS

8.01 Financial Information.

(a) If requested by one Party, the other Party shall deliver the following financial statements, which in all cases must be for the most recent accounting period and prepared in accordance with GAAP:

(i) Within one hundred twenty (120) days following the end of each fiscal year, a copy of its annual report containing audited consolidated financial statements (income statement, balance sheet, statement of cash flows and statement of retained earnings and all accompanying notes) for such fiscal year, setting forth in each case in comparative form the figures for the previous year; and

(ii) Within sixty (60) days after the end of each of its first three fiscal quarters of each fiscal year, a copy of its quarterly report containing consolidated financial statements (income statement, balance sheet, statement of cash flows and statement of retained earnings and all accompanying notes) for such fiscal quarter and the portion of the fiscal year through the end of such quarter, setting forth in each case in comparative form the figures for the previous year.

(b) In each case, the financial statements specified in Sections 8.01(a)(i) and 8.01(a)(ii) above must be:

(i) Certified in accordance with all applicable laws and regulations, including all applicable SEC rules and regulations, if such Party is an SEC reporting company; or

(ii) Certified by a Responsible Officer as being fairly stated in all material respects (subject to normal year end audit adjustments) if such Party is not an SEC reporting company;

(c) For purposes of the requirement set forth in Section 8.01(a)

(i) If a Party's financial statements are publicly available electronically on the website of that Party or the SEC, then the Party shall be deemed to have met the requirements of Section 8.01(a); and

(ii) Should any such financial statements not be available on a timely basis due to a delay in preparation or certification, that delay will not be an Event of Default so long as the producing party diligently pursues the preparation, certification and delivery of the statements.

8.02 Development Security and Performance Assurance.

(a) Posting Performance Assurance.

On or before the Commercial Operation Date, Seller shall post Performance Assurance with SCE.

The Performance Assurance Amount due to SCE by Seller will be as set forth in Section 1.07.

The Performance Assurance Amount shall be posted to SCE and maintained at all times during the Term and thereafter until such time as Seller has satisfied all monetary obligations which survive any termination of this Agreement, not to exceed one year following the end of the Term.

The Performance Assurance Amount must be either in the form of cash or Letter of Credit acceptable to SCE, *provided,* on the commencement of the Term, if Seller has posted the Development Security in the form of cash or a Letter of Credit and SCE has not either returned the Development Security to Seller or given Seller Notice, pursuant to Exhibit K, of its determination regarding the disposition of the Development Security by such date, then Seller may withhold the portion of the Performance Assurance Amount equal to the Development Security or any portion thereof held by SCE at that time until three (3) Business Days following the later of Seller's receipt or forfeiture of the Development Security or any portion thereof pursuant to Section 3.06 and Exhibit K, after which Seller shall be obligated to post the full Performance Assurance Amount.

(b) Letters of Credit.

Development Security and Performance Assurance provided in the form of a Letter of Credit must be subject to the following provisions:

(i) Each Letter of Credit must be maintained for the benefit of SCE;

(ii) Seller shall:

(1) Renew or cause the renewal of each outstanding Letter of Credit on a timely basis as provided in the relevant Letter of Credit;

(2) If the bank that issued an outstanding Letter of Credit has indicated its intent not to renew such Letter of Credit, provide alternative Development Security or Performance Assurance acceptable to SCE at least twenty (20) Business Days before the expiration of the outstanding Letter of Credit; and

(3) If the bank issuing a Letter of Credit fails to honor SCE's properly documented request to draw on an outstanding Letter of Credit, provide alternative Development Security or Performance Assurance acceptable to SCE within three (3) Business Days after such refusal;

(iii) Upon the occurrence of a Letter of Credit Default, Seller shall provide to SCE either a substitute Letter of Credit or alternative Development Security or Performance Assurance acceptable to SCE, in each case on or before the third (3rd) Business Day after the occurrence thereof;

(iv) Upon, or at any time after, the occurrence and continuation of an Event of Default by Seller, or if an Early Termination Date has occurred or been designated as a result of an Event of Default by Seller for which there exist any unsatisfied payment obligations, then SCE may draw on any undrawn portion of any outstanding Letter of Credit upon submission to the bank issuing such Letter of Credit of one or more certificates specifying that such Event of Default or Early Termination Date has occurred and is continuing.

In addition, SCE will have the right to draw on the Letter of Credit for any of the following reasons:

(1) The Letter of Credit will expire in fewer than twenty (20) Local Business Days and Seller has not provided SCE alternative Development Security or Performance Assurance acceptable to SCE.

(2) The Seller or the issuer of the Letter of Credit has provided written notice to SCE of either Seller's or the issuer's intent not to renew the Letter of Credit following the present expiration date thereof ("Notice of Non-Renewal"), and Seller has failed to provide SCE with a replacement Letter of Credit satisfactory to SCE in its sole discretion within thirty (30) days following the date of the Notice of Non-Renewal.

(3) SCE has not been paid any or all of Seller's payment obligations due and payable under the Agreement.

Cash proceeds received by SCE from drawing upon the Letter of Credit pursuant to this Section 8.02(b)(iv) (except item (3) above for payment obligations due and payable) will be deemed Development Security or Performance Assurance (as applicable) as security for Seller's obligations to SCE and SCE will have the rights and remedies set forth in Section 8.03 with respect to such cash proceeds.

Notwithstanding SCE's receipt of cash proceeds of a drawing under the Letter of Credit, Seller shall remain liable for any:

(4) Failure to provide or maintain the required Development Security or Performance Assurance (including failure to replenish a Letter of Credit to the full Development Security or Performance Assurance Amount in the event that SCE draws against the Letter

The contents of this document are subject to restrictions on disclosure as set forth herein.

of Credit for any reason other than to satisfy a Termination Payment); or

(5) Any amounts owing to SCE and remaining unpaid after the application of the amounts so drawn by SCE; and

(v) In all cases, the costs and expenses of establishing, renewing, replenishing, substituting, canceling, and increasing the amount of any and all Letters of Credit will be borne by Seller.

8.03 First Priority Security Interest in Cash or Cash Equivalent Collateral.

To secure its obligations under this Agreement, and until released as provided herein, Seller hereby grants to SCE a present and continuing first-priority security interest ("Security Interest") in, and lien on (and right to net against), and assignment of the Development Security, Performance Assurance, any other cash collateral and cash equivalent collateral posted pursuant to Sections 3.06 and 8.02 and any and all interest thereon or proceeds resulting therefrom or from the liquidation thereof, whether now or hereafter held by, on behalf of, or for the benefit of SCE, and Seller agrees to take all action as SCE reasonably requires in order to perfect SCE's Security Interest in, and lien on (and right to net against), such collateral and any and all proceeds resulting therefrom or from the liquidation thereof.

Upon or any time after the occurrence of an Event of Default caused by Seller, an Early Termination Date resulting from an Event of Default caused by Seller, or an occasion provided for in this Agreement where SCE is authorized to retain all or a portion of the Development Security or Performance Assurance, SCE may do any one or more of the following:

(a) Exercise any of its rights and remedies with respect to the Development Security and Performance Assurance, including any such rights and remedies under law then in effect;

(b) Draw on any outstanding Letter of Credit issued for its benefit and retain any cash held by SCE as Development Security or Performance Assurance; and

(c) Liquidate all Development Security or Performance Assurance (as applicable) then held by or for the benefit of SCE free from any claim or right of any nature whatsoever of Seller, including any equity or right of purchase or redemption by Seller.

SCE shall apply the proceeds of the collateral realized upon the exercise of any such rights or remedies to reduce Seller's obligations under this Agreement (Seller remains liable for any amounts owing to SCE after such application), subject to SCE's obligation to return any surplus proceeds remaining after these obligations are satisfied in full.

8.04 Credit and Collateral Covenants.

(a) Seller shall, from time to time as requested by SCE, execute, acknowledge, record, register, deliver and file all such notices, statements, instruments and other documents as may be necessary or advisable to render fully valid and enforceable under all applicable laws the rights, liens and priorities of SCE with respect to the Security Interest provided for herein and therein.

(b) Seller may not cause or permit the stock, equity ownership interest in Seller or assets of Seller to be pledged or assigned as collateral or otherwise to any party other than Lender.

(c) Seller may not create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable for, contingently or otherwise, any Seller's Debt, or issue any Disqualified Stock, in each case, other than Seller's Debt incurred, issued, assumed or guaranteed, or Disqualified Stock issued, in connection with the funding of the development, construction or Operation of the Generating Facility.

(d) Except for liens for the benefit of Lender, Seller may not create, incur, assume or suffer to be created by it or any subcontractor, employee, laborer, materialman, other supplier of goods or services or any other person, any lien on Seller's interest (or any part thereof) in this Agreement, the Site or the Generating Facility.

Seller promptly shall pay or discharge, or shall cause its contractors to promptly pay and discharge, and discharge of record, any such lien for labor, materials, supplies or other obligations upon Seller's interest in the Site, the Generating Facility, or any part thereof or interest therein, unless Seller is disputing any such lien in good faith and only for so long as it does not create an imminent risk of a sale or transfer of the Generating Facility or a material part thereof.

Seller shall promptly notify SCE of any attachment or imposition of any lien against Seller's interest (or any part thereof) in the Site, the Generating Facility, or any part thereof or interest therein.

(e) Seller may not hold any material assets, become liable for any material obligations or engage in any material business activities other than the development, construction and Operation of the Generating Facility.

(f) Seller may not own, form or acquire, or otherwise conduct any of its activities through, any direct or indirect subsidiary.

(g) During any period during which Seller is a Defaulting Party, Seller may not:

(i) Declare or pay any dividend, or make any other distribution or payment, on account of any equity interest in Seller; or

(ii) Otherwise make any distribution or payment to any Affiliate of Seller.

The contents of this document are subject to restrictions on disclosure as set forth herein.

8.05 Commercial Code Waiver.

This Agreement sets forth the entirety of the agreement of the Parties regarding credit, collateral and adequate assurances. Except as expressly set forth in Article Eight of this Agreement, neither Party:

(a) Has or will have any obligation to post margin, provide letters of credit, pay deposits, make any other prepayments or provide any other financial assurances, in any form whatsoever; or

(b) Will have reasonable grounds for insecurity with respect to the creditworthiness of a Party that is complying with the relevant provisions of Article Eight of this Agreement;

and all implied rights relating to financial assurances arising from Section 2609 of the California Commercial Code or case law applying similar doctrines, are hereby waived.

**** End of ARTICLE EIGHT ****

ARTICLE NINE. GOVERNMENTAL CHARGES

9.01 Cooperation to Minimize Tax Liabilities.

Each Party shall use reasonable efforts to implement the provisions of and to administer this Agreement in accordance with the intent of the Parties to minimize all taxes, so long as neither Party is materially adversely affected by such efforts.

9.02 Governmental Charges.

Seller shall pay or cause to be paid all taxes imposed by any Governmental Authority ("Governmental Charges") on or with respect to the Metered Amounts (and any contract associated with the Metered Amounts) arising before the Delivery Point, including ad valorem taxes and other taxes attributable to the Generating Facility, land, land rights or interests in land for the Generating Facility.

SCE shall pay or cause to be paid all Governmental Charges on or with respect to the Metered Amounts at and from the Delivery Point. If Seller is required by law or regulation to remit or pay Governmental Charges which are SCE's responsibility hereunder, SCE shall promptly reimburse Seller for such Governmental Charges.

If SCE is required by law or regulation to remit or pay Governmental Charges which are Seller's responsibility hereunder, SCE may deduct such amounts from monthly Product Payments to Seller made pursuant to Exhibit E.

If SCE elects not to deduct such amounts from Seller's monthly Product Payments, Seller shall promptly reimburse SCE for such amounts upon SCE's Payment Invoice request. Nothing shall obligate or cause a Party to pay or be liable to pay any Governmental Charges for which that Party is exempt under the law.

9.03 Providing Information to Taxing Authorities.

Seller or SCE, as necessary, shall provide information concerning the Generating Facility to any requesting taxing authority.

**** End of ARTICLE NINE ****

ARTICLE TEN. MISCELLANEOUS

10.01 Representations and Warranties.

On the Effective Date, each Party represents and warrants to the other Party that:

(a) It is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;

(b) Except for CPUC Approval in the case of SCE, and all Permits in the case of Seller, it has or will timely acquire all regulatory authorizations necessary for it to legally perform its obligations under this Agreement;

(c) The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it;

(d) This Agreement constitutes a legally valid and binding obligation enforceable against it in accordance with its terms, subject to any Equitable Defenses;

(e) There is not pending, or to its knowledge, threatened against it or, in the case of Seller, any of its Affiliates, any legal proceedings that could materially adversely affect its ability to perform under this Agreement;

(f) No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement;

(g) It is acting for its own account and its decision to enter into this Agreement is based upon its own judgment, not in reliance upon the advice or recommendations of the other Party and it is capable of assessing the merits of and understanding, and understands and accepts the terms, conditions and risks of this Agreement; and

(h) It has not relied upon any promises, representations, statements or information of any kind whatsoever that are not contained in this Agreement in deciding to enter into this Agreement.

10.02 Additional Seller Representations, Warranties and Covenants.

(a) Seller hereby covenants to SCE that throughout the Delivery Term:

(i) Seller shall own and Operate the Generating Facility;

(ii) Seller shall deliver to SCE the Product free and clear of all liens, security interests, claims and encumbrances or any interest therein or thereto by any person;

(iii) Seller shall hold the rights to all Green Attributes, Capacity Attributes and Resource Adequacy Benefits, which Seller has conveyed and has committed to convey to SCE hereunder;

(iv) Seller shall obtain, maintain and remain in compliance with all Permits, interconnection agreements and transmission rights necessary to Operate the Generating Facility and to deliver electric energy from the Generating Facility to the Delivery Point;

(v) Subject to Section 1.11, Seller shall take all actions necessary for the Project to qualify and be certified by the CEC as an ERR; and

(vi) Subject to Section 1.11, Seller shall take all actions necessary for the Product delivered to SCE to qualify under the requirements of the California Renewables Portfolio Standard.

(b) Seller, and, if applicable, its successors, represents and warrants that throughout the Delivery Term of this Agreement that:

(i) The Project qualifies and is certified by the CEC as an Eligible Renewable Energy Resource ("ERR") as such term is defined in Public Utilities Code Section 399.12 or Section 399.16; and

(ii) The Project's output delivered to Buyer qualifies under the requirements of the California Renewables Portfolio Standard.

To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law.

(c) Seller and, if applicable, its successors, represents and warrants that throughout the Delivery Term of this Agreement the Renewable Energy Credits transferred to Buyer conform to the definition and attributes required for compliance with the California Renewables Portfolio Standard, as set forth in California Public Utilities Commission Decision 08-08-028, and as may be modified by subsequent decision of the California Public Utilities Commission or by subsequent legislation. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law.

(d) The term "commercially reasonable efforts" as used in Section 10.02(b) and Section 10.02(c) means efforts consistent with and subject to Section 1.11.

(e) Seller warrants that all necessary steps to allow the Renewable Energy Credits transferred to Buyer to be tracked in the Western Renewable Energy Generation Information System will be taken prior to the first delivery under the contract.

The contents of this document are subject to restrictions on disclosure as set forth herein.

(f) Seller hereby represents and warrants that, as of the Effective Date, it has no knowledge of any plans by SCE or another Transmission Provider to seek to construct a transmission or distribution line through or on the Site.

(g) Seller hereby represents and warrants that the Generating Facility is a New Resource.

10.03 Indemnity.

(a) SCE's Indemnification Obligations.

In addition to any other indemnification obligations SCE may have elsewhere in this Agreement, which are hereby incorporated in this Section 10.03(a), SCE releases, and shall indemnify, defend and hold harmless Seller, and Seller's directors, officers, employees, agents, assigns, and successors in interest, from and against any and all loss, liability, damage, claim, cost, charge, demand, fine, penalty or expense of any kind or nature (including any direct, damage, claim, cost, charge, demand, or expense, and attorneys' fees (including cost of in-house counsel) and other costs of litigation, arbitration and mediation, and in the case of third-party claims only, indirect and consequential loss or damage of such third-party), arising out of or in connection with:

(i) any breach made by SCE of its representations and warranties in Sections 10.01 and 10.02; and

(ii) so long as Seller has fully complied with the Generator Operator Obligations and Generator Owner Obligations, any NERC Standards Non-Compliance Penalties which are solely due to SCE's negligence in performing its role as Seller's Scheduling Coordinator throughout the Delivery Term.

This indemnity applies notwithstanding Seller's active or passive negligence. However, Seller will not be indemnified hereunder for its loss, liability, damage, claim, cost, charge, demand or expense to the extent caused by its gross negligence or willful misconduct.

(b) Seller's Indemnification Obligations.

In addition to any other indemnification obligations Seller may have elsewhere in this Agreement, which are hereby incorporated in this Section 10.03(b), Seller releases, and shall indemnify, defend and hold harmless SCE, and SCE's directors, officers, employees, agents, assigns, and successors in interest, from and against any and all loss, liability, damage, claim, cost, charge, demand, penalty, fine or expense of any kind or nature (including any direct, damage, claim, cost, charge, demand, or expense, and attorneys' fees (including cost of in-house counsel) and other costs of litigation, arbitration or mediation, and in the

The contents of this document are subject to restrictions on disclosure as set forth herein.

case of third-party claims only, including claims arising from a breach of Section 10.02(b), indirect or consequential loss or damage of such third-party), arising out of or in connection with:

(i) any breach made by Seller of its representations and warranties in Sections 10.01 and 10.02;

(ii) Seller's failure to fulfill its obligations regarding Resource Adequacy Benefits as set forth in Sections 3.01 and 3.02;

(iii) NERC Standards Non-Compliance Penalties or an attempt by any Governmental Authority, person or entity to assess such NERC Standards Non-Compliance Penalties against SCE, except to the extent solely due to SCE's negligence in performing its role as Seller's Scheduling Coordinator throughout the Delivery Term;

(iv) injury or death to persons, including SCE employees, and physical damage to property, including SCE property, where the damage arises out of, is related to, or is in connection with, Seller's construction, ownership or Operation of the Generating Facility, or obligations or performance under this Agreement;

(v) injury or death to any person or damage to any property, including the personnel or property of SCE, to the extent that SCE would have been protected had Seller complied with all of the provisions of Section 10.11; *provided*, the inclusion of this Section 10.03(b)(v) is not intended to create any express or implied right in Seller to elect not to provide the insurance required under Section 10.11; or

(vi) any breach by Seller of the covenants set forth in Section 2.04(b).

This indemnity applies notwithstanding SCE's active or passive negligence. However, SCE will not be indemnified under Section 10.03(b)(i) through Section 10.03(b)(iv) for its loss, liability, damage, claim, cost, charge, demand or expense to the extent caused by its gross negligence or willful misconduct.

(c) Mutual Indemnification.

Each Party shall indemnify, defend and hold harmless the other Party and the other Party's directors, officers, employees, and agents, assigns, and successors in interest, from and against any and all loss, liability, damage, claim, cost, charge, demand, fine, penalty or expense of any kind or nature (including direct, indirect, or consequential loss, damage, claim, cost, charge, demand, or expense, including attorneys' fees (including costs of in-house counsel) and other costs of litigation, arbitration or mediation), arising out of or in connection with a Party's failure to pay any Governmental Charges for which such Party is responsible under Article Nine.

The contents of this document are subject to restrictions on disclosure as set forth herein.

(d) Indemnification Claims.

All claims for indemnification by a Party entitled to be indemnified under this Agreement (an "Indemnified Party") by the other Party (the "Indemnitor") will be asserted and resolved as follows:

(i) If a claim or demand for which an Indemnified Party may claim indemnity is asserted against or sought to be collected from an Indemnified Party by a third party, the Indemnified Party shall as promptly as practicable give Notice to the Indemnitor; *provided*, failure to provide this Notice will relieve Indemnitor only to the extent that the failure actually prejudices Indemnitor.

(ii) Indemnitor will have the right to control the defense and settlement of any claims in a manner not adverse to Indemnified Party but can not admit any liability or enter into any settlement without Indemnified Party's approval.

(iii) Indemnified Party may employ counsel at its own expense with respect to any claims or demands asserted or sought to be collected against it; *provided*, if counsel is employed due to a conflict of interest or because Indemnitor does not assume control of the defense, Indemnitor will bear the expense of this counsel.

(e) Survival of Indemnification Rights and Obligations.

All indemnity rights and obligations survive the termination of this Agreement for twelve (12) months.

10.04 Assignment.

(a) Except as provided in Section 10.05, neither Party can assign this Agreement or its rights hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld.

(b) Any direct or indirect change of control of Seller (whether voluntary or by operation of law) will be deemed an assignment and will require the prior written consent of SCE, which consent shall not be unreasonably withheld.

10.05 Consent to Collateral Assignment.

Subject to the provisions of this Section 10.05, Seller has the right to assign this Agreement as collateral for any financing or refinancing of the Generating Facility; *provided*, Seller shall be responsible for SCE's reasonable costs associated with the preparation, review, execution and delivery of documents in connection with any such assignment, including without limitation attorneys' fees.

In connection with any financing or refinancing of the Generating Facility by Seller, SCE shall in good faith work with Seller and Lender to agree upon a consent to collateral assignment of this Agreement ("Collateral Assignment Agreement").

The Collateral Assignment Agreement must be in form and substance agreed to by SCE, Seller and Lender, and must include, among others, the following provisions:

(a) SCE shall give Notice of an Event of Default by Seller, to the person(s) to be specified by Lender in the Collateral Assignment Agreement, before exercising its right to terminate this Agreement as a result of such Event of Default;

(b) Following an Event of Default by Seller under this Agreement, SCE may require Seller or Lender to provide to SCE a report concerning:

(i) The status of efforts by Seller or Lender to develop a plan to cure the Event of Default;

(ii) Impediments to the cure plan or its development;

(iii) If a cure plan has been adopted, the status of the cure plan's implementation (including any modifications to the plan as well as the expected timeframe within which any cure is expected to be implemented); and

(iv) Any other information which SCE may reasonably require related to the development, implementation and timetable of the cure plan.

Seller or Lender must provide the report to SCE within ten (10) Business Days after Notice from SCE requesting the report. SCE will have no further right to require the report with respect to a particular Event of Default after that Event of Default has been cured;

(c) Lender will have the right to cure an Event of Default on behalf of Seller, only if Lender sends a written notice to SCE before the end of any cure period indicating Lender's intention to cure. Lender must remedy or cure the Event of Default within the cure period under this Agreement; *provided*, such cure period may, in SCE's sole discretion, be extended by no more than an additional one hundred eighty (180) days;

(d) Lender will have the right to consent before any termination of this Agreement which does not arise out of an Event of Default;

(e) Lender will receive prior Notice of and the right to approve material amendments to this Agreement, which approval will not be unreasonably withheld, delayed or conditioned;

(f) If Lender, directly or indirectly, takes possession of, or title to the Generating Facility (including possession by a receiver or title by foreclosure or deed in lieu of foreclosure), Lender must assume all of Seller's obligations arising under this Agreement and all related agreements (subject to such limits on liability as are mutually agreed to by Seller, SCE and Lender as set forth in the Collateral Assignment Agreement); *provided*, before such assumption, if SCE advises

The contents of this document are subject to restrictions on disclosure as set forth herein.

Lender that SCE will require that Lender cure (or cause to be cured) any Event of Default existing as of the possession date in order to avoid the exercise by SCE (in its sole discretion) of SCE's right to terminate this Agreement with respect to such Event of Default, then Lender at its option, and in its sole discretion, may elect to either:

(i) Cause such Event of Default to be cured, or

(ii) Not assume this Agreement;

(g) If Lender elects to sell or transfer the Generating Facility (after Lender directly or indirectly, takes possession of, or title to the Generating Facility), or sale of the Generating Facility occurs through the actions of Lender (for example, a foreclosure sale where a third party is the buyer, or otherwise), then Lender must cause the transferee or buyer to assume all of Seller's obligations arising under this Agreement and all related agreements as a condition of the sale or transfer.

Such sale or transfer may be made only to an entity with a tangible net worth of at least *[Dollar amount text]* dollars (*$[Number]*) *{SCE Comment: SCE to provide amount based on size of the Project}* and at least three (3) years of experience operating a generating plant of similar technology and similar size; and

(h) If this Agreement is rejected in Seller's Bankruptcy or otherwise terminated in connection therewith and if Lender or its designee, directly or indirectly, takes possession of, or title to, the Generating Facility (including possession by a receiver or title by foreclosure or deed in lieu of foreclosure), Lender must itself or must cause its designee to promptly enter into a new agreement with SCE having substantially the same terms as this Agreement.

10.06 Abandonment.

Seller may not relinquish its possession and control of the Generating Facility without the prior written consent of SCE except under circumstances provided for in Sections 10.04 and 10.05.

For purposes of this Section 10.06, Seller will have been deemed to relinquish possession of the Generating Facility if Seller has ceased all activities related to Operation of the Generating Facility for a consecutive thirty (30) day period and such cessation is not a result of Force Majeure.

10.07 Governing Law.

THIS AGREEMENT AND THE RIGHTS AND DUTIES OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED, ENFORCED AND PERFORMED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW. TO THE EXTENT ENFORCEABLE AT SUCH TIME, EACH PARTY WAIVES ITS

RESPECTIVE RIGHT TO ANY JURY TRIAL WITH RESPECT TO ANY LITIGATION ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT.

10.08 Notices.

All notices, requests, invoices, statements or payments must be made as specified in Exhibit C.

Notices (other than Forecasts, scheduling requests and curtailment (or equivalent) instructions) must, unless otherwise specified herein, be in writing and may be delivered by hand delivery, first class United States mail, overnight courier service, e-mail or facsimile. Notices of curtailment (or equivalent orders) may be oral or written and must be made in accordance with accepted industry practices for such notices.

Notice provided in accordance with this Section 10.08 will be deemed given as follows:

(a) Notice by facsimile or hand delivery will be deemed given at the close of business on the day actually received, if received during business hours on a Business Day, and otherwise will be deemed given at the close of business on the next Business Day;

(b) Notice by overnight United States mail or courier service will be deemed given on the next Business Day after such Notice was sent out;

(c) Notice by first class United States mail will be deemed given two (2) Business Days after the postmarked date;

(d) Notice of curtailment will be deemed given on the date and time made by SCE and will be effective immediately.

Notices will be effective on the date deemed given, unless a different date for the Notice to go into effect is stated in another section of this Agreement.

A Party may change its designated representatives, addresses and other contact information by providing Notice of same in accordance herewith.

All Notices, requests, invoices, statements or payments for this Generating Facility must reference the ID#.

10.09 General.

(a) This Agreement constitutes the entire agreement between the Parties relating to its subject matter.

(b) This Agreement will be considered for all purposes as prepared through the joint efforts of the Parties and may not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof.

(c) Except to the extent provided for herein, no amendment or modification to this Agreement will be enforceable unless reduced to a writing signed by all Parties.

The contents of this document are subject to restrictions on disclosure as set forth herein.

(d) This Agreement does not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement).

(e) Waiver by a Party of any default by the other Party may not be construed as a waiver of any other default.

(f) The term "including" when used in this Agreement is by way of example only and may not be considered in any way to be in limitation.

(g) The word "or" when used in this Agreement includes the meaning "and/or" unless the context unambiguously dictates otherwise.

(h) The headings used in this Agreement are for convenience and reference purposes only. Words having well-known technical or industry meanings have these meanings unless otherwise specifically defined in this Agreement.

(i) Where days are not specifically designated as Business Days, they will be considered as calendar days.

(j) This Agreement is binding on each Party's successors and permitted assigns.

(k) No provision of this Agreement is intended to contradict or supersede any applicable agreement covering transmission, distribution, metering, scheduling or interconnection. In the event of an apparent contradiction between this Agreement and any such agreement, the applicable agreement controls.

(l) Whenever this Agreement specifically refers to any law, tariff, government department or agency, regional reliability council, Transmission Provider, or credit rating agency, the Parties hereby agree that the reference also refers to any successor to such law, tariff or organization.

(m) SCE has assigned an ID# number to this Agreement for tracking purposes only.

(n) SCE's obligation to take and pay for electric energy produced by the Generating Facility, together with Green Attributes, Resource Adequacy Benefits and Capacity Attributes associated therewith, will not be affected by any change to or elimination of the RPS Legislation.

(o) The Parties acknowledge and agree that this Agreement and the transactions contemplated by this Agreement constitute a "forward contract" within the meaning of the Bankruptcy Code and that SCE and Seller are each "forward contract merchants" within the meaning of the Bankruptcy Code.

(p) This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Agreement and of signature pages by facsimile transmission, Portable Document Format (i.e., PDF) or by other electronic means constitutes

effective execution and delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes.

(q) Each Party shall act in good faith in its performance under this Agreement.

(r) All dollar amounts set forth in this Agreement are in U.S. dollars.

10.10 Confidentiality.

{SCE Comment: The entity that is the Seller under this Agreement must become a party to the NDA prior to the execution of this Agreement.}

(a) Terms and Conditions of this Agreement.

Neither Party shall disclose Confidential Information to a third party, other than:

(i) To such Party's, or its upstream parents' (which, in the case of SCE, is Edison International), employees, Lenders, counsel, accountants, advisors or investors, in each case who have a need to know such information and have agreed to keep such terms confidential;

(ii) To potential Lenders with the consent of SCE, which consent will not be unreasonably withheld; *provided*, disclosure:

(1) Of cash flow and other financial projections to any potential Lender in connection with a potential loan or tax equity investment; or

(2) Of Confidential Information to potential Lenders with whom Seller has negotiated (but not necessarily executed) a term sheet or other similar written mutual understanding,

does not require SCE's consent, and provided further that, in each case such potential Lender has a need to know this information and has agreed to keep such terms confidential;

(iii) By either Party (the "Disclosing Party"), to participants of SCE's Procurement Review Group, as defined in CPUC Decision 02-08-071, subject to any confidentiality agreements or laws, regulations or regulatory decisions concerning confidentiality which are applicable to SCE's Procurement Review Group; *provided*, Seller may only disclose to such entities Confidential Information that is information on the bid and negotiation process of SCE's solicitation; *provided further*, with respect to non-CPUC PRG participants, neither Party may disclose Confidential Information to such third parties unless and until a written confidentiality or non-disclosure agreement is fully executed between the Disclosing Party and such third-party disclosee. Seller shall provide Notice to SCE of any disclosure by Seller of Confidential Information pursuant to this Section 10.10(a)(iii) of this Agreement.

(iv) By either Party, to the CPUC under seal for purposes of review subject to such Disclosing Party making reasonable efforts to obtain confidentiality protection from the CPUC under Section 583 of the California Public Utilities Code or other statute, order or rule offering comparable confidentiality protection; *provided*, except as set forth in Sections 10.10(a)(vii), 10.10(a)(viii) and 10.10(b), as applicable, Seller may only disclose to the CPUC Confidential Information that is information on the bid and negotiation process of SCE's solicitation. Seller shall provide Notice to SCE of any disclosure by Seller of Confidential Information pursuant to this Section 10.10(a)(iv) of this Agreement.

(v) To the CAISO or as otherwise may reasonably be required in order to participate in any auction, market or other process pertaining to the allocation of priorities or rights related to the transmission of electric energy sold or to be sold to SCE hereunder;

(vi) In order to comply with any Applicable Law or any exchange, control area or CAISO rule, or order issued by a court or entity with competent jurisdiction over the Disclosing Party, other than to those entities set forth in Section 10.10(a)(vii);

(vii) In order to comply with any applicable regulation, rule, or order of the CPUC, CEC, FERC, any court, administrative agency, legislative body or other tribunal, or any mandatory discovery or data request of a party to any proceeding pending before any of the foregoing;

(viii) To any governmental body, the CPUC, the CAISO or any local control area or regional authority having jurisdiction in order to support SCE's resource adequacy requirement showings, if applicable; *provided*, SCE shall, to the extent reasonable, use reasonable efforts to limit the ability of any such applicable governmental body, CAISO, local control area or regional authority to further disclose such information;

(ix) As may reasonably be required to participate in the WREGIS or other process recognized under Applicable Laws for the registration, transfer or ownership of Green Attributes associated with the Generating Facility;

(x) To representatives of a Party's credit ratings agencies:

(1) Who have a need to review the terms and conditions of this Agreement for the purpose of assisting the Party in evaluating this Agreement for credit rating purposes and have agreed to keep this information confidential; or

(2) With respect to the potential impact of this Agreement on the Party's financial reporting obligations;

(xi) Disclosure of terms specified in and pursuant to Section 10.10(c);

(xii) In connection with discovery requests or orders pertaining to the non-public terms of this Agreement as referenced in Sections 10.10(a)(vi) and 10.10(a)(vii) ("Disclosure Order") each Party shall, to the extent practicable, use reasonable efforts to:

(1) Notify the other Party before disclosing the Confidential Information; and

(2) Prevent or limit such disclosure.

After using such reasonable efforts, the Disclosing Party will not be:

(3) Prohibited from complying with a Disclosure Order; or

(4) Liable to the other Party for monetary or other damages incurred in connection with the disclosure of the Confidential Information.

Except as provided in the preceding sentence, the Parties are entitled to all remedies available at law or in equity to enforce, or seek relief in connection with this confidentiality obligation;

(xiii) By SCE to its Cost Allocation Mechanism Group established by the CPUC in D.07-12-052.

(b) Non-Disclosure Agreement.

(i) The Non-Disclosure Agreement between the Parties attached hereto as Exhibit I is incorporated herein (the "Non-Disclosure Agreement"), and the termination date of that agreement is modified such that it will terminate on the later of:

(1) The termination of the Non-Disclosure Agreement; or

(2) One year after the date of termination of this Agreement.

Information provided by the Parties pursuant to this Agreement will be subject to the Non-Disclosure Agreement, or to any other agreement that the Parties negotiate to provide reasonable protection for their confidential business information or trade secrets.

(ii) Notwithstanding Section 1 of the Non-Disclosure Agreement, the term "Confidential Information" as used in the Non-Disclosure Agreement (and incorporated herein) shall be deemed to include (in addition to the information described in the Non-Disclosure Agreement) this Agreement and all oral or written communications exchanged between the Parties pursuant to this Agreement, except for communications and information described in Section 4 of the Non-Disclosure Agreement.

(iii) Confidential Information may only be used for the purposes set forth under the Non-Disclosure Agreement and for the purpose of implementing and enforcing this Agreement.

(c) RPS Confidentiality.

Notwithstanding Section 10.10(a), at any time on or after the Effective Date, either Party shall be permitted to disclose the following terms with respect to this Agreement:

(i) Party names;

(ii) ERR type;

(iii) Term;

(iv) Generating Facility location;

(v) Contract Capacity;

(vi) Forecasted Commercial Operation Date;

(vii) Delivery Point; and

(viii) Generating Facility's expected energy deliveries.

10.11 Insurance.

(a) Starting on the Effective Date and throughout the Delivery Term of this Agreement and for such additional periods as may be specified below, Seller, and to the extent not covered by the Seller's insurance policies, its contractors and subcontractors, shall, at their own expense, provide and maintain in effect the insurance policies and minimum limits of coverage specified below, and such additional coverage as may be required by applicable law, with insurance companies which are authorized to do business in the state in which the services are to be performed and which have an A.M. Best's Insurance Rating of not less than A-:VII. The minimum insurance requirements specified herein do not in any way limit or relieve Seller of any obligation assumed elsewhere in this Agreement, including, but not limited to, Seller's defense and indemnity obligations.

(i) Workers' Compensation Insurance with the statutory limits required by the state having jurisdiction over Seller's employees;

(ii) Employer's Liability Insurance with limits of not less than:

(1) Bodily injury by accident – One Million dollars ($1,000,000) each accident

(2) Bodily injury by disease – One Million dollars ($1,000,000) policy limit

(3) Bodily injury by disease – One Million dollars ($1,000,000) each employee

(iii) Commercial General Liability Insurance, (which, except with the prior written consent of SCE and subject to subsections 10.11(a)(iii)(1) and 10.11(a)(iii)(2) below, shall be written on an "occurrence," not a "claims-made" basis), covering all operations by or on behalf of Seller arising out of or connected with this Agreement, including coverage for bodily injury, broad form property damage, personal and advertising injury, products/completed operations, and contractual liability. Such insurance shall bear a per occurrence limit of not less than One Million dollars ($1,000,000), and annual aggregate of not less than Two Million dollars ($2,000,000), exclusive of defense costs, for all coverages. Such insurance shall contain standard cross-liability and severability of interest provisions.

If Seller elects, with SCE's written concurrence, to use a "claims made" form of Commercial General Liability Insurance, then the following additional requirements apply:

(1) The retroactive date of the policy must be prior to the Effective Date; and

(2) Either the coverage must be maintained for a period of not less than three (3) years after the Agreement terminates, or the policy must provide for an extended reporting period of not less than three (3) years after the Agreement terminates.

(iv) Commercial Automobile Liability Insurance covering bodily injury and property damage with a combined single limit of not less than One Million dollars ($1,000,000) per occurrence. Such insurance shall cover liability arising out of Seller's use of all owned (if any), non-owned and hired vehicles, including trailers or semi-trailers in the performance of the Agreement.

(v) Pollution Liability Insurance, (which, except with the prior written consent of SCE and subject to subsections 10.11(a)(v)(1) and 10.11(a)(v)(2) below, shall be written on an "occurrence," not a "claims-made" basis) with limits of not less than *[TBD (or) $5,000,000, per occurrence or each claim and in the annual aggregate]*, covering losses involving hazardous material(s) and caused by pollution incidents or conditions that arise from the operations of the Seller, including but not limited to, coverage for bodily injury, sickness, disease, mental anguish or shock sustained by any person, including death, property damage including the resulting loss of use thereof, clean-up costs, and the loss of use of tangible property that has not been physically damaged or destroyed, and defense costs.

The contents of this document are subject to restrictions on disclosure as set forth herein.

If Seller elects, with SCE's written concurrence, to use a "claims made" form of Commercial General Liability Insurance, then the following additional requirements apply:

(1) The retroactive date of the policy must be prior to the Effective Date; and

(2) Either the coverage must be maintained for a period of not less than three (3) years after the Agreement terminates, or the policy must provide for an extended reporting period of not less than three (3) years after the Agreement terminates.

(vi) Umbrella/Excess Liability Insurance, written on an "occurrence," not a "claims-made" basis, providing coverage excess of the underlying Employer's Liability, Commercial General Liability, and Commercial Automobile Liability insurance, on terms at least as broad as the underlying coverage, with limits of not less than *[__]* Million dollars ($*[__]*,000,000) *{SCE Comment: Amount will be equal to $1million per MW of Contract Capacity, capped at $20 million}* per occurrence and in the annual aggregate. The insurance requirements of this Section 10.11 can be provided by any combination of Seller's primary and excess liability policies.

If Seller elects, with SCE's written concurrence, to use a "claims made" form of Umbrella/Excess Liability Insurance, then the following additional requirements apply:

(1) The retroactive date of the policy must be prior to the Effective Date; and

(2) Either the coverage must be maintained for a period of not less than three (3) years after the Agreement terminates, or the policy must provide for an extended reporting period of not less than three (3) years after the Agreement terminates.

(b) The insurance required above shall apply as primary insurance to, without a right of contribution from, any other insurance maintained by or afforded to SCE, its subsidiaries and affiliates, and their respective officers, directors, shareholders, agents, and employees, regardless of any conflicting provision in Seller's policies to the contrary. To the extent permitted by law, Seller and its insurers shall be required to waive all rights of recovery from or subrogation against SCE, its subsidiaries and affiliates, and their respective officers, directors, shareholders, agents, employees and insurers. The Commercial General Liability, the Commercial Automobile Liability Policy, the Pollution Liability and the Umbrella/Excess Liability insurance required above shall include, either by policy terms and conditions or by endorsement, SCE, its parent, subsidiaries and

The contents of this document are subject to restrictions on disclosure as set forth herein.

affiliates, and their respective officers, directors, shareholders, agents and employees, assigns, and successors in interest, as additional insureds for liability arising out of Seller's construction, ownership or Operation of the Generating Facility, or obligations or performance, under this Agreement.

(c) All policies required by Sections 10.11(a)(i) through 10.11(a)(vi) shall be written on a "per project" or "per contract" basis.

(d) Within ten (10) Business Days after the Effective Date, and within ten (10) Business Days after coverage is renewed or replaced, Seller shall furnish to SCE the entire policy forms, including endorsements, and certificates of insurance evidencing the coverage required above, written on forms and with deductibles reasonably acceptable to SCE. All deductibles and co-insurance retentions applicable to the insurance above shall be paid by Seller. Seller, or its insurance broker or agent, shall provide SCE with at least thirty (30) days' prior written notice in the event of cancellation of coverage. SCE's receipt of certificates that do not comply with the requirements stated herein, or Seller's failure to provide certificates, shall not limit or relieve Seller of the duties and responsibility of maintaining insurance in compliance with the requirements in this Section 10.11 and shall not constitute a waiver of any of the requirements in this Section 10.11.

(e) Seller agrees to report to SCE in writing within ten (10) Business Days following all accidents or occurrences resulting in bodily injury to any person, and to any property where such property damage is greater than $100,000.

(f) If Seller fails to comply with any of the provisions of this Section 10.11, Seller, among other things and without restricting SCE's remedies under the law or otherwise, shall, at its own cost and expense, act as an insurer and provide insurance in accordance with the terms and conditions above. With respect to the required Commercial General Liability, Pollution Liability, Umbrella/Excess Liability and Commercial Automobile Liability insurance, Seller shall provide a current, full and complete defense to SCE, its subsidiaries and affiliates, and their respective officers, directors, shareholders, agents, employees, assigns, and successors in interest, in response to a third-party claim in the same manner that an insurer would have, had the insurance been maintained in accordance with the terms and conditions set forth above. In addition, alleged violations of the provisions of this Section 10.11 means that Seller has the initial burden of proof regarding any legal justification for refusing or withholding coverage and Seller shall face the same liability and damages as an insurer for wrongfully refusing or withholding coverage in accordance with the laws of California.

10.12 Nondedication.

Notwithstanding any other provisions of this Agreement, neither Party dedicates any of the rights that are or may be derived from this Agreement or any part of its facilities

involved in the performance of this Agreement to the public or to the service provided under this Agreement, and this service shall cease upon termination of this Agreement.

10.13 Mobile Sierra.

Absent the agreement of all Parties to the proposed change, the standard of review for changes to any rate, charge, classification, term or condition of this Agreement, whether proposed by a Party (to the extent that any waiver in subsection (b) below is unenforceable or ineffective as to such Party), a non-party or FERC acting sua sponte, shall be the 'public interest' standard of review set forth in United Gas Pipe Line Co. v. Mobile Gas Service Corp., 350 U.S. 332 (1956) and Federal Power Commission v. Sierra Pacific Power Co., 350 U.S. 348 (1956), and clarified by Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1 of Snohomish 554 U.S. 527 (2008).

Notwithstanding any provision of Agreement, and absent the prior written agreement of the Parties, each Party, to the fullest extent permitted by Applicable Laws, for itself and its respective successors and assigns, hereby also expressly and irrevocably waives any rights it can or may have, now or in the future, whether under Sections 205, 206, or 306 of the Federal Power Act or otherwise, to seek to obtain from FERC by any means, directly or indirectly (through complaint, investigation, supporting a third party seeking to obtain or otherwise), and each hereby covenants and agrees not at any time to seek to so obtain, an order from FERC changing any Section of this Agreement specifying any rate or other material economic terms and conditions agreed to by the Parties.

10.14 Simple Interest Payments.

Except as specifically provided in this Agreement, any outstanding and past due amounts owing and unpaid by either Party under the terms of this Agreement will be eligible to receive a Simple Interest Payment calculated using the Interest Rate for the number of days between the date due and the date paid.

10.15 Payments.

Payments to be made under this Agreement must be made by wire transfer.

10.16 Seller Ownership and Control of Generating Facility.

Seller agrees, that, in accordance with FERC Order No. 697, upon request of SCE, Seller shall submit a letter of concurrence in support of any affirmative statement by SCE that the contractual arrangement set forth in this Agreement does not transfer "ownership or control of generation capacity" from Seller to SCE as the term "ownership or control of generation capacity" is used in 18 CFR Section 35.42. Seller also agrees that it will not, in filings, if any, made subject to FERC Order Nos. 652 and 697, claim that the contractual arrangement set forth in this Agreement conveys ownership or control of generation capacity from Seller to SCE.

10.17 Required Material.

Seller acknowledges and agrees that, notwithstanding anything to the contrary set forth herein, any review, approval, request, or requirement of any Required Material shall mean only that such Required Material is acceptable to SCE solely for SCE's internal purposes and benefit, and will not in any way be construed to mean that such Required Material is accurate, suitable for its intended purpose, in compliance with any Applicable Law or other requirement, or endorsed for the benefit of any other party, including Seller. Further, Seller acknowledges and agrees that SCE shall have no liability to Seller or any other third party with respect to any Required Material so reviewed, approved, requested or required by SCE or on SCE's behalf.

**** End of ARTICLE TEN ****

ARTICLE ELEVEN. CHANGE IN ELECTRIC MARKET DESIGN

If a Change in CAISO Tariff renders this Agreement or any terms herein incapable of being performed or administered, then either Party, on Notice, may request the other Party to enter into negotiations to make the minimum changes to this Agreement necessary to make this Agreement capable of being performed and administered, while attempting to preserve to the maximum extent possible the benefits, burdens and obligations set forth in this Agreement as of the Effective Date.

Upon receipt of a Notice requesting negotiations, the Parties shall negotiate in good faith.

If the Parties are unable, within sixty (60) days after the sending of the Notice requesting negotiations, either to agree upon changes to this Agreement or to resolve issues relating to changes to this Agreement, then either Party may submit issues pertaining to changes to this Agreement to mediation and arbitration as provided in Article Twelve.

A change in cost will not in itself be deemed to render this Agreement or any terms therein incapable of being performed or administered, or constitute, or form the basis of, a Force Majeure Event.

**** End of ARTICLE ELEVEN ****

ARTICLE TWELVE. MEDIATION AND ARBITRATION

12.01 Dispute Resolution.

Other than requests for provisional relief under Section 12.04, any and all Disputes which the Parties have been unable to resolve by informal methods after undertaking a good faith effort to do so, must first be submitted to mediation under the procedures described in Section 12.02 below, and if the matter is not resolved through mediation, *then* for final and binding arbitration under the procedures described in Section 12.03 below.

The Parties waive any right to a jury and agree that there will be no interlocutory appellate relief (such as writs) available. Any Dispute resolution process shall be commenced no later than one (1) year from the date the Dispute occurred; *provided*, if the facts giving rise to the Dispute were not reasonably capable of being discovered at the time of their occurrence, then no later than one (1) year from the earliest date that such facts were reasonably capable of being discovered, and in no event more than four (4) years after the Dispute occurred. If any Dispute resolution process pursuant to Article Twelve with respect to a Dispute is not commenced within such one (1) year time period, such Dispute shall be waived and forever barred, without regard to any other limitations period set forth by law or statute.

12.02 Mediation.

Either Party may initiate mediation by providing Notice to the other Party in accordance with Section 10.08 of a written request for mediation, setting forth a description of the Dispute and the relief requested.

The Parties will cooperate with one another in selecting the mediator ("Mediator") from the panel of neutrals from Judicial Arbitration and Mediation Services, Inc. ("JAMS"), its successor, or any other mutually acceptable non-JAMS Mediator, and in scheduling the time and place of the mediation.

Such selection and scheduling will be completed within forty-five (45) days after Notice of the request for mediation.

Unless otherwise agreed to by the Parties, the mediation will not be scheduled for a date that is greater than one hundred twenty (120) days from the date of Notice of the request for mediation.

The Parties covenant that they will participate in the mediation in good faith, and that they will share equally in its costs (other than each Party's individual attorneys' fees and costs related to the Party's participation in the mediation, which fees and costs will be borne by such Party).

All offers, promises, conduct and statements, whether oral or written, made in connection with or during the mediation by either of the Parties, their agents, representatives, employees, experts and attorneys, and by the Mediator or any of the Mediator's agents,

representatives and employees, will not be subject to discovery and will be confidential, privileged and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding between or involving the Parties, or either of them, *provided*, evidence that is otherwise admissible or discoverable will not be rendered inadmissible or non-discoverable as a result of its use in the mediation.

12.03 Arbitration.

Either Party may initiate binding arbitration with respect to the matters first submitted to mediation by providing Notice in accordance with Section 10.08 of a demand for binding arbitration before a single, neutral arbitrator (the "Arbitrator") within sixty (60) days following the unsuccessful conclusion of the mediation provided for in Section 12.02, above. If Notice of arbitration is not provided by either Party within sixty (60) days following the unsuccessful conclusion of the mediation provided for in Section 12.02 above, the Dispute resolution process shall be deemed complete and further resolution of such Dispute shall be barred, without regard to any other limitations period set forth by law or statute.

The Parties will cooperate with one another in selecting the Arbitrator within sixty (60) days after Notice of the demand for arbitration and will further cooperate in scheduling the arbitration to commence no later than one hundred eighty (180) days from the date of Notice of the demand.

If, notwithstanding their good faith efforts, the Parties are unable to agree upon a mutually-acceptable Arbitrator, the Arbitrator will be appointed as provided for in California Code of Civil Procedure Section 1281.6.

To be qualified as an Arbitrator, each candidate must be a retired judge of a trial court of any state or federal court, or retired justice of any appellate or supreme court.

Unless otherwise agreed to by the Parties, the individual acting as the Mediator will be disqualified from serving as the Arbitrator in the dispute, although the Arbitrator may be another member of the JAMS panel of neutrals or such other panel of neutrals from which the Parties have agreed to select the Mediator.

Upon Notice of a Party's demand for binding arbitration, such Dispute submitted to arbitration, including the determination of the scope or applicability of this agreement to arbitrate, will be determined by binding arbitration before the Arbitrator, in accordance with the laws of the State of California, without regard to principles of conflicts of laws.

Except as provided for herein, the arbitration will be conducted by the Arbitrator in accordance with the rules and procedures for arbitration of complex business disputes for the organization with which the Arbitrator is associated.

Absent the existence of such rules and procedures, the arbitration will be conducted in accordance with the California Arbitration Act, California Code of Civil Procedure

Section 1280 *et seq*. and California procedural law (including the Code of Civil Procedure, Civil Code, Evidence Code and Rules of Court, but excluding local rules).

Notwithstanding the rules and procedures that would otherwise apply to the arbitration, and unless the Parties agree to a different arrangement, the place of the arbitration will be in Los Angeles County, California.

Also notwithstanding the rules and procedures that would otherwise apply to the arbitration, and unless the Parties agree to a different arrangement, discovery will be limited as follows:

(a) Before discovery commences, the Parties shall exchange an initial disclosure of all documents and percipient witnesses which they intend to rely upon or use at any arbitration proceeding (except for documents and witnesses to be used solely for impeachment);

(b) The initial disclosure will occur within thirty (30) days after the initial conference with the Arbitrator or at such time as the Arbitrator may order;

(c) Discovery may commence at any time after the Parties' initial disclosure;

(d) The Parties will not be permitted to propound any interrogatories or requests for admissions;

(e) Discovery will be limited to twenty-five (25) document requests (with no subparts), three (3) lay witness depositions, and three (3) expert witness depositions (unless the Arbitrator holds otherwise following a showing by the Party seeking the additional documents or depositions that the documents or depositions are critical for a fair resolution of the Dispute or that a Party has improperly withheld documents);

(f) Each Party is allowed a maximum of three (3) expert witnesses, excluding rebuttal experts;

(g) Within sixty (60) days after the initial disclosure, or at such other time as the Arbitrator may order, the Parties shall exchange a list of all experts upon which they intend to rely at the arbitration proceeding;

(h) Within thirty (30) days after the initial expert disclosure, the Parties may designate a maximum of two (2) rebuttal experts;

(i) Unless the Parties agree otherwise, all direct testimony will be in form of affidavits or declarations under penalty of perjury; and

(j) Each Party shall make available for cross examination at the arbitration hearing its witnesses whose direct testimony has been so submitted.

Subject to Article Seven, the Arbitrator will have the authority to grant any form of equitable or legal relief a Party might recover in a court action. The Parties acknowledge and agree that irreparable damage would occur if certain provisions of this Agreement are

The contents of this document are subject to restrictions on disclosure as set forth herein.

not performed in accordance with the terms of the Agreement, that money damages would not be a sufficient remedy for any breach of these provisions of this Agreement, and that the Parties shall be entitled, without the requirement of posting a bond or other security, to specific performance and injunctive or other equitable relief as a remedy for a breach of Section 2.04(b), 3.01, 3.02, 3.06(h), 3.09 or 10.10 of this Agreement.

Judgment on the award may be entered in any court having jurisdiction.

The Arbitrator must, in any award, allocate all of the costs of the binding arbitration (other than each Party's individual attorneys' fees and costs related to the Party's participation in the arbitration, which fees and costs will be borne by such Party), including the fees of the Arbitrator and any expert witnesses, against the Party who did not prevail.

Until such award is made, however, the Parties will share equally in paying the costs of the arbitration.

At the conclusion of the arbitration hearing, the Arbitrator shall prepare in writing and provide to each Party a decision setting forth factual findings, legal analysis, and the reasons on which the Arbitrator's decision is based. The Arbitrator shall also have the authority to resolve claims or issues in advance of the arbitration hearing that would be appropriate for a California superior court judge to resolve in advance of trial. The Arbitrator shall not have the power to commit errors of law or fact, or to commit any abuse of discretion, that would constitute reversible error had the decision been rendered by a California superior court. The Arbitrator's decision may be vacated or corrected on appeal to a California court of competent jurisdiction for such error. Unless otherwise agreed to by the Parties, all proceedings before the Arbitrator shall be reported and transcribed by a certified court reporter, with each Party bearing one-half of the court reporter's fees.

12.04 Provisional Relief.

The Parties acknowledge and agree that irreparable damage would occur if certain provisions of this Agreement are not performed in accordance with the terms of this Agreement, that money damages would not be a sufficient remedy for any breach of these provisions of this Agreement, and that the Parties shall be entitled, without the requirement of posting a bond or other security, to seek a preliminary injunction, temporary restraining order, or other provisional relief as a remedy for a breach of Section 2.04(b), 3.01, 3.02, 3.06(h), 3.09 or 10.10 of this Agreement in any court of competent jurisdiction, notwithstanding the obligation to submit all other disputes (including all claims for monetary damages under this Agreement) to arbitration pursuant to Section 12.01. The Parties further acknowledge and agree that the results of the arbitration may be rendered ineffectual without the provisional relief.

Such a request for provisional relief does not waive a Party's right to seek other remedies for the breach of the provisions specified above in accordance with Section 12.01,

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notwithstanding any prohibition against claim-splitting or other similar doctrine. The other remedies that may be sought include specific performance and injunctive or other equitable relief, plus any other remedy specified in this Agreement for the breach of the provision, or if the Agreement does not specify a remedy for the breach, all other remedies available at law or equity to the Parties for the breach.

**** End of ARTICLE TWELVE ****

In WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the Effective Date first written:

***[SELLER'S NAME]*,**	**SOUTHERN CALIFORNIA EDISON COMPANY,**
a [Seller's jurisdiction of organization and type of organization].	a California corporation.
By:	*By:*
_____	_____
[Name]	Steven Eisenberg
[Title]	*Vice President of Energy Contracts*
Date: _____	Date: _____

EXHIBITS

EXHIBIT A
Definitions

The following terms shall have the following meaning for purposes of this Agreement.

1. "AC" means alternating current.
2. "Accepted Compliance Costs" has the meaning set forth in Section 1.11.
3. "Actual Availability Report" means a report to be prepared by Seller in the form of Exhibit O containing the information described in Section 3.24.
4. "Actual Available Capacity" means the sum of the capacity, in MWs, of all generating units of the Generating Facility that were available at the end of the Settlement Interval, as indicated by the Actual Availability Report.
{SCE Comment: All resources other than Solar Photovoltaic.}

"Actual Available Capacity" means the sum of the capacity, in MWs, of all Current Inverters of the Generating Facility that were available at the end of the Settlement Interval, as indicated by the Actual Availability Report.
{SCE Comment: Solar Photovoltaic only.}

5. "Affiliate" means, with respect to a Party, any entity that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with that Party.
6. "Aggregate Network Upgrade Costs" has the meaning set forth in Section 2.03(a)(iii)(1).
7. "Agreement" has the meaning set forth in the Preamble.
8. "Annual Degradation Factor" has the meaning set forth in Section 1.01(i).
9. "Annual Energy Yield Factor" means the annual AC energy in kWh that is expected to be delivered to SCE per installed peak DC power in kW_{PDC} of Photovoltaic Modules.
{SCE Comment: Solar Photovoltaic only.}
10. "Applicable Laws" means all constitutions, treaties, laws, ordinances, rules, regulations, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority that apply to either or both of the Parties, the Generating Facility or the terms of this Agreement.
11. "Arbitrator" has the meaning set forth in Article Twelve.
12. "Availability Guarantee" means a Generating Facility Annual Availability of ninety-five percent (95%) for the first five (5) Term Years and ninety percent (90%) for the second five (5) Term Years.
13. "Availability Guarantee Lost Production Payment" means liquidated damages calculated in accordance with Exhibit R and payable to SCE pursuant to Section 3.19 in respect to

the Generating Facility's failure to achieve the Availability Guarantee in any Term Year. *{SCE Comment: Wind only.}*

14. "Availability Incentive Payments" has the meaning set forth in the CAISO Tariff.

15. "Availability Standards" has the meaning set forth in the CAISO Tariff.

16. "Availability Workbook" has the meaning set forth in Exhibit O.

17. "Banked Curtailed Energy" means the cumulative quantity of all CNPP for which Seller is paid pursuant to Section 4.01(c)(i) throughout the Term.

18. "Bankrupt" means with respect to any entity, such entity:

    (a) Files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it;

    (b) Makes an assignment or any general arrangement for the benefit of creditors;

    (c) Otherwise becomes bankrupt or insolvent (however evidenced);

    (d) Has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to such entity or any substantial portion of its property or assets; or

    (e) Is generally unable to pay its debts as they fall due.

19. "Bankruptcy Code" means the United States Bankruptcy Code (11 U.S.C. §101 *et seq.*), as amended, and any successor statute.

20. "Bid" has the meaning as set forth in the CAISO Tariff.

21. "Business Day" means any day except a Saturday, Sunday, a Federal Reserve Bank holiday, or the Friday following Thanksgiving. A Business Day begins at 8:00 a.m. and end at 5:00 p.m. local time for the Party sending the Notice or payment or performing a specified action.

22. "Business Practice Manuals" or "BPMs" has the meaning as set forth in the CAISO Tariff.

23. "Buyer" means Southern California Edison Company.

24. "CAISO" means the California Independent System Operator Corporation or successor entity.

25. "CAISO Approved Meter" means a CAISO approved revenue quality meter or meters, CAISO approved data processing gateway or remote intelligence gateway, telemetering equipment and data acquisition services sufficient for monitoring, recording and reporting, in real time, all electric energy produced by the Generating Facility less Station Use.

26. "CAISO-Controlled Grid" has the meaning as set forth in the CAISO Tariff.

27. "CAISO Costs" means the debits, costs, penalties and interest that are directly assigned by the CAISO to the CAISO Resource ID for the Generating Facility for, or attributable to, Scheduling or deliveries from the Generating Facility under this Agreement in each applicable Settlement Interval.

28. "CAISO Markets" has the meaning as set forth in the CAISO Tariff.

29. "CAISO Resource ID" means the number or name assigned by the CAISO to the CAISO Approved Meter.

30. "CAISO Revenues" means the credits and other payments incurred or received by SCE as a result of energy from the Generating Facility delivered to any CAISO administered market by Seller, including costs and revenues associated with CAISO dispatches, for each applicable Settlement Interval.

31. "CAISO Sanctions" means any sanctions directly assigned by the CAISO to the CAISO Resource ID for the Generating Facility or attributable to, Scheduling or deliveries from the Generating Facility under this Agreement for each applicable Settlement Interval.

32. "CAISO Tariff" means the California Independent System Operator Corporation Operating Agreement and Tariff, Business Practice Manuals (BPMs), and Operating Procedures, including the rules, protocols, procedures and standards attached thereto, as the same may be amended or modified from time-to-time and approved by FERC.

33. "Calculation Period" has the meaning set forth in Section 3.07(a)(i).

34. "California Renewables Portfolio Standard" means the California Public Utilities Code Section 399.11, *et seq*.

35. "Capacity Attributes" means any and all current or future defined characteristics, certificates, tags, credits, ancillary service attributes, or accounting constructs, howsoever entitled, including any accounting construct counted toward any resource adequacy requirements, attributed to or associated with the Generating Facility or any unit of generating capacity of the Generating Facility throughout the Delivery Term.

36. "Capacity Procurement Mechanism" or "CPM" has the meaning as set forth in the CAISO Tariff.

37. "CEC" means the California Energy Commission.

38. "CEC Certification" means certification by the CEC that the Generating Facility is an ERR for purposes of the RPS Legislation and that all electric energy produced by the Generating Facility qualifies as generation from an ERR for purposes of the RPS Legislation.

39. "CEC Pre-Certification" means provisional certification of the proposed Generating Facility as an ERR by the CEC upon submission by a facility of a complete CEC-RPS-1B application and required supplemental information.

40. "CEC Verification" means verification by the CEC based on ongoing reporting by Seller that the Generating Facility is an ERR for purposes of the RPS Legislation and that all electric energy produced by the Generating Facility qualifies as generation from an ERR for purposes of the RPS Legislation.

41. "CFR" means the Code of Federal Regulations, as may be amended from time to time.

42. "Change in CAISO Tariff" means that, other than changes for the Market Redesign and Technology Update that became effective on April 1, 2009, the CAISO Tariff has been changed and such change has a material adverse impact on either Party, or the CAISO has been dissolved or replaced and any successor to the CAISO operates under rules, protocols, procedures or standards that differ in a material respect from the CAISO Tariff, after the Effective Date.

43. "Check Meter" means the SCE revenue-quality meter section or meter, which SCE may require at its discretion, as set forth in Section 3.08(b), and which will include those devices normally supplied by SCE or Seller under the applicable utility electric service requirements.

44. "Claiming Party" has the meaning set forth in Section 5.02.

45. "Collateral Assignment Agreement" has the meaning set forth in Section 10.05.

46. "Commercial Operation" is the status of the Generating Facility upon Seller's satisfaction of all of the conditions set forth in Section 2.03(b) and as of the Commercial Operation Date.

47. "Commercial Operation Date" has the meaning set forth in Section 2.03(b).

48. "Commercial Operation Deadline" has the meaning set forth in Section 1.04.

49. "Compliance Actions" has the meaning set forth in Section 1.11.

50. "Compliance Expenditure Cap" means the dollar amount set forth in Section 1.11.

51. "Confidential Information" has the meaning set forth in Section 10.10(b)(ii).

52. "Construction Permits" means any permits issued by the Governmental Authority having jurisdiction that grant Seller the authority to develop and construct the Generating Facility on the Site. Construction Permits include conditional use permit and authority to construct.

53. "Contract Capacity" means the lesser of (i) the amount of electric energy generating capacity, set forth in Section 1.01(h), that Seller commits to install at the Site and (ii) the Demonstrated Contract Capacity.

54. "Control Area" means the electric power system (or combination of electric power systems) under the operational control of the CAISO or any other electric power system under the operational control of another organization vested with authority comparable to that of the CAISO.

55. "Costs" means, with respect to the Non-Defaulting Party, brokerage fees, commissions, legal expenses and other similar third party transaction costs and expenses reasonably incurred by that Party in entering into any new arrangement which replaces this Agreement. With respect to SCE, Costs shall be based on replacing the Agreement with an agreement for new renewable capacity from a *{technology}* which has not yet been constructed and which would be considered a *[Western LA Basin Project or Moorpark Sub-Area Project]*.

56. "CPUC" means the California Public Utilities Commission.

57. "CPUC Approval" means a final and non-appealable order of the CPUC, without conditions or modifications unacceptable to the Parties, or either of them, which contains the following terms:

(a) Approves this Agreement in its entirety, including payments to be made by the Buyer, subject to CPUC review of the Buyer's administration of the Agreement;

(b) Finds that any procurement pursuant to this Agreement is procurement from an eligible renewable energy resource for purposes of determining Buyer's compliance with any obligation that it may have to procure eligible renewable energy resources pursuant to the California Renewables Portfolio Standard (Public Utilities Code Section 399.11 *et seq.*), Decision 03-06-071, or other applicable law;

(c) Finds that any procurement pursuant to this Agreement satisfies the requirement to procure preferred resources under Commission Decision 13-02-015; and

(d) Provides for cost allocation of amounts paid by Seller under the Agreement pursuant to terms and conditions acceptable to SCE in its sole discretion.

CPUC Approval will be deemed to have occurred on the date that a CPUC decision containing such findings becomes final and non-appealable.

58. "Credit Rating" means with respect to any entity, on the relevant date of determination, the respective ratings then assigned to such entity's unsecured, senior long-term debt or deposit obligations (not supported by third party credit enhancement) by S&P, Fitch or Moody's. If no rating is assigned to such entity's unsecured, senior long-term debt or deposit obligation by S&P, Fitch or Moody's, then "Credit Rating" means the general corporate credit rating or long-term issuer rating assigned by the other two ratings agencies.

59. "Current Inverters" means devices used to convert DC electric energy to AC electric energy.
{SCE Comment: For Solar Photovoltaic only.}

60. "Curtailed Non-On-Peak Product" or "CNPP" means, during non-On-Peak hours (as set forth in Exhibit J), energy that could have been delivered to the Delivery Point by Seller but which was not delivered (i) due to Seller's curtailment in accordance with Section

3.12(g)(iii), and (ii) if the CAISO Tariff prohibits, without any action by the CAISO or any Transmission Provider, any electric generating facilities from delivery of energy in excess of its Schedule, any such energy that the Generating Facility was precluded from delivering. The amount of energy that could have been delivered will be determined in accordance with Section 3.23 and Exhibit L.

61. "Curtailed On-Peak Product" or "CPP" means, during On-Peak hours (as set forth in Exhibit J), energy that could have been delivered to the Delivery Point by Seller but which was not delivered (i) due to Seller's curtailment in accordance with Section 3.12(g)(iii), and (ii) if the CAISO Tariff prohibits, without any action by the CAISO or any Transmission Provider, any electric generating facilities from delivery of energy in excess of its Schedule, any such energy that the Generating Facility was precluded from delivering. The amount of energy that could have been delivered will be determined in accordance with Section 3.23 and Exhibit L.

62. "Curtailed Product Payment" means, in each month, the sum of all payments for (i) Paid Curtailed Product, *[and (ii) any lost Federal Production Tax Credits as set forth in Section 4.01(d)]. {SCE Comment: for Sellers that select box (b), the Federal Production Tax Credit with eligibility for reimbursement, in Section 1.10}*

63. "Curtailed Return Term" has the meaning set forth in Section 1.05(b)(ii).

64. "Curtailed Return Term Notice" has the meaning set forth in Section 1.05(b).

65. "Curtailment Cap" is the yearly quantity (Term Year), in MWh, set forth in Section 1.09.

66. "Curtailment Order" means an order from SCE to Seller to reduce or stop the delivery of electric energy from the Generating Facility to SCE for any reason except as set forth in Sections 3.12(g)(i)-(ii).

67. "Daily Delay Liquidated Damages" has the meaning set forth in Section 3.06(c).

68. "Day-Ahead Market" has the meaning set forth in the CAISO Tariff.

69. "DC" means direct current.

70. "DC Collection System" means the DC equipment, cables, components, devices and materials that interconnect the Photovoltaic Modules with the Current Inverters. *{SCE Comment: For Solar Photovoltaic only.}*

71. "Defaulting Party" has the meaning set forth in Section 6.01.

72. "Deliverability Network Upgrades" has the meaning forth in the CAISO Tariff.

73. "Delivery Point" means the point of delivery of Product to the CAISO-Controlled Grid, as specified in Section 1.01(f) and set forth in the single-line diagram of the CAISO-Controlled Grid interconnection set forth in Exhibit B.

74. "Delivery Term" means the period beginning with Initial Synchronization and continuing throughout the end of the Term.

75. "Demonstrated Contract Capacity" means the Generating Facility's total rated electric alternating current energy generating capacity

which will equal the lesser of:

(a) The sum of the Inverter Block Unit Capacity of all Inverter Block Units in the Generating Facility; or

(b) The continuous output power rating at the Expected Operating Power Factor of the step-up transformer that connects the Generating Facility to the Transmission Provider's system,
{SCE Comment: Solar Photovoltaic only.}

which will equal the lesser of:

(a) The sum of the manufacturer's nameplate ratings of all installed Wind Turbines, consistent with Prudent Electrical Practices and accepted industry standards, as indicated on the nameplates physically attached to the individual Wind Turbine generators, or

(b) The continuous output power rating at the Expected Operating Power Factor of the step-up transformer that connects the Generating Facility to the Transmission Provider's system,
{SCE Comment: Wind only.}

which will equal the sum of the Metered Amounts for the Demonstration Hour,
{SCE Comment: All other technologies.}

as determined in accordance with Exhibit K.

76. "Demonstration Date" has the meaning set forth in Exhibit K.
{SCE Comment: Intermittent only.}

77. "Demonstration Hour" has the meaning set forth in Exhibit K.
{SCE Comment: Baseload only.}

78. "Development Security" has the meaning set forth in Section 3.06.

79. "Disclosing Party" has the meaning set forth in Section 10.10.

80. "Disclosure Order" has the meaning set forth in Section 10.10.

81. "Dispatch Instruction" has the meaning forth in the CAISO Tariff.

82. "Dispute" means any and all disputes, claims or controversies arising out of, relating to, concerning or pertaining to the terms of this Agreement, or to either Party's performance or failure of performance under this Agreement.

83. "Disqualified Stock" means any capital stock that, by its terms (or by the terms of any security into which such stock is convertible, or for which such stock is exchangeable, in each case at the option of the holder of the capital stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder of the capital stock, in whole or in part, on or before the date that is ninety-one (91) days after the expiration of the Term of this Agreement.

84. "DLF" means a number that is a representation for all net electric energy losses or avoided losses, as filed by SCE at FERC, associated with the transmission of electric energy through the electric system from the high voltage side of the Generating Facility's substation bus bar to the interface with the CAISO-Controlled Grid, also known as the distribution loss factor.

85. "Early Termination Date" has the meaning set forth in Section 6.02.

86. "Effective Date" has the meaning set forth in the Preamble.

87. "Eligible Intermittent Resource Protocol" or "EIRP" means the CAISO's intermittent resource program initially established pursuant to the CAISO Tariff or any successor program that SCE determines accomplishes a similar purpose.
{SCE Comment: Intermittent only.}

88. "Emergency" means:

(a) An actual or imminent condition or situation which jeopardizes the integrity of Transmission Provider's electric system or the integrity of any other systems to which the Transmission Provider's electric system is connected, as determined by the Transmission Provider in its reasonable discretion, or any condition so defined and declared by the CAISO; or

(b) An emergency condition as defined under an interconnection agreement and any abnormal interconnection or system condition that requires automatic or immediate manual action to prevent or limit loss of load or generation supply, that could adversely affect the reliability of the Transmission Provider's electric system or generation supply, that could adversely affect the reliability of any interconnected system, or that could otherwise pose a threat to public safety.

89. "Energy Communication Network" means the CAISO infrastructure network (data highway) used by all CAISO participants to exchange data to and from resources and CAISO.

90. "Energy Deviations" means the absolute value of the difference, in kWh, in any Settlement Interval between:

(a) Forecast-Derived Energy; and

(b) Metered Amounts plus Lost Output.

{SCE Comment: Intermittent only.}

(a) Expected Energy; and

(b) Metered Amounts plus Lost Output.
{SCE Comment: Baseload only.}

91. "EO Period" means the period from the Effective Date up to (but not including) the RA Guarantee Date.

92. "Equitable Defense" means any bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain equitable remedies may be pending.

93. "ERR" has the meaning set forth in Section 10.02(b)(i).

94. "Event of Default" has the meaning set forth in Section 6.01.

95. "Event of Deficient Energy Deliveries" means any instance in which Seller fails to meet Seller's Energy Delivery Obligation as determined in accordance with Section 3.07(a)(ii), which failure results in Seller's obligation to pay the applicable Product Replacement Damage Amount.

96. "Event of Excess Deliveries" has the meaning set forth in Section 6.01(b)(vi).
{SCE Comment: Baseload only.}

97. "Excess Network Upgrade Costs" has the meaning set forth in Section 2.03(a)(iii).

98. "Expected Annual Net Energy Production" means the Generating Facility's expected annual Qualified Amounts, as calculated in accordance with Section 1.01(i).

99. "Expected Energy" has the meaning set forth in the CAISO Tariff.

100. "Expected Operating Power Factor" means the power factor for the transformer that would be expected when the Generating Facility is operating at the most restrictive of either the most leading or the most lagging power factor at the point of interconnection as required by the Interconnection Agreement or Transmission Provider's interconnection technical handbook instructions.

101. "EZ Gen Hub SP-15" means the Existing Zone Generation Trading Hub for the geographical area in which the majority of SCE's service territory is located.

102. "Federal Funds Effective Rate" means the annual interest rate posted opposite the caption "Federal Funds (effective)" as set forth in the weekly statistical release as H.15 (519), or any successor publication, published by the Board of Governors of the Federal Reserve System.

103. "Federal Investment Tax Credit" means investment tax credit under Section 48 of the Internal Revenue Code as in effect from time-to-time throughout the Delivery Term or any successor or other provision providing for a federal tax credit determined by

reference to capital investment in equipment used to produce renewable electric energy from *[solar][geothermal]* energy resources for which Seller, as the owner of the Generating Facility, is eligible.
[SCE Comment: For Sellers that select box (a) Federal Investment Tax Credit, under Section 1.10.]

104. "Federal Production Tax Credit" means production tax credit under Section 45 of the Internal Revenue Code as in effect from time-to-time throughout the Delivery Term or any successor or other provision providing for a federal tax credit determined by reference to renewable electric energy produced from wind or other renewable energy resources for which Seller, as the owner of the Generating Facility, is eligible (for Sellers that select box (b) or (c), Federal Production Tax Credit, under Section 1.10).

105. "Federal Tax Credit" means either Federal Investment Tax Credit or Federal Production Tax Credit.

106. "Federal Tax Credit Legislation" means

(a) *{SCE Comment: for Sellers that select box (b) or (c), the Federal Production Tax Credit, in Section 1.10}*

(1) validly enacted federal legislation extending the applicability and rate of the renewable energy production tax credit (26 U.S.C. § 45) to owners of generating facilities which use closed-loop biomass, geothermal energy, and solar energy to produce electric energy which are placed in service on or before *[Commercial Operation Deadline]*, on terms no less favorable to owners of closed-loop biomass, geothermal energy, and solar energy generating facilities than those available with respect to such facilities placed in service on or before January 1, 2014 pursuant to the law governing Federal Production Tax Credits in effect as of the Effective Date, including, but not limited to, a tax credit allowable for at least ten (10) years of at least Twenty-Two dollars ($22) per MWh in 2010 dollars adjusted for inflation as set forth therein;

{For closed-loop biomass, geothermal or solar projects.}

(2) validly enacted federal legislation extending the applicability and rate of the renewable energy production tax credit (26 U.S.C. § 45) to owners of generating facilities which use open-loop biomass facilities, small irrigation power facilities, landfill gas facilities, trash facilities, and qualified hydropower facilities to produce electric energy which are placed in service on or before *[Commercial Operation Deadline]*, on terms no less favorable to owners of open-loop biomass facilities, small irrigation power facilities, landfill gas facilities, trash facilities, and qualified hydropower facilities generating facilities than those available with respect to such facilities placed in service on or before January 1, 2014 pursuant to the law governing Federal Production Tax Credits in effect as of the Effective Date, including, but not limited to, a tax credit allowable for at least

ten (10) years of at least Eleven dollars ($11) per MWh in 2010 dollars adjusted for inflation as set forth therein;

{For open-loop biomass, small irrigation power, landfill gas, trash, and qualified hydropower projects.}

(3) validly enacted federal legislation extending the applicability and rate of the renewable energy production tax credit (26 U.S.C. § 45) to owners of qualified generating facilities which use marine and hydrokinetic renewable energy to produce electric energy, which are placed in service on or before *[Commercial Operation Deadline]*, on terms no less favorable to owners of marine and hydrokinetic generating facilities than those available with respect to such facilities placed in service on or before January 1, 2014 pursuant to the law governing Federal Production Tax Credits in effect as of the Effective Date, including, but not limited to, a tax credit allowable for at least ten (10) years of at least Eleven dollars ($11) per MWh in 2010 dollars adjusted for inflation as set forth therein;

{For marine and hydrokinetic renewable energy projects.}

(4) validly enacted federal legislation extending the applicability and rate of the renewable energy production tax credit (26 U.S.C. § 45) to owners of qualified generating facilities which use wind renewable energy to produce electric energy, which are placed in service on or before *[Commercial Operation Deadline]*, on terms no less favorable to owners of wind facilities than those available with respect to such facilities placed in service on or before January 1, 2013 pursuant to the law governing Federal Production Tax Credits in effect as of the Effective Date, including, but not limited to, a tax credit allowable for at least ten years of at least Twenty-Two dollars ($22) per MWh in 2010 dollars adjusted for inflation as set forth therein;

{For wind energy projects.}

or

(b) validly enacted federal legislation extending the applicability and rate of the investment tax credit (26 U.S.C. § 48) to owners of certain solar facilities and combined heat and power systems using biomass to produce electric energy which are placed in service on or before *[Commercial Operation Deadline]*, on terms no less favorable to owners of solar facilities generating facilities than those available with respect to such facilities placed in service on or before January 1, 2017 pursuant to the law governing Federal Investment Tax Credits in effect as of the Effective Date.

{SCE Comment: for Sellers that select box (a), the Federal Investment Tax Credit, in Section 1.10}

{For solar facilities and combined heat and power systems using biomass.}

107. "FERC" means the Federal Energy Regulatory Commission.

108. "Final Wind Report" means the unabridged and unredacted final report concerning the electric energy producing potential of the Site prepared by an independent engineer and which is used by Seller to obtain both:

(a) Project financing or funding for the Generating Facility; and

(b) The final design and binding price quote from the Wind Turbine manufacturer. *{SCE Comment: For Wind Only.}*

109. "Fitch" means Fitch Ratings Ltd. or its successor.

110. "Force Majeure" means any occurrence that was not anticipated as of the Effective Date that:

(a) In whole or in part:

(i) Delays a Party's performance under this Agreement;

(ii) Causes a Party to be unable to perform its obligations; or

(iii) Prevents a Party from complying with or satisfying the conditions of this Agreement;

(b) Is not within the control of that Party; and

(c) The Party has been unable to overcome by the exercise of due diligence, including an act of God, flood, drought, earthquake, storm, fire, pestilence, lightning and other natural catastrophes, epidemic, war, riot, civil disturbance or disobedience, terrorism, sabotage, strike or labor dispute, or actions or inactions of any Governmental Authority (including a change in Applicable Law but excluding Seller's compliance obligations as set forth in Section 3.20), or curtailment or reduction in deliveries at the direction of a Transmission Provider or the CAISO (except as set forth below).

Force Majeure does not include:

(d) The lack of wind, sun or other fuel source of an inherently intermittent nature;

(e) Reductions in generation from the Generating Facility resulting from ordinary wear and tear, deferred maintenance or Operator error;

(f) Curtailment or reduction in deliveries at the direction of a Transmission Provider or the CAISO when the basis of the curtailment or reduction in deliveries ordered by a Transmission Provider or the CAISO is congestion arising in the ordinary course of operations of the Transmission Provider's system or the CAISO-Controlled Grid, including congestion caused by outages or capacity reductions for maintenance, construction or repair; or

(g) Any delay in providing, or cancellation of, interconnection service by a Transmission Provider, except to the extent such delay or cancellation is the result of a force majeure claimed by the Transmission Provider.

111. "Forecast" means an hourly forecast provided in accordance with Exhibit D of either:

(a) The sum of the continuous electrical output ratings for *[Current Inverters] [Wind Turbines] [the generator(s)]* (in MWs) in the Generating Facility that are operational; or

(b) The sum of electric energy (in MWh) expected to be generated by the Generating Facility

in accordance with SCE instructions.

112. "Forecast-Derived Energy" means the amount of energy in MWh expected to be generated by the Generating Facility, as determined by SCE based upon the Forecast provided by Seller in accordance with this Agreement, and as may be adjusted for any additional energy that is available pursuant to an updated Forecast submitted in accordance with Exhibit D.

113. "Forecasted Commercial Operation Date" means the date Seller anticipates, as of the Effective Date, will be the Commercial Operation Date, as set forth in Section 1.03.

114. "Forecasted Initial Synchronization Date" means the date Seller anticipates, as of the Effective Date, will be the date for Initial Synchronization, as set forth in Section 1.02.

115. "Forecasting" means the action of Seller in preparing and submitting the Forecasts to SCE.

116. "Forward Settlement Amount" means the Non-Defaulting Party's Costs and Losses, on the one hand, netted against its Gains, on the other.

If the Non-Defaulting Party's Costs and Losses exceed its Gains, then the Forward Settlement Amount shall be an amount owing to the Non-Defaulting Party.

If the Non-Defaulting Party's Gains exceed its Costs and Losses, then the Forward Settlement Amount shall be Zero dollars ($0).

The Forward Settlement Amount does not include consequential, incidental, punitive, exemplary or indirect or business interruption damages.

117. "Full Capacity Deliverability Status" or "FCDS" has the meaning set forth in the CAISO Tariff.

118. "Fully Deliverable Interconnection Request" means an interconnection request to the appropriate Transmission Provider requesting that the Generating Facility be interconnected in a manner that allows the Generating Facility's full output to be fully deliverable for purposes of counting the Contract Capacity towards SCE's Resource Adequacy Requirements~~.~~ by no later than January 1, 2021.

119. "GAAP" means accounting principles generally accepted in the United States of America.

120. "Gains" means, with respect to any Party, an amount equal to the present value of the economic benefit to it, if any (exclusive of Costs), resulting from the termination of this Agreement for the remaining Term of this Agreement, determined in a commercially reasonable manner. With respect to SCE, Gains shall be based on replacing the Agreement with an agreement for new renewable capacity from a *{technology}* which has not yet been constructed and which would be considered a *[Western LA Basin Project or Moorpark Sub-Area Project]*.

Factors used in determining the economic benefit to a Party may include, without limitation, reference to information supplied by one or more third parties, which shall exclude Affiliates of the Non-Defaulting Party, including without limitation, quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets, comparable transactions, forward price curves based on economic analysis of the relevant markets, settlement prices for comparable transactions at liquid trading hubs (e.g., NYMEX), all of which should be calculated for the remaining Term of this Agreement, and includes the value of Green Attributes, Capacity Attributes and Resource Adequacy Benefits.

Only if the Non-Defaulting Party is unable, after using commercially reasonable efforts, to obtain third party information to determine the gain of economic benefits, *then* the Non-Defaulting Party may use information available to it internally suitable for this purpose in accordance with prudent industry practices.

121. "Generating Facility" means Seller's electric generating facility as more particularly described in Exhibit B, together with all materials, equipment systems, structures, features and improvements necessary to produce electric energy at the facility, excluding the Site, land rights and interests in land.

122. "Generating Facility Energy Yield Curve" means a table used to estimate the Generating Facility's Metered Amounts, in kWhs, as a function of the recorded plane of array insolation, in kWh per square meter, at the Site as described in Exhibit L.
{SCE Comment: Solar Photovoltaic only.}

123. "Generating Facility Power Curve" means a table used to estimate the Generating Facility's Metered Amounts as a function of the recorded wind speed at the Site as described in Exhibit L.
{SCE Comment: Wind only.}

"Generating Facility Power Curve" means a table used to estimate the Generating Facility's Metered Amounts as a function of the recorded direct normal insolation at the Site as described in Exhibit L.
{SCE Comment: Solar Thermal only.}

124. "Generation Management System" or "GMS" means the automated system, or its successor system, employed by SCE real time operations to remotely monitor and dispatch the Generating Facility.

125. "Generation Operations Center" or "GOC" means the location of SCE's real time operations personnel.

126. "Generator Operator" means the entity that Operates the Generating Facility and performs the functions of supplying energy and interconnected operations services as described in the NERC Reliability Standards.

127. "Generator Operator Obligations" means the obligations of a Generator Operator as set forth in all applicable NERC Reliability Standards.

128. "Generator Owner" means an entity that owns the Generating Facility and has registered with NERC as the entity responsible for complying with those NERC Reliability Standards applicable to owners of generating units as set forth in the NERC Reliability Standards.

129. "Generator Owner Obligations" means the obligations of a Generator Owner as set forth in all applicable NERC Reliability Standards.

130. "Geothermal Reservoir Report" means a report obtained by Seller from an expert independent consulting firm qualified in geothermal reservoir assessment which assesses the geothermal potential at the Site.
{SCE Comment: Geothermal only.}

131. "Governmental Authority" means:

(a) Any federal, state, local, municipal or other government;

(b) 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; or

(c) Any court or governmental tribunal.

132. "Governmental Charges" has the meaning as set forth in Section 9.02.

133. "Green Attributes" means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Project, and its avoided emission of pollutants. Green Attributes include but are not limited to Renewable Energy Credits, as well as:

(1) Any avoided emission of pollutants to the air, soil or water such as sulfur oxides (SO_x), nitrogen oxides (NO_x), carbon monoxide (CO) and other pollutants;

(2) Any avoided emissions of carbon dioxide (CO_2), methane (CH_4), nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations

Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere;[1]

(3) The reporting rights to these avoided emissions, such as Green Tag Reporting Rights.

Green Tag Reporting Rights are the right of a Green Tag Purchaser to report the ownership of accumulated Green Tags in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at the Green Tag Purchaser's discretion, and include without limitation those Green Tag Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program. Green Tags are accumulated on a MWh basis and one Green Tag represents the Green Attributes associated with one (1) MWh of energy.

Green Attributes do not include:

(i) Any energy, capacity, reliability or other power attributes from the Project,

(ii) Production tax credits associated with the construction or operation of the Project and other financial incentives in the form of credits, reductions, or allowances associated with the Project that are applicable to a state or federal income taxation obligation,

(iii) Fuel-related subsidies or "tipping fees" that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits, or

(iv) Emission reduction credits encumbered or used by the Project for compliance with local, state, or federal operating and/or air quality permits.

If the Project is a biomass or biogas facility and Seller receives any tradable Green Attributes based on the greenhouse gas reduction benefits or other emission offsets attributed to its fuel usage, it shall provide Buyer with sufficient Green Attributes to ensure that there are zero net emissions associated with the production of electricity from the Project.

134. "Green Market Price" means the market price for energy and Green Attributes from an ERR.

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[1] Avoided emissions may or may not have any value for GHG compliance purposes. Although avoided emissions are included in the list of Green Attributes, this inclusion does not create any right to use those avoided emissions to comply with any GHG regulatory program.

135. "Guarantee Period" means the period of ten (10) Term Years following the Commercial Operation Date.
{SCE Comment: Wind only.}

136. "Hydro Certification" has the meaning set forth in Section 3.27.
{SCE Comment: Hydro only.}

137. "ID#" means the contract identification number set forth on the title page to this Agreement.

138. "Ideal Specific Work" has the meaning set forth in Exhibit L.
{SCE Comment: Geothermal only.}

139. "IE Annual Energy Yield Factor Report" means the report prepared by an independent engineer selected by Seller, and approved by SCE in its reasonable discretion, the cost of which shall be borne solely by Seller, which report shall state the projected actual Annual Energy Yield Factor.
{SCE Comment: Solar Photovoltaic only.}

140. "Indemnified Party" has the meaning set forth in Section 10.03(d).

141. "Indemnitor" has the meaning set forth in Section 10.03(d).

142. "Initial Synchronization" means the first generating unit of the Generating Facility is operating in parallel with Seller's Transmission Provider and the first kWh of electric energy is measured by the CAISO Approved Meter or Check Meter.

143. "Initial Synchronization Date" means the date upon which Initial Synchronization occurs.

144. "Installed DC Rating" means, at any time, the sum of the Photovoltaic Module DC Ratings for all Photovoltaic Modules actually installed at the Site and verified by SCE pursuant to Exhibit K, expressed in kW_{PDC}.
{SCE Comment: For Solar Photovoltaic only.}

145. "Interconnection Point" means the location where the Generating Facility first interconnects with the existing electrical transmission or distribution system, as reported on the Generating Facility's application for interconnection with the Transmission Provider's electric system, as described in Section 1.01(e).

146. "Interconnection Queue Position" is the order of Seller's valid request for interconnection relative to all other valid interconnection requests, as specified in Section 1.08.

147. "Interconnection Study" means any of the studies defined in the CAISO's Tariff or any Transmission Provider's tariff that reflect methodology and costs to interconnect the Generating Facility to the Transmission Provider's electric grid.

148. "Interest Rate" means, for any date:

(a) The per annum rate of interest equal to the "Prime Rate" published in *The Wall Street Journal* under "Money Rates" or such date (or if not published on such date on the most recent preceding day on which published); plus

(b) Two percentage points (2%);

provided, in no event may the Interest Rate exceed the maximum interest rate permitted by Applicable Laws.

149. "Inverter Block Unit" means each Current Inverter installed on the Site as part of the Generating Facility, along with the associated DC Collection Systems and Photovoltaic Modules connected to such Current Inverter.

150. "Inverter Block Unit Capacity" means, with respect to each Inverter Block Unit, the total rated electric alternating current energy generating capacity of such Inverter Block Unit, determined as the lesser of:

(a) The manufacturer's output rating of the Current Inverter included in such Inverter Block Unit, consistent with Prudent Electrical Practices and accepted industry standards, as indicated on the nameplate physically attached to such Current Inverter;

(b) The sum of the manufacturer's nameplate ratings of all Photovoltaic Modules included in such Inverter Block Unit, consistent with Prudent Electrical Practices and accepted industry standards, as indicated on the nameplates physically attached to such individual Photovoltaic Modules; or

(c) The continuous power output rating at the Expected Operating Power Factor of the Inverter Block Unit's medium voltage transformer.
{SCE Comment: Solar Photovoltaic only.}

151. "JAMS" has the meaning set forth in Article Twelve.

152. "kW" means a kilowatt of electric energy generating capacity.

153. "kWh" means a kilowatt-hour of electric energy.

154. "kW_{PDC}" means peak DC power.
{SCE Comment: Solar Photovoltaic only.}

155. "Lease" means one or more agreements whereby Seller leases the real property of the Site described in Section 1.01(b) from a third party, the term of which lease begins on or before the commencement of construction of the Generating Facility and extends at least through the last day of the Term.

156. "Lender" means any financial institutions or successors in interest or assignees that provide(s) development, bridge, construction, permanent debt or tax equity financing or refinancing for the Generating Facility to Seller.

157. "Letter of Credit" means an irrevocable, nontransferable standby letter of credit, substantially in the form of Exhibit M and acceptable to SCE, provided by Seller from an issuer acceptable to SCE that is either a U.S. financial institution or commercial bank or a U.S. branch of a foreign bank with the financial institution or bank having a Credit Rating of at least (a) "A-" from S&P and Fitch, and "A3" from Moody's, if such entity is rated by all three ratings agencies; or (b) "A-" from S&P or Fitch, or "A3" from Moody's, if such entity is rated by only one or two of the ratings agencies. Seller must bear the costs of all Letters of Credit.

158. "Letter of Credit Default" means with respect to a Letter of Credit, the occurrence of any of the following events:

(a) The issuer of the Letter of Credit fails to comply with or perform its obligations under such Letter of Credit;

(b) The issuer of the Letter of Credit disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, the Letter of Credit;

(c) The Letter of Credit fails or ceases to be in full force and effect at any time;

(d) Seller fails to provide an extended or replacement Letter of Credit prior to twenty (20) Business Days before the Letter of Credit expires or terminates;

(e) The issuer of the Letter of Credit becomes Bankrupt; or

(f) The issuer of a Letter of Credit fails to maintain a Credit Rating of at least (i) "A-" from S&P and Fitch, and "A3" from Moody's, if such entity is rated by all three ratings agencies; or (ii) "A-" from S&P or Fitch, or "A3" from Moody's, if such entity is rated by only one or two of the such ratings agencies;

provided, no Letter of Credit Default will occur or be continuing in any event with respect to a Letter of Credit after the time such Letter of Credit is required to be canceled or returned to a Party in accordance with the terms of this Agreement.

159. "Local Business Day" means a Business Day on which commercial banks are open for business in relation to any:

(a) Payment, in the place where the relevant account is located; and

(b) Notice or other communication, in the location specified in the address for notice provided by the recipient, except for the Friday immediately following the U.S. Thanksgiving holiday or a Federal Reserve Bank holiday.

160. "Locational Marginal Price" or "LMP" has the meaning set forth in the CAISO Tariff.

161. "Losses" means, with respect to any Party, an amount equal to the present value of the economic loss to it, if any (exclusive of Costs), resulting from termination of this Agreement for the remaining Term of this Agreement, determined in a commercially reasonable manner. With respect to SCE, Losses shall be based on replacing the Agreement with an agreement for new renewable capacity from a *{technology}* which has

not yet been constructed and which would be considered a *[Western LA Basin Project or Moorpark Sub-Area Project]*.

Factors used in determining economic loss to a Party may include, without limitation, reference to information supplied by one or more third parties, which shall exclude Affiliates of the Non-Defaulting Party, including without limitation, quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads or other relevant market data in the relevant markets, comparable transactions, forward price curves based on economic analysis of the relevant markets, settlement prices for comparable transactions at liquid trading hubs (e.g., NYMEX), all of which should be calculated for the remaining Term of this Agreement and must include the value of Green Attributes, Capacity Attributes and Resource Adequacy Benefits.

Only if the Non-Defaulting Party is unable, after using commercially reasonable efforts, to obtain third party information to determine the loss of economic benefits, then the Non-Defaulting Party may use information available to it internally suitable for these purposes in accordance with prudent industry practices.

162. "Lost Output" means the reduction in Qualified Amounts over the relevant measurement period that the Generating Facility was available to produce and could reasonably have been expected to deliver, based upon the calculation method set forth in Exhibit L, but was not delivered due to a Lost Output Event.

163. "Lost Output Event" means any of the following occurrences which cause Seller to be unable to deliver energy:

(a) Force Majeure;

(b) An Event of Default where SCE is the Defaulting Party;

(c) A curtailment or reduction of deliveries in accordance with Section 3.12(g) or as otherwise ordered or caused by the CAISO, or SCE acting as a Transmission Provider (including without limitation a curtailment or reduction that does not constitute a Force Majeure as provided in subparagraph (f) of the definition of Force Majeure); or

(d) An Emergency, to the extent not already covered in item (c) above.

164. "Lost Output Report" means the monthly report of Lost Output in the form of the worksheet from the Lost Output Workbook prepared in accordance with the procedures set forth in Section 3.23 and Exhibit L.

165. "Lost Output Workbook" has the meaning set forth in Exhibit L.

166. "Master File" has the meaning set forth in the CAISO Tariff.

167. "Material Permits" means all permits required for Commercial Operation of the Generating Facility, as set forth on Exhibit G.

168. "Mediator" has the meaning set forth in Article Twelve.

169. "Meteorological Equipment" means the instruments and equipment that meet those specifications set forth in Exhibit P, as may be modified by SCE from time to time to reflect the CAISO's PIRP/EIRP protocol.
{SCE Comment: Intermittent only.}

170. "Metered Amounts" means the electric energy expressed in kWh, as recorded by the CAISO Approved Meter(s), or Check Meter(s), as applicable.

171. "Milestone Schedule" means Seller's schedule to develop the Generating Facility as set forth in Exhibit G, including any revisions thereto in accordance with this Agreement.

172. "Monthly Profile" has the meaning set forth in Exhibit L.
{SCE Comment: Biomass only.}

173. "Moorpark Sub-Area High Voltage Substations" means the following substations located in the Control Area: Goleta, Moorpark, Santa Clara, Mandalay, and Ormond Beach.

174. "Moorpark Sub-Area Project" means a generating facility that directly connects to a (i) Moorpark Sub-Area High Voltage Substation, or (ii) lower voltage substation that electrically-connects to a Moorpark Sub-Area High Voltage Substation. *{SCE Comment: if applicable.}*

175. "Moody's" means Moody's Investor Services, Inc.

176. "MW" means a megawatt (or 1,000 kilowatts) of alternating current electric energy generating capacity.

177. "MWh" means a megawatt-hour (or 1,000 kilowatt-hours) of electric energy.

178. "Negative LMP" means, in any Settlement Interval, whether in the Day-Ahead Market or Real-Time Market, the LMP at the PNode is less than Zero dollars ($0).

179. "Negative LMP Costs" has the meaning set forth in Section 2.01(b)(iv) of Exhibit E.

180. "NERC" means the North American Electric Reliability Corporation, or any successor thereto.

181. "NERC Reliability Standards" means those reliability standards applicable to the Generating Facility, or to the Generator Owner or the Generator Operator with respect to the Generating Facility, that are adopted by NERC and approved by the applicable regulatory authorities.

182. "NERC Standards Non-Compliance Penalties" means any and all monetary fines, penalties, damages, interest or assessments by the NERC, CAISO, WECC, a Governmental Authority or any entity acting at the direction of a Governmental Authority arising from or relating to a failure to perform the obligations of Generator Operator or Generator Owner as set forth in the NERC Reliability Standards.

183. "Net Qualifying Capacity" has the meaning in the CAISO Tariff.

184. "Network Upgrades Cap" has the meaning set forth in Section 2.03(a)(iii)(1).

185. "New Resource" means that the Generating Facility (a) has a remaining design life of at least thirty (30) years after the Commercial Operation Date as attested by an engineering assessment performed by a professional mechanical engineer (with experience acceptable to SCE in its sole discretion) licensed by the State of California; (b) will provide incremental capacity to the region of the CAISO's control area known as "SP15"; and (c) is a *[Western LA Basin Project or Moorpark Sub-Area Project]*.

186. "Non-Availability Charges" has the meaning set forth in the CAISO Tariff.

187. "Non-Defaulting Party" has the meaning set forth in Section 6.02.

188. "Non-Disclosure Agreement" has the meaning set forth in Section 10.10(b)(i).

189. "Notice" means notices, requests, statements or payments provided in accordance with Section 10.08 and Exhibit C.

190. "Notice of Non-Renewal" has the meaning set forth in Section 8.02(b)(iv)(2).

191. "OMAR" means the Operational Metering Analysis and Reporting System operated and maintained by the CAISO as the repository of settlement quality meter data or its successor.

192. "Operate", "Operated", "Operating" or "Operation" means to provide (or the provision of) all the operation, engineering, purchasing, repair, supervision, training, inspection, testing, protection, use, management, improvement, replacement, refurbishment, retirement, and maintenance activities associated with operating the Generating Facility in accordance with Prudent Electrical Practices.

193. "Operating Procedures" has the meaning as set forth in the CAISO Tariff.

194. "Original Term" has the meaning set forth in Section 1.05(a).

195. "Outage Schedule" has the meaning set forth in Section 3.15.

196. "Paid Curtailed Product" means the sum of CNPP and CPP for which SCE is obligated to pay Seller pursuant to Sections 4.01(c)(i) and 4.01(c)(ii).

197. "Participating Intermittent Resource" means an intermittent resource generating facility that is certified, and remains certified, under PIRP as set forth in the CAISO Tariff.

198. "Participating Intermittent Resource Program" or "PIRP" means the CAISO's intermittent resource program initially established pursuant to Amendment No. 42 of the CAISO Tariff in Docket No. ER02-922-000 or any successor program that SCE determines accomplishes a similar purpose.
{SCE Comment: Intermittent only.}

199. "Party" or "Parties" have the meaning set forth in the Preamble.

200. "Payment Invoices" are invoices issued by Seller during the Startup Period and Delivery Term detailing amounts owed by SCE to Seller or by Seller to SCE for energy deliveries, CAISO Revenues, CAISO Costs, CAISO Sanctions, SCE Penalties and other charges and adjustments as may be owed by the Parties, in accordance with Exhibit E.

201. "Performance Assurance" means collateral (in the amount of the Performance Assurance Amount set forth in Section 1.07) for Seller's performance under this Agreement in the form of cash or Letter(s) of Credit.

202. "Performance Assurance Amount" means the collateral amount for Performance Assurance set forth in Section 1.07.

203. "Performance Tolerance Band" has the meaning set forth in Exhibit N.

204. "Permit Approval" means approval by the relevant regulatory agencies of any Permit and shall be deemed obtained upon the issuance of such Permit, and shall not be invalidated by the pendency of an appeal or other post-issuance challenge to the issuance of the Permit.

205. "Permits" means all applications, approvals, authorizations, consents, filings, licenses, orders, permits or similar requirements imposed by any Governmental Authority, or the CAISO, in order to develop, construct, Operate, maintain, improve, refurbish and retire the Generating Facility or to Forecast or deliver the electric energy produced by the Generating Facility to SCE.

206. "Photovoltaic Module" means the individual module or component that produces DC electric energy from sun light.

207. "Photovoltaic Module DC Rating" means, for each Photovoltaic Module installed or to be installed at the Site, the number (expressed in kW_{PDC}) stated on the nameplate affixed thereto representing the manufacturer's maximum (at "peak" sunlight) DC power rating at the standard test condition ("P_{mp}" or Power maximum at peak).
{SCE Comment: For Solar Photovoltaic.}

208. "PNode" has the meaning set forth in the CAISO Tariff.

209. "Price Taker" has the meaning set forth in the CAISO Tariff.

210. "Product" has the meaning set forth in Section 1.01(d).

211. "Product Payment" has the meaning set forth in Exhibit E.

212. "Product Payment Allocation Factor" means, during any EO Period, the energy-only product payment allocation factors set forth in Exhibit J. Beginning on the RA Guarantee Date and throughout the Delivery Term, "Product Payment Allocation Factors" means the full capacity deliverability product payment allocation factors set forth in Exhibit J.

213. "Product Price" has the meaning set forth in Section 1.06.

214. "Product Replacement Damage Amount" has the meaning set forth in Section 3.07(b)(i).

215. "Project" means the Generating Facility.

216. "Prudent Electrical Practices" means those practices, methods and acts that would be implemented and followed by prudent operators of electric energy generating facilities in the Western United States, similar to the Generating Facility, during the relevant time period, which practices, methods and acts, in the exercise of prudent and responsible professional judgment in the light of the facts known or that should reasonably have been known at the time the decision was made, could reasonably have been expected to accomplish the desired result consistent with good business practices, reliability and safety.

Prudent Electrical Practices shall include, at a minimum, those professionally responsible practices, methods and acts described in the preceding sentence that comply with manufacturers' warranties, restrictions in this Agreement, and the requirements of Governmental Authorities, WECC standards, the CAISO and Applicable Laws.

Prudent Electrical Practices also includes taking reasonable steps to ensure that:

(a) Equipment, materials, resources, and supplies, including spare parts inventories, are available to meet the Generating Facility's needs;

(b) Sufficient Operating personnel are available at all times and are adequately experienced and trained and licensed as necessary to Operate the Generating Facility properly and efficiently, and are capable of responding to reasonably foreseeable emergency conditions at the Generating Facility and Emergencies whether caused by events on or off the Site;

(c) Preventive, routine, and non-routine maintenance and repairs are performed on a basis that ensures reliable, long term and safe Operation of the Generating Facility, and are performed by knowledgeable, trained, and experienced personnel utilizing proper equipment and tools;

(d) Appropriate monitoring and testing are performed to ensure equipment is functioning as designed;

(e) Equipment is not Operated in a reckless manner, in violation of manufacturer's guidelines or in a manner unsafe to workers, the general public, or the Transmission Provider's electric system or contrary to environmental laws, permits or regulations or without regard to defined limitations such as, flood conditions, safety inspection requirements, operating voltage, current, volt ampere reactive (VAR) loading, frequency, rotational speed, polarity, synchronization, and control system limits; and

(f) Equipment and components are designed and manufactured to meet or exceed the standard of durability that is generally used for electric energy generating facilities operating in the Western United States and will function properly over

the full range of ambient temperature and weather conditions reasonably expected to occur at the Site and under both normal and emergency conditions.

217. "Qualified Amounts" means the Metered Amounts, expressed in kWh, that qualify as renewable power under the requirements of the California Renewables Portfolio Standard, or which do not so qualify solely due to a change in RPS Legislation occurring after the Effective Date, subject to Seller's compliance with Section 1.11.

218. "Qualifying Capacity" means the methodology established by the CPUC to calculate the maximum amount of Resource Adequacy Benefits a generating facility could provide before an assessment of its Net Qualifying Capacity. For purposes of determining Qualifying Capacity, it shall be assumed that the Generating Facility is fully deliverable.

219. "Resource Adequacy Requirements" means the resource adequacy requirements applicable to SCE pursuant to the Resource Adequacy Rulings.

220. "RA Deficit" has the meaning set forth in Section 3.02.

221. "RA Deficit Payments" has the meaning set forth in Section 3.02.

222. "RA Guarantee Date" means *{Date}*. *{SCE Comment: The date that the Generating Facility is expected to provide Resource Adequacy Benefits.}*

223. "RA Showing" means the Resource Adequacy Requirements compliance showings (or similar or successor showings) SCE is required to make to the CPUC (and/or, to the extent authorized by the CPUC, to the CAISO), pursuant to the Resource Adequacy Rulings.

224. "Real-Time Availability" means Seller's cumulative available capacity of the Generating Facility on a real-time basis.

225. "Real-Time Market" has the meaning set forth in the CAISO Tariff.

226. "Renewable Energy Credit" or "REC" has the meaning set forth in CPUC Decision D.08-08-028, as such definition may be modified by the CPUC or Applicable Law from time to time.

227. "Required Material" means any permit, license, application, certification, design, specification, program, agreement, instrument, equipment, device, mechanism, or any other item in connection with the Generating Facility to be reviewed or approved by SCE or on SCE's behalf, or requested or required of Seller by SCE or on SCE's behalf, under this Agreement.

228. "Resource Adequacy Benefits" means the rights and privileges attached to the Generating Facility that satisfy any entity's resource adequacy obligations, as those obligations are set forth in any Resource Adequacy Rulings and shall include any local, zonal or otherwise locational attributes associated with the Generating Facility.

229. "Resource Adequacy Rulings" means CPUC Decisions 04-01-050, 04-10-035, 05-10-042, 06-06-064, 06-07-031 and any subsequent CPUC ruling or decision, or any other resource adequacy laws, rules or regulations enacted, adopted or promulgated by any applicable Governmental Authority, as such CPUC decisions, rulings, laws, rules or regulations may be amended or modified from time-to-time throughout the Delivery Term.

230. "Responsible Officer" means the chief financial officer, treasurer or any assistant treasurer of a Party or any employee of a Party designated by any of the foregoing.

231. "Restricted Period" has the meaning set forth in Section 2.04(b).

232. "RPS" means the State of California Renewable Portfolio Standard Program.

233. "RPS Legislation" means the State of California Renewable Portfolio Standard Program, as codified at California Public Utilities Code Section 399.11, *et seq*.

234. "S&P" means the Standard & Poor's Rating Group.

235. "SCE" has the meaning set forth in the Preamble.

236. "SCE Penalty" means the amount charged to Seller by SCE, in accordance with Exhibit N, for hours in a calendar month when Seller does not accurately provide availability information as set forth in Exhibit D.
{SCE Comment: For Intermittent only.}

237. "SCE's Projected Energy Forecast" has the meaning set forth in Exhibit D.
{SCE Comment: For Intermittent only.}

238. "Schedule," "Scheduled" or "Scheduling" means the action of SCE in submitting Bids to the CAISO and receiving all CAISO Markets results from the CAISO; *provided*, with respect to any Settlement Interval, a CAISO Market result where the Generating Facility is instructed to deliver zero (0) MWhs is not considered a "Schedule" for purposes of this Agreement.

239. "Scheduling Coordinator" or "SC" means an entity certified by the CAISO for the purposes of undertaking the functions specified by the CAISO Tariff.

240. "SEC" means the Securities and Exchange Commission.

241. "Security Interest" has the meaning set forth in Section 8.03

242. "Seller" has the meaning set forth in the Preamble.

243. "Seller's Debt" means, without duplication, each of the following:

(a) All indebtedness of Seller for borrowed money;

(b) All obligations of Seller for the deferred purchase price of property or services which purchase price is due more than six months after the date of placing such property in service or taking delivery or title thereto or the completion of such

services (other than trade payables not overdue by more than ninety (90) days incurred in the ordinary course of Seller's business);

(c) All obligations of Seller evidenced by notes, bonds, debentures, Disqualified Stock or other similar instruments;

(d) All obligations of Seller created or arising under any conditional sale or other title retention agreement with respect to property acquired by Seller (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property);

(e) All monetary obligations of Seller under:

(i) A lease of any property (whether real, personal or mixed) by Seller as lessee that, in conformity with GAAP, is accounted for as a capital lease on the balance sheet of Seller;

(ii) A so-called synthetic, off-balance sheet or tax retention lease; or

(iii) An agreement for the use or possession of property creating obligations which do not appear on the balance sheet of Seller but which, upon the insolvency or bankruptcy of Seller, would be characterized as indebtedness of Seller (without regard to accounting treatment);

(f) All obligations, contingent or otherwise, of Seller under acceptance, letter of guaranty, letter of credit or similar facilities;

(g) All obligations of Seller with respect to any redeemable equity interests in Seller, including in the case of preferred stock at the greater of the voluntary or involuntary liquidation preference plus accrued and unpaid dividends;

(h) All obligations of Seller with respect to any swaps, caps or collar agreements or similar arrangements to hedge against fluctuations in interest rates or currency exchange rates or the exchange of nominal interest obligations, either generally or under specific contingencies, in each case, valued at the aggregate net mark-to-market value;

(i) All indebtedness of others referred to in clauses (a) through (h) above guaranteed by Seller, or in effect guaranteed by Seller through an agreement:

(i) To pay or purchase such indebtedness or to advance or supply funds for the payment or purchase of such indebtedness;

(ii) To purchase, sell or lease (as lessee or lessor) property, or to purchase or sell services, primarily for the purpose of enabling the debtor to make payment of the indebtedness or to assure the holder of such indebtedness against loss;

(iii) To supply funds to or invest in the debtor (including any agreement to pay for property or services irrespective of whether such property is received or such services are rendered); or

(iv) Otherwise to assure a creditor against loss; and

(j) Without duplication of the foregoing, all indebtedness referred to in clauses (a) through (i) above secured by any lien on property (including accounts and contract rights) owned by Seller.

The outstanding amount of indebtedness as described above at any date will be the outstanding balance at such date of all unconditional obligations as described above and, with respect to contingent obligations as described above, the maximum liability upon the occurrence of the contingency giving rise to the obligation.

Notwithstanding the foregoing, the term "Seller's Debt" as used herein does not include Seller's obligations under this Agreement and the Lease (provided that such Lease does not constitute an obligation of Seller described in clause (e) of the first sentence of this definition).

244. "Seller's Energy Delivery Obligation" has the meaning set forth in Section 3.07(a)(i).

245. "Settlement Interval" means any one of the six ten (10) minute time intervals beginning on any hour and ending on the next hour (e.g. 12:00 to 12:10, 12:10 to 12:20, etc.).

246. "Simple Interest Payment" means a dollar amount calculated by multiplying the:

(a) Dollar amount on which the Simple Interest Payment is based; times

(b) Federal Funds Effective Rate or Interest Rate, as applicable; times

(c) The result of dividing the number of days in the calculation period by 360.

247. "Site" means the real property on which the Generating Facility is, or will be located, as further described in Section 1.01(b) and Exhibit B.

248. "Site Control" means that Seller shall:

(a) Own the Site;

(b) Be the lessee of the Site under a Lease;

(c) Be the holder of a right-of-way grant or similar instrument with respect to the Site; or

(d) Be the managing partner or other person or entity authorized to act in all matters relating to the control and Operation of the Site and the Generating Facility.

249. "Solar Generating Unit" means the solar generator(s) installed on the Site as part of the Generating Facility including any replacements or substitutes therefore.
{SCE Comment: Solar Thermal only.}

250. "Solar Resource Evaluation Report" means a final report concerning the electric energy producing potential of the Site prepared by an independent engineer which assesses the solar resource potential at the Site.
{SCE Comment: Solar only.}

251. "Startup Period" means the period that begins at Initial Synchronization and ends at Commercial Operation Date.

252. "Station Use" means:

(a) The electric energy produced by the Generating Facility that is used within the Generating Facility to power the lights, motors, control systems and other electrical loads that are necessary for Operation; and

(b) The electric energy produced by the Generating Facility that is consumed within the Generating Facility's electric energy distribution system as losses.

253. "Supervisory Control and Data Acquisition" or "SCADA" has the meaning set forth in the CAISO Tariff.

254. "Supplemental Lost Output" has the meaning set forth in Section 3.23.

255. "Supplemental Lost Output Report" has the meaning set forth in Section 3.23.

256. "Telemetry System" means a system of electronic components that interconnects the Generating Facility, GMS and the CAISO as set forth in Section 3.08(e).

257. "Term" means the term of this Agreement as set forth in Section 1.05.

258. "Term Year" means a twelve (12) month period beginning on the first day of the calendar month following the Commercial Operation Date and each successive twelve (12) month period thereafter.

259. "Termination Payment" means the sum of all amounts owed by the Defaulting Party to the Non-Defaulting Party under this Agreement, less any amounts owed by the Non-Defaulting Party to the Defaulting Party determined as of the Early Termination Date.

260. "Theoretical Maximum Output" has the meaning set forth in Exhibit L.
{SCE Comment: Geothermal only.}

261. "TOD Period(s)" means the time of delivery period(s) set forth in Exhibit J.

262. "TOD Period Product Payment" means a portion of a Product Payment based upon the time of delivery of Product and calculated in accordance with the formula set forth in Section 2.02 of Exhibit E.

263. "Total Term Project Revenues" means the sum of the estimated revenue for the entire Term, as calculated in the Seller's Revenue Calculator prepared by Seller and submitted to SCE.

264. "Trading Day" has the meaning set forth in the CAISO Tariff.

265. "Transmission Provider" means any entity or entities responsible for the interconnection of the Generating Facility with a Control Area or transmitting the Metered Amounts on behalf of Seller from the Generating Facility to the Delivery Point.

266. "Unincluded Capacity" has the meaning set forth in Section 3.06(g)(ii).

267. "Utilization Factor" has the meaning set forth in Exhibit L.
{SCE Comment: Geothermal only.}

268. "Web Client" means a web-based system approved by SCE.

269. "WECC" means the Western Electricity Coordinating Council, the regional reliability council for the Western United States, Northwestern Mexico and Southwestern Canada.

270. "Western LA Basin High Voltage Substations" means the following substations located in the Control Area: Alamitos, Barre, Center, Chevmain, Del Amo, Eagle Rock, El Nido, El Segundo, Ellis, Goodrich, Gould, Hinson, Huntington Beach, Johanna, La Cienega, La Fresa, Laguna Bell, Lewis, Lighthipe, Long Beach, Mesa, Olinda, Redondo, Rio Hondo, San Onofre, Santiago, Viejo, Villa Park, and Walnut.

271. "Western LA Basin Project" means a generating facility that directly connects to a (i) Western LA Basin High Voltage Substation, or (ii) lower voltage substation that electrically connects to a Western LA Basin High Voltage Substation. *{SCE Comment: if applicable.}*

272. "Wind Turbines" means the wind turbine generators installed on the Site as part of the Generating Facility including any replacements or substitutes therefore.
{SCE Comment: Wind only.}

273. "WMDVBE" means women, minority, and disabled veteran business enterprise, as more particularly set forth in CPUC General Order 156.

274. "WREGIS" has the meaning set forth in Section 3.01(d)(iv).

**** End of EXHIBIT A ****

EXHIBIT B

Generating Facility and Site Description

1. Generating Facility Description.

{SCE Comment: Seller must provide description of the Generating Facility equipment, systems, control systems and features, including a site plan drawing showing the general arrangement of the Generating Facility, and a single-line diagram(s) showing electrical arrangement of generating equipment, inverters, unit/service transformers, CAISO-Controlled Grid interconnection, interconnection transformer(s), metering, breakers, and disconnects (as applicable). To the extent applicable, Seller must include the designation system by which Seller identifies individual generating units.}

2. Site Description.

{SCE Comment: Seller must provide a legal description of the site, including a site map.}

**** End of EXHIBIT B ****

EXHIBIT C
Notice List

[SELLER'S NAME] ("Seller")	**SOUTHERN CALIFORNIA EDISON COMPANY** ("SCE")
All Notices are deemed provided in accordance with Section 10.08 if made to the address and facsimile numbers provided below:	Unless otherwise specified, all Notices are deemed provided in accordance with Section 10.08 if made to the Contract Sponsor at the address or facsimile number provided below:
Contract Sponsor: Attn: Street: City: Phone: Facsimile:	**Contract Sponsor:** Attn: Vice President of Renewable and Alternative Power Street: 2244 Walnut Grove Avenue City: Rosemead, California 91770 Phone: Facsimile:
Reference Numbers: Duns: Federal Tax ID Number:	**Reference Numbers:** Duns: Federal Tax ID Number:
Contract Administration: Attn: Phone: Facsimile:	**Contract Administration:** Attn: Phone: Facsimile:
Forecasting: Attn: Control Room Phone: Facsimile:	**Generation Operations Center:** Phone: Phone: E-mail:

[SELLER'S NAME] ("Seller")	**SOUTHERN CALIFORNIA EDISON COMPANY** ("SCE")
Day-Ahead Forecasting: Phone:	**Day-Ahead Scheduling:** Manager. Attn: Manager of Day-Ahead Operations Phone: Facsimile: Scheduling Desk. Phone: Backup: Fax: E-mail:
Real-Time Forecasting: Phone:	**Real-Time Scheduling:** Manager. Attn: Manager of Real-Time Operations Phone: Facsimile: Operations Desk. Phone: Back-up: Fax: E-mail:
	Short Term Planning:
Payment Statements: Attn: Phone: Facsimile: E-mail:	**Payment Statements:** Attn: Power Procurement - Finance Phone: Facsimile: E-mail:
CAISO Costs and CAISO Sanctions and SCE Penalties: Attn: Phone: Facsimile: E-mail:	**CAISO Costs, CAISO Sanctions and SCE Penalties:** Attn: Phone: Facsimile: E-mail:

[SELLER'S NAME] ("Seller")	**SOUTHERN CALIFORNIA EDISON COMPANY** ("SCE")
Payments: Attn: Phone: Facsimile: E-mail:	**Payments:** Attn: Power Procurement - Finance Phone: Facsimile: E-mail:
Wire Transfer: BNK: ABA: ACCT:	**Wire Transfer:** BNK: ABA: ACCT:
Credit and Collections: Attn: Phone: Facsimile: E-mail:	**Manager of Credit and Collateral:** Attn: Manager of Credit and Collateral Phone: Facsimile:
With additional Notices of an Event of Default or Potential Event of Default to: Attn: Phone: Facsimile: E-mail:	**With additional Notices of an Event of Default or Potential Event of Default to:** Attn: Manager SCE Law Department Power Procurement Section Phone: Facsimile:
Lender: Attn: Phone: Facsimile: E-mail:	

**** End of EXHIBIT C ***

EXHIBIT D

Forecasting and Scheduling Requirements and Procedures

1. Introduction.

The Parties shall abide by the Forecasting and Scheduling requirements and procedures described below and shall agree upon reasonable changes to these requirements and procedures from time-to-time, as necessary to:

(a) Comply with CAISO Tariff;

(b) Accommodate changes to their respective generation technology and organizational structure; and

(c) Address changes in the operating and Scheduling procedures of both SCE and the CAISO, including but not limited to, automated forecast and outage submissions.

2. Seller's Forecasting Requirements.

Seller must meet all of the following requirements for Forecasting as specified below.

(a) No later than thirty (30) days before any day designated for Initial Synchronization, Seller shall provide SCE, via the Web Client, with a 30-day, hourly Forecast of either or both:

(i) Capacity, in MW; or

(ii) Electric energy, in MWh

as directed by SCE, for the thirty (30) day period commencing on Initial Synchronization.

(b) If, after submitting the Forecast pursuant to Item 2(a), Seller learns that Initial Synchronization will occur on a date and time other than that reflected on the Forecast, Seller shall provide an updated Forecast reflecting the new Initial Synchronization Date at the earliest practicable time but no later than 5:00 p.m. Pacific Prevailing Time ("PPT") on the Wednesday before the revised Initial Synchronization Date, if Seller has learned of the new Initial Synchronization Date by that time, but in no event less than three (3) Business Days before the actual Initial Synchronization Date.

(c) If the Web Client becomes unavailable, Seller shall provide SCE with the Forecast by e-mailing SCE.

(d) The Forecast, and any updated Forecasts provided pursuant to this Item 2, must:

(i) Not include any anticipated or expected electric energy losses after the CAISO Approved Meter or Check Meter; and

The contents of this document are subject to restrictions on disclosure as set forth herein.

(ii) Limit hour-to-hour Forecast changes to no less than two hundred fifty (250) kWh or 0.25 MW, as applicable, during any period when the Web Client is unavailable. Seller shall have no restriction on hour-to-hour Forecast changes when the Web Client is available.

(e) Commencing on or before 5:00 p.m. PPT of the Wednesday before the first week covered by the Forecast provided pursuant to Item 2(a) above and on or before 5:00 p.m. PPT every Wednesday thereafter until the end of the Delivery Term, Seller shall update the Forecast for the thirty (30) day period commencing on the Sunday following the weekly Wednesday Forecast update submission. Seller shall use the Web Client, if available, to supply this weekly update or, if the Web Client is not available, Seller shall provide SCE with the weekly Forecast update by e-mailing SCE.

(f) Forecasting Electric Energy.

If Seller is Forecasting electric energy, in accordance with SCE's instructions, and Seller learns of any change in the total electrical energy output of the Generating Facility for a period covered by the most recent Forecast update resulting from any cause, including an unplanned outage, before the time that the next weekly update of the Forecast is due which results in variance in expected energy in any hour of plus (+) or minus (-) three percent (3%) from the energy reported in the most recent Forecast update, Seller shall provide an updated Forecast to SCE. This updated Forecast must be submitted to SCE by no later than:

(i) 5:00 a.m. PPT on the day before any day impacted by the change, if the change is known to Seller at that time. If the Web Client is not available, Seller shall e-mail these changes to presched@sce.com and immediately follow up with a phone call to SCE's Day-Ahead Scheduling Desk in accordance with Exhibit C;

(ii) Thirty (30) minutes before the commencement of any hour impacted by the change, if the change is known to Seller at that time; or

(iii) If the change is not known to Seller by the timeframes indicated in (i) or (ii) above, within twenty (20) minutes after Seller became aware or, using best efforts, should have become aware of the commencement of the event which caused the available capacity change, e-mail changes to realtime@sce.com and immediately telephone SCE's Real-time Operations Desk in accordance with Exhibit C.

(g) Forecasting Available Capacity.

If:

(i) Seller is Forecasting available capacity, in accordance with SCE's instructions;

(ii) Seller does not provide real-time communication of availability as provided in Section 3.08(g);

(iii) The telecommunications path to obtain real-time data is inoperable; or

(iv) Instrumentation is providing faulty or incorrect data; and

Seller learns of any change in the total available capacity of the Generating Facility for a period covered by the most recent Forecast update resulting from any cause, including an unplanned outage before the time that the next weekly update of the Forecast is due which Seller is required to report under the provisions of the CAISO Tariff related to PIRP/EIRP and under other applicable provisions of the CAISO Tariff related to availability and outage reporting, then Seller shall provide an updated Forecast to SCE. This updated Forecast must be submitted to SCE via the Web Client by no later than:

(1) 5:00 a.m. PPT on the day before any day impacted by the change, if the change is known to Seller at that time. If the Web Client is not available, Seller shall e-mail these changes to presched@sce.com and immediately follow up with a phone call to SCE's Day-Ahead Scheduling Desk in accordance with Exhibit C;

(2) Thirty (30) minutes before the commencement of any hour impacted by the change, if the change is known to Seller at that time; or

(3) If the change is not known to Seller by the timeframes indicated in (i) or (ii) above, within twenty (20) minutes after Seller becomes aware or, using best efforts, should have become aware of the event which caused the availability change, e-mail changes to realtime@sce.com and immediately telephone SCE's Real-time Operations Desk in accordance with Exhibit C.

(h) Seller's updated Forecast must reflect the following information:

(i) The beginning date and time of the change;

(ii) The expected ending date and time of the event;

(iii) The expected availability, in MW (if so instructed by SCE);

(iv) The expected energy, in MWh (if so instructed by SCE); and

(v) Any other information required by the CAISO as communicated to Seller by SCE.

3. SCE's Scheduling Responsibilities.

SCE shall be responsible for Scheduling the Product in accordance with this Agreement.

4. Seller's Outage Scheduling Requirements.

Seller shall meet all requirements and timelines for generation outage scheduling contained in the CAISO's Scheduled and Forced Outage Procedure T-113, or its successor, as posted on the CAISO's website.

*** *End of EXHIBIT D* ***

EXHIBIT E

Payments and Invoicing

1. COST RESPONSIBILITY, INVOICING AND PAYMENTS FOR STARTUP PERIOD

1.01 Cost Responsibility During Startup Period.

During the Startup Period:

(a) Seller shall be responsible for all CAISO Costs, CAISO Revenues and CAISO Sanctions, if any, and SCE will pay Seller *[$_____/MWh] {CAISO resource} [$____/MWh] {WECC resource outside CAISO} {SCE Comment: Price based on Department of Energy published information on green pricing programs for retail customers}*, attributable to or assessed for energy delivered to any CAISO administered market.

(b) Seller shall comply with the Forecasting provisions set forth in Exhibit D.

(c) Seller shall make payments for *[CAISO Costs and CAISO Sanctions] {Baseload} [SCE Penalties and CAISO Sanctions] {Intermittent},* and receive CAISO Revenues in accordance with those provisions set forth in Section 1.02 hereof and Exhibit N.

1.02 Payments and Payment Invoice for Startup Period.

(a) Payment Calculations for Startup Period.

For the purpose of enabling Seller to calculate monthly Payment Invoices, SCE, as Scheduling Coordinator, shall compile a statement of all CAISO Costs, CAISO Sanctions, CAISO Revenues *[and any SCE Penalties]{Intermittent only}*, and forward it to Seller by the later of one hundred and twenty (120) days following the last day of a calendar month (for electric energy deliveries during that month) or thirty (30) days after the CAISO final settlement data is available to SCE for such deliveries.

(b) Payment Invoice and Payment for Startup Period.

No later than the 10th Business Day immediately following each calendar month in which SCE forwarded Seller settlement data for the Startup Period in accordance with subsection 1.02(a) hereof, Seller shall send a Payment Invoice to SCE. The Payment Invoice will show the sum of the CAISO Costs and CAISO Revenues that are directly assigned by the CAISO to the CAISO Resource ID(s) for the Generating Facility for the energy delivered to the Real-Time Market during the Startup Period and any CAISO Sanctions and SCE Penalties.

(i) If a Payment Invoice for any month shows an amount owed to Seller by SCE, then, on or before the later of the last Business Day of the month in which SCE receives a Payment Invoice from Seller, or the tenth (10th)

Business Day after receipt of the Payment Invoice, SCE shall send to Seller, via wire transfer, SCE's payment of said amount, plus, if such payment is late, a Simple Interest Payment calculated using the Interest Rate and the number of days that such payment is late. If SCE, in good faith, Disputes the correctness of the Payment Invoice or a portion thereof, SCE will pay only the undisputed portion of the Payment Invoice and state, in writing, the basis for the Dispute. Payment of the Disputed portion of the Payment Invoice shall not be required until the Dispute is resolved. Upon resolution of the Dispute, any required payment shall be made within two (2) Business Days of such resolution along with interest accrued at the Interest Rate from and including the due date but excluding the date paid.

(ii) If for any month during the Startup Period there is an amount owed to SCE by Seller, then Seller shall send to SCE, via wire transfer, Seller's payment of said net amount no later than the tenth (10^{th}) Business Day after Seller sends SCE its Payment Invoice. If such payment is late, Seller shall include with its payment a Simple Interest Payment calculated using the Interest Rate and the number of days that such payment is late.

1.03 Recomputation and Payment Adjustments for Startup Period.

(a) If Seller or SCE determines that:

(i) The CAISO has recalculated CAISO Costs, CAISO Revenues or CAISO Sanctions for energy delivered to any CAISO administered market during the Startup Period; or

(ii) A calculation of Metered Amounts, CAISO Costs, CAISO Revenues, or CAISO Sanctions is incorrect as a result of inaccurate meters, the correction of data by the CAISO in OMAR, or a recalculation of CAISO Costs by the CAISO; or

(iii) *[SCE has recalculated an SCE Penalty in accordance with Exhibit N]{where Seller is intermittent and SCE has been requested to Schedule during the Startup Period}*,

SCE or Seller shall promptly recompute the difference between the CAISO Costs, CAISO Revenues or CAISO Sanctions in the original Payment Invoice and the adjusted CAISO Costs, CAISO Revenues, or CAISO Sanctions for the period of the inaccuracy and provide Notice of such recomputation to the other Party.

(b) Any amount due from SCE to Seller, or Seller to SCE, as the case may be, will be made as an adjustment to the next monthly Payment Invoice that is calculated after the recomputation using corrected CAISO Costs, CAISO Revenues, or CAISO Sanctions or SCE Penalties, if applicable.

(c) If the recomputation results in a net amount owed to SCE after applying any amounts owing to Seller as shown on the next monthly Payment Invoice, any such additional amount owing to SCE will at SCE's discretion be netted against amounts owed to Seller in any subsequent monthly Payment Invoice, or separately invoiced to Seller, in which case Seller must pay the amount owing to SCE no later than the 10th Business Day after receipt of the Payment Invoice.

(d) Seller or SCE must make any payment adjustments arising from a recalculation of CAISO Costs, CAISO Revenues, CAISO Sanctions, SCE Penalties, if applicable, or as a result of inaccurate meters attributable to energy deliveries during the Startup Period by no later than twelve (12) months after the end of the Startup Period.

(e) Adjustment payments for CAISO Costs, CAISO Revenues, CAISO Sanctions, or SCE Penalties, if applicable, will not bear interest.

2. COST RESPONSIBILITY, INVOICING AND PAYMENTS UPON COMMENCEMENT OF THE TERM

2.01 Cost Responsibility Upon Commercial Operation.

(a) SCE Cost Responsibility.

Upon the Commercial Operation Date and for the remainder of the Term,

(i) Except under the circumstances set forth in Section 4.01(c), SCE shall make monthly Product Payments to Seller for Product delivered to SCE calculated in the manner described in Section 2.02 below and Exhibit N;

(ii) Except as set forth in Exhibit N and Section 2.01(b) of Exhibit E, SCE shall be responsible for all CAISO Costs and CAISO Sanctions and have the right to receive all CAISO Revenues;

(iii) To the extent that SCE requires Seller to participate in the PIRP/EIRP program, SCE shall be responsible for PIRP/EIRP forecasting fees. *{SCE Comment: For Intermittent Only.}*

(b) Seller Cost Responsibility.

Upon the Commercial Operation Date and for the remainder of the Term:

(i) If Seller fails to comply with the Forecasting provisions set forth in Exhibit D, Seller shall pay an SCE Penalty as set forth in Exhibit N. *{SCE Comment: Intermittent only.}*

(ii) Seller shall be responsible for CAISO Costs and CAISO Sanctions, under the circumstances specified in Sections 4.01(e) *[and RA Deficit Payments under the circumstances specified in Section 3.02] {SCE Comment: Only applicable if Seller has chosen the option to make RA Deficit Payments.}.*

(iii) Seller shall make monthly Payments calculated in the manner described in Section 2.02 below and Exhibit N.

(iv) During any EO Period, for each Settlement Interval (whether in the Day-Ahead Market or the Real-Time Market) in which there is Negative LMP, Seller shall pay to SCE an amount equal to the Negative LMP times the Metered Amounts associated with such Settlement Interval ("Negative LMP Costs").

2.02 Product Payment Calculations After Commercial Operation Date.

For the purpose of calculating monthly payments for Product delivered to SCE as of the Commercial Operation Date in accordance with the terms of this Agreement ("Product Payments"), Metered Amounts will be time-differentiated according to the TOD Periods set forth in Exhibit J and the pricing will be weighted by the Product Payment Allocation Factors.

Monthly Product Payments will equal the sum of (i) the sum of the TOD Period Product Payments for all TOD Periods in the month and (ii) the Curtailed Product Payment. Each TOD Period Product Payment will be calculated pursuant to the following formula, where "n" is the TOD Period being calculated:

$$\text{TOD PERIOD}_n \text{ PRODUCT PAYMENT} = A \times B \times (C - D)$$

Where:

A = Product Price specified in Section 1.06 in $/kWh (i.e., $/MWh/1000).

B = Product Payment Allocation Factor for the TOD Period being calculated.

C = The sum of Metered Amounts in all hours for the TOD Period being calculated in kWh.

D = Any electric energy produced by the Generating Facility for which SCE is not obligated to pay Seller as set forth in Section 4.01(e).

2.03 Payment During the Term.

On or before the later of the last Business Day of the month in which SCE receives a Payment Invoice from Seller, or the tenth (10^{th}) Business Day after receipt of the Payment Invoice, or, if such day is not a Business Day, then on the next Business Day, SCE shall:

(a) Send to Seller, via wire transfer, SCE's payment of said net amount, less any applicable SCE Penalties, Negative LMP Costs, CAISO Costs or CAISO Sanctions pursuant to Exhibit N, RA Deficit Payments pursuant to Section 3.02, or other applicable charges or offsets plus, if such payment is late, a Simple Interest Payment calculated using the Interest Rate and the number of days that such payment is late;

(b) If SCE, in good faith, Disputes the correctness of the Payment Invoice or a portion thereof, SCE will pay only the undisputed portion of the Payment Invoice and state, in writing, the basis for the Dispute. Payment of the Disputed portion of the Payment Invoice shall not be required until the Dispute is resolved. Upon resolution of the Dispute, any required payment shall be made within two (2) Business Days of such resolution along with interest accrued at the Interest Rate from and including the due date but excluding the date paid; and

(c) Provide Seller with documentation supporting any SCE Penalty, Negative LMP Cost, CAISO Cost or CAISO Sanction pursuant to Exhibit N, RA Deficit Payments pursuant to Section 3.02, or other applicable charges and offsets which affected the net amount in the Payment Invoice.

2.04 Recomputation and Payment Adjustments.

(a) If Seller or SCE determines that a calculation of Metered Amounts, Negative LMP Costs, CAISO Sanctions, RA Deficit Payments pursuant to Section 3.02, or SCE Penalties is incorrect as a result of inaccurate meters, the correction of data by the CAISO in OMAR, or a recalculation of CAISO Sanctions or other amounts owing between the Parties, Seller or SCE, as the case may be, shall promptly recompute the Metered Amounts, Negative LMP Costs, CAISO Sanctions, RA Deficit Payments pursuant to Section 3.02, SCE Penalties or other amounts for the period of the inaccuracy based upon an adjustment of inaccurate meter readings, correction of data or recalculation of CAISO Sanctions in accordance with the CAISO Tariff and any payment affected by the adjustment or correction.

(b) Adjustment of Payment.

Any amount due from SCE to Seller, or Seller to SCE, as the case may be, will be made as an adjustment to the next monthly payment statement that is calculated after Seller's or SCE's recomputation using corrected measurements.

If the recomputation results in a net amount owed to SCE after applying any amounts owing to Seller as shown on the next monthly payment statement, any such amount owing to SCE will at SCE's discretion be netted against amounts owed to Seller in any subsequent monthly Payment Invoice or separately invoiced

to Seller, in which case Seller must pay the amount owing to SCE within twenty (20) days after receipt of that invoice.

SCE may make payment adjustments arising from a recalculation of CAISO Costs, Negative LMP Costs, CAISO Sanctions, *[RA Deficit Payments] {SCE Comment: Only applicable if Seller has chosen the option to make RA Deficit Payments.},* SCE Penalties, or as a result of inaccurate meters after the end of the Term Year, *provided,* the Parties will be deemed to have waived any such payment adjustments which are not communicated as provided in this Section 2.05 of this Exhibit E within twelve (12) months after the end of the month in which the payment statement was issued containing the error. Adjustment payments for meter inaccuracy will not bear interest.

2.05 Netting Rights.

SCE reserves the right to net amounts that would otherwise be due to Seller under this Agreement in payment of any amounts:

(a) Owing and unpaid by Seller to SCE under this Agreement; or

(b) Owed to SCE by Seller arising out of, or related to, any other SCE agreement, tariff, obligation or liability.

Nothing in this Section 2.06 of this Exhibit E limits SCE's rights under applicable tariffs, other agreements or Applicable Law.

3. PAYMENT ERRORS

3.01 Notice of Error in Payment.

Except as provided in Sections 1.03 and 2.05 of this Exhibit E, if within forty-five (45) days after receipt of SCE's Payment, Seller does not give SCE Notice of an error in the payment amount, then Seller will be deemed to have waived any error in the payment.

3.02 Reimbursement for Underpayments and Overpayments.

If Seller identifies a payment error in Seller's favor and SCE agrees that the identified error occurred, SCE shall reimburse Seller for the amount of the underpayment caused by the error and apply the additional payment to the next monthly Payment Invoice that is calculated.

If Seller identifies a payment error in SCE's favor and SCE agrees that the identified error occurred, SCE may net the amount of overpayment caused by the error against amounts otherwise owed to Seller in connection with the next monthly Payment Invoice that is calculated.

3.03 Late Payments.

Late payments to Seller resulting from SCE's errors, or overpayments to Seller by SCE, will include a Simple Interest Payment calculated using the Interest Rate and the number

of days between the date due (or, in the case of overpayments by SCE, commencing five (5) Business Days from the date SCE provides Notice of such overpayments to Seller) and the date paid; *provided,* changes made because of settlement, audit or other information provided by the CAISO and not available to SCE when SCE rendered its original Payment Invoice will not bear interest.

3.04 Netting after Recomputation.

If the recomputation for an error results in a net amount still owing to SCE after applying the amounts owed to SCE against any amounts owed to Seller in the payment statement, as described above, then SCE may, in its discretion, either net this net remaining amount owed to SCE against amounts owed to Seller in any subsequent monthly Payment Invoice to Seller or invoice Seller for such amount, in which case Seller must pay the amount owing to SCE within twenty (20) days after receipt of such invoice.

3.05 Resolution of Disputes.

The Parties shall negotiate in good faith to resolve any disputes regarding claimed errors in a Payment. Any disputes which the Parties are unable to resolve through negotiation may be submitted for resolution through the mediation and arbitration as provided in Article Twelve.

**** End of EXHIBIT E ****

EXHIBIT F-1

Product Replacement Damage Amount

****SCE Comment: For Baseload Only.****

In accordance with the provisions of Section 3.07, if in any Term Year Seller fails to meet Seller's Annual Energy Delivery Obligation over the Calculation Period, then Seller shall be subject to a Product Replacement Damage Amount penalty calculated as follows:

PRODUCT REPLACEMENT DAMAGE AMOUNT =

(A – B – C) x (D – E)

Where:

A = Seller's Annual Energy Delivery Obligation in kWh.

B = Sum of Qualified Amounts over the Term Year in kWh.

C = Sum of Lost Output over the Term Year in kWh.

D = Simple average of the Green Market Price for all Settlement Intervals in the Term Year in $/kWh.

E = Product Price in $/kWh (i.e., $/MWh/1000).

Notes:

1. In the above calculation, the result of "(D - E)" will not be greater than five cents ($0.05) per kWh or less than two cents ($0.02) per kWh.
2. In no event will SCE pay a Product Replacement Damage Amount.

**** End of EXHIBIT F ****

EXHIBIT F-2

Product Replacement Damage Amount

****SCE Comment: For Intermittent Only.****

In accordance with the provisions of Section 3.07, if at the end of any Term Year, commencing with the end of the second Term Year, Seller fails to meet Seller's Energy Delivery Obligation over the Calculation Period, then Seller shall be subject to a Product Replacement Damage Amount penalty calculated as follows:

PRODUCT REPLACEMENT DAMAGE AMOUNT =

[(A – B – C) x (D – E)] *– [F + G] {SCE Comment: For Wind Only.}*

Where:

A = Seller's Energy Delivery Obligation in kWh.

B = Sum of Qualified Amounts over the Calculation Period in kWh.

C = Sum of Lost Output over the Calculation Period in kWh.

D = Simple average of the Green Market Price for all Settlement Intervals during the Calculation Period in $/kWh.

E = Product Price in $/kWh (i.e., $/MWh/1000).

F = Availability Guarantee Lost Production Payment made by Seller for the applicable Term Year, if any, in dollars.

G = Availability Guarantee Lost Production Payment made by Seller for the previous Term Year, if any, in dollars.
{SCE Comment: For Wind Only}

Notes:

1. In the above calculation, the result of "(D - E)" will not be greater than five cents ($0.05) per kWh or less than two cents ($0.02) per kWh.
2. In no event will SCE pay a Product Replacement Damage Amount.

**** End of EXHIBIT F ****

EXHIBIT G

Seller's Milestone Schedule and Material Permits

Seller's Milestone Schedule

No.	*Date*	*Milestones*
1		Submits interconnection application.
2		Files any land applications.
3		Files Construction Permit application(s).
4		Files a CEC Pre-Certification application.
5		Files Material Permit applications.
6		Receives a completed System Impact Study or Phase I Interconnection Study.
7		Obtains control of all lands and rights-of-way comprising the Site.
8		Receives a completed interconnection Facility Study or Phase II Interconnection Study.
9		Executes an interconnection agreement and transmission/distribution service agreement, as applicable.
10		Receives FERC acceptance of interconnection agreement and transmission agreement.
11		Receives Construction Permit.
12		Receives Material Permits.
13		Receives CEC Pre-Certification.
14		Executes an Engineering, Procurement and Construction ("EPC") contract.
15		Procures the *[applicable electrical generating equipment]* for the Generating Facility.
16		Completes financing, including construction financing.
17		Begins construction of the Generating Facility.
18		Begins startup activities.
19		Initial Synchronization Date.
20		Commercial Operation Date.
21		Demonstrates the Contract Capacity.
22		Receives CEC Certification.

Seller's Material Permits

No.	*Permits*
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	

**** End of EXHIBIT G ****

EXHIBIT H

Milestone Progress Reporting Form

Seller shall prepare a written report each month on its progress relative to the development construction and startup of the Generating Facility and the Milestone Schedule. The report must be sent via e-mail in the form of a single Adobe Acrobat file or facsimile to SCE's Contract Administrator, as noted in Exhibit C, on the fifth (5th) Business Day after each month.

Seller's obligation to complete a Milestone Progress Reporting Form for the preceding month and submit such report to SCE begins on the first day of the first full calendar month after the Effective Date of this Agreement and ends immediately after a Milestone Progress Reporting Form is completed and submitted for the month following the month in which Seller demonstrates the Contract Capacity in accordance with Exhibit K.

Each Milestone Progress Report must include the following items:

1. Cover page.
2. Brief Generating Facility description.
3. Site plan of the Generation Facility.
4. Description of any planned changes to the Generating Facility and Site Description in Exhibit B.
5. Bar chart schedule showing progress on achieving the Milestone Schedule.
6. PERT or GANT chart showing critical path schedule of major items and activities.
7. Summary of activities during the previous month.
8. Forecast of activities scheduled for the current month.
9. Written description about the progress relative to Seller's Milestone Schedule.
10. List of issues that could potentially impact Seller's Milestone Schedule.
11. Enumeration and schedule of any support or actions requested of SCE.
12. Progress and schedule of all agreements, contracts, Permits, approvals, technical studies, financing agreements and major equipment purchase orders showing the start dates, completion dates, and completion percentages.
13. A status report of start-up activities including a forecast of activities ongoing and after start-up, a report on Generating Facility performance including performance projections for the next twelve (12) months.
14. Pictures, in sufficient quantity and of appropriate detail, in order to document construction and startup progress of the Generating Facility, Transmission Provider's electric system and all other interconnection utility services.

The contents of this document are subject to restrictions on disclosure as set forth herein.

**** End of EXHIBIT H ****

EXHIBIT I

Non-Disclosure Agreement

{SCE Comment: An executed copy of the Non-Disclosure Agreement included as an exhibit in the Procurement Protocol will be copied into this Exhibit I.}

**** End of EXHIBIT I****

EXHIBIT J

Time of Delivery Periods
and
Product Payment Allocation Factors

Time of Delivery Periods ("TOD Periods")

TOD Period	*Summer* *Jun 1st – Sep 30th*	*Winter* *Oct 1st – May 31st*	*Applicable Days* *Energy-Only Deliverability Status*	*Applicable Days* *Full Capacity Deliverability Status*
On-Peak	Noon – 6:00 p.m.	Not Applicable.	Weekdays except Holidays.	
Mid-Peak	8:00 a.m. – Noon 6:00 p.m. – 11:00 p.m.	8:00 a.m. – 9:00 p.m.	Weekdays except Holidays.	
Off-Peak	11:00 p.m. – 8:00 a.m.	9:00 p.m. – Midnight Midnight – 6:00 a.m.	Weekdays except Holidays.	
Super-Off-Peak	Not Applicable.	Midnight – 6:00 a.m.	Weekdays, Weekends and Holidays	

Product Payment Allocation Factors

Season	*TOD Period*	*Calculation Method*	*Product Payment Allocation Factor*	*Product Payment Allocation Factor*
Summer	On-Peak	Fixed Value.	1.22	2.64
	Mid-Peak	Fixed Value.	1.11	1.27
	Off-Peak	Fixed Value.	0.94	0.82
Winter	Mid-Peak	Fixed Value.	1.05	0.96
	Off-Peak	Fixed Value.	1.01	0.87
	Super-Off-Peak	Fixed Value.	0.85	0.74

"Holiday" is defined as New Year's Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, and Christmas Day.

When any Holiday falls on a Sunday, the following Monday will be recognized as a Holiday. No change will be made for Holidays falling on Saturday.

*** End of EXHIBIT J ***

EXHIBIT K-1

Procedure for Demonstration of Contract Capacity and Partial or Full Return of Development Security

****SCE Comment: For Intermittent only.****

1. Seller's Notice of Demonstration Date.

   Seller shall provide at least thirty (30) days prior Notice to SCE of the date selected by Seller ("Demonstration Date"), which Demonstration Date shall be no later than thirty (30) days following the Commercial Operation Date, during which Seller intends to demonstrate the Contract Capacity. Upon SCE's request, Seller shall make reasonable efforts to reschedule the Demonstration Date.

2. Demonstration of Contract Capacity.

   SCE shall complete a site visit on the Demonstration Date to verify that the Generating Facility was developed in accordance with the Generating Facility and Site Description set forth in Exhibit B and to determine the Demonstrated Contract Capacity *[and Installed DC Rating] {solar photovoltaic only}*.

3. Full or Partial Return of Development Security for Demonstrating Contract Capacity.

   Unless SCE provides timely Notice to Seller that additional days are required to substantiate data, SCE shall within ten (10) Business Days after SCE's site visit pursuant to Section 2 of this Exhibit K:

   (a) Calculate the amount of Development Security refund due Seller pursuant to Sections 3.06(e) and 3.06(f), as follows:

      (i) If the Demonstrated Contract Capacity as determined in Section 2 above is greater than or equal to the Contract Capacity set forth in Section 1.01(h) *then* Seller will qualify to receive a full return of the Development Security;

      (ii) If the Demonstrated Contract Capacity as determined in Section 2 above is less than the Contract Capacity set forth in Section 1.01(h) *then* Seller will qualify to receive a return of only a portion of the Development Security based upon the level of the Demonstrated Contract Capacity;

   (b) Provide Notice to Seller of (i) the amount of the Demonstrated Contract Capacity, and (ii) the amount of Development Security being returned pursuant to this Section 3;

   (c) Return any Development Security due Seller if such Development Security were posted in the form of cash; and

(d) Return the Letter of Credit to the issuing bank if the total amount of the posted Development Security is due Seller. If Seller is only entitled to a partial return of the Development Security SCE shall submit a drawing certificate on the Letter of Credit for the amount of Development Security forfeited by Seller, after which SCE shall release the remaining balance of the Letter of Credit.

To the extent Seller has posted Development Security in accordance with Section 3.06 and Seller is entitled to a partial return of the Development Security, SCE shall return only a portion of the Development Security based upon the level of the Demonstrated Contract Capacity.

**** End of EXHIBIT K ****

EXHIBIT K-2

Procedure for Demonstration of Contract Capacity and Partial or Full Return of Development Security

****SCE Comment: For Baseload only.****

1. Seller's Notice of Demonstration Hour.

   Seller shall provide Notice to SCE of the date and hour selected by Seller, which hour must have occurred within thirty (30) days following the Commercial Operation Date, during which Seller claims it has demonstrated the applicable Contract Capacity ("Demonstration Hour").

2. Demonstration of Contract Capacity.

   (a) Unless SCE provides timely Notice to Seller that additional days are required to substantiate data, SCE shall, within thirty (30) days after Seller's Notice of the Demonstration Hour, retrieve interval data downloaded from the CAISO Approved Meter or Check Meter for the twelve (12) hour periods before and after the Demonstration Hour; and

   (b) SCE may, at its sole discretion, complete a site visit within thirty (30) days after SCE's receipt of Seller's Notice of the Demonstration Hour to verify that the Generating Facility was developed in accordance with the Generating Facility and Site Description set forth in Exhibit B.

3. Full or Partial Return of Development Security for Demonstrating Contract Capacity.

   Unless SCE provides timely Notice to Seller that additional days are required to substantiate data, SCE shall within ten (10) Business Days after SCE's site visit pursuant to Section 2 of this Exhibit K:

   (a) Calculate the amount of Development Security refund due Seller pursuant to Sections 3.06(e) and 3.06(f), as follows:

      (i) If the Demonstrated Contract Capacity as determined in Section 2 above is greater than or equal to the Contract Capacity set forth in Section 1.01(h) *then* Seller will qualify to receive a full return of the Development Security;

      (ii) If the Demonstrated Contract Capacity as determined in Section 2 above is less than the Contract Capacity set forth in Section 1.01(h) *then* Seller will qualify to receive a return of only a portion of the Development Security based upon the level of the Demonstrated Contract Capacity;

   (b) Provide Notice to Seller of (i) the amount of the Demonstrated Contract Capacity, and (ii) the amount of Development Security being returned pursuant to this Section 3;

(c) Return any Development Security due Seller if such Development Security were posted in the form of cash; and

(d) Return the Letter of Credit to the issuing bank if the total amount of the posted Development Security is due Seller. If Seller is only entitled to a partial return of the Development Security SCE shall submit a drawing certificate on the Letter of Credit for the amount of Development Security forfeited by Seller, after which SCE shall release the remaining balance of the Letter of Credit.

To the extent Seller has posted Development Security in accordance with Section 3.06 and Seller is entitled to a partial return of the Development Security, SCE shall return only a portion of the Development Security based upon the level of the Demonstrated Contract Capacity.

**** End of EXHIBIT K ****

EXHIBIT L-1

Seller's Estimate of Lost Output

**** SCE Comment: Wind only.****

Lost Output, as used in Section 3.23, shall be estimated by Seller in accordance with the procedures described in this Exhibit L.

Seller shall (i) collect the measurement data and perform the engineering calculations specified below in one (1) or more Microsoft Excel Workbooks (the "Lost Output Workbook") provided in a form and naming convention approved by SCE and (ii) electronically send the Lost Output Workbook to an address provided by SCE.

SCE shall have the right to verify all data by inspecting measurement instruments and reviewing Generating Facility Operating records.

Seller shall update the Lost Output Workbook each month and shall include the latest revision of the Lost Output Workbook with its monthly Lost Output Report.

1. Log of Lost Output Events.

   The log of Lost Output Events must be created on a single, dedicated worksheet that is arranged with:

   (a) One (1) column for a unique Lost Output Event number;

   (b) One (1) column for the Term Year number;

   (c) One (1) column for the start date;

   (d) One (1) column for the start time;

   (e) One (1) column for the end date;

   (f) One (1) column for the end time;

   (g) One (1) column for the duration;

   (h) One (1) column for the cause;

   (i) One (1) column for the total of Metered Amounts during all of the Settlement Intervals of the Lost Output Event, recorded as set forth in Item 4(i) in this Exhibit L;

   (j) One (1) column for the total of the Lost Output *preliminary* results during all of the Settlement Intervals of the Lost Output Event, calculated as set forth in Item 4(j) in this Exhibit L;

   (k) One (1) column for a percentage calculated by *dividing* the preliminary results set forth in Item 1(j) of this Exhibit L *by* the Metered Amounts set forth in Item 1(i) of this Exhibit L;

(l) One (1) column for the total of the Lost Output *final* results during all of the Settlement Intervals of the Lost Output Event, calculated as set forth in Item 4(k) in this Exhibit L; and

(m) One (1) row for each Lost Output Event.

2. Generating Facility Power Curve.

Seller shall create a Generating Facility Power Curve table on a single dedicated worksheet that is arranged with:

(a) One (1) column for an item number;

(b) One (1) column for the wind speeds;

(c) One (1) column for the manufacturer's estimate of the electric energy that can be produced by a single Wind Turbine at each wind speed;

(d) One (1) column for a power curve which estimates the electric energy that could be produced by the entire Generating Facility at each wind speed calculated by:

(i) *Multiplying* the Wind Turbine manufacturer's estimate of the electric energy that will be produced by a single Wind Turbine, set forth in Item 2(c);

(ii) *Times* the total number of Generating Facility Wind Turbines; and then

(iii) *Adjusting* the results for the estimated impacts the Wind Turbines have on each other and for electric losses within the Generating Facility;

(e) One (1) column for each Term Year power curve which includes a simple average of all Metered Amount data points, set forth in Item 3(f) of this Exhibit L, at each wind speed; and

(f) One (1) row for each one half (0.5) meter per second wind speed.

Seller shall also create a single chart which plots all of power curves set forth in Item 2(d) and Item 2(e) of this Exhibit L on the Generating Facility Power Curve worksheet.

3. Wind Speed Data Collection.

Seller shall record average Settlement Interval wind speeds, in increments of one half (0.5) meters per second, and Metered Amounts for the Settlement Interval in the Lost Output Workbook on individual Term Year worksheets.

Each Term Year worksheet must be arranged with:

(a) One (1) column for an item number;

(b) One (1) column for the date;

(c) One (1) column for the beginning time;

(d) One (1) column for the weekday;

(e) One (1) column for each recorded wind speed measurement;

(f) One (1) column for each Metered Amounts quantity;

(g) One (1) row for each Settlement Interval period.

4. Detailed Estimate of Lost Output.

Seller's detailed estimate of the Lost Output amounts during the Term shall be presented on a single worksheet organized as follows:

(a) One column for an item number;

(b) One (1) column for the Lost Output Event number;

(c) One (1) column for the state date;

(d) One (1) column for the start time;

(e) One (1) column for the end date;

(f) One (1) column for the end time;

(g) One (1) column for the weekday;

(h) One (1) column for the wind speeds;

(i) One (1) column for Metered Amounts;

(j) One (1) column for a *preliminary* estimate of the Metered Amounts that would have been produced by the Generating Facility, but for the Lost Output Event calculated by:

(i) *Multiplying* the wind speed:

(ii) *Times* the appropriate initial power curve as follows:

(1) For the first eleven (11) months of the first Term Year the appropriate initial power curve shall be the power curve set forth in Item 2(d) of this Exhibit L;

(2) For the first eleven (11) months of any Term Year, other than the first Term Year, the appropriate initial power curve shall be the power curve set forth in Item 2(e) of this Exhibit L for the previous Term Year;

(k) One (1) column for a *final* estimate of the Metered Amounts that would have been produced by the Generating facility, but for the Lost Output Event calculated by:

(i) *Multiplying* the wind speed;

(ii) *Times* the *final* power curve from Item 2(e) of this Exhibit L for the Term Year being calculated;

(l) One (1) column for the *preliminary* estimate of Lost Output calculated by:

(i) *Subtracting* the actual Metered Amounts set forth in Item 4(i) of this Exhibit L;

(ii) *From* the *preliminary* estimate of the Metered Amounts that would have been produced by the Generating Facility, but for the Lost Output Event, calculated in Item 4(j); and

(m) One (1) column for the *final* estimate of Lost Output calculated by:

(i) *Subtracting* the actual Metered Amounts set forth in Item 4(i) of this Exhibit L;

(ii) *From* the *final* estimate of Metered Amounts that would have been produced by the Generating Facility, but for the Lost Output Event, calculated in Item 4(k) of this Exhibit L; and

(n) One (1) row for each Settlement Interval.

5. Generating Facility Efficiency Calculation.

Seller shall calculate a Generating Facility efficiency value for each calendar month and each Term Year on a dedicated worksheet organized with three tables.

(a) The first table must contain the monthly Metered Amount totals and must consist of:

(i) One (1) column for the month number;

(ii) One (1) column for the month name;

(iii) One (1) column for the year number;

(iv) One (1) column for the monthly Metered Amount totals for each Term Year from the wind speed data collection worksheet column set forth in Item 3(f) of this Exhibit L; and

(v) One (1) row for each month;

(b) The second table must contain the monthly totals of forecasted Metered Amount and must consist of:

(i) One (1) column for the month number;

(ii) One (1) column for the month name;

(iii) One (1) column for the year number;

(iv) One (1) column for the monthly totals of forecasted Metered Amount for each Term Year from the wind speed data collection worksheet column set forth in Item 4(j) of this Exhibit L; and

(v) One (1) row for each month; and

(c) The third table must contain monthly Metered Amount totals and must consist of:

(i) One (1) column for the month number;

(ii) One (1) column for the month name;

(iii) One (1) column for the year number;

(iv) One (1) column for a monthly Generating Facility efficiency result and a Term Year Generating Facility efficiency results calculated by:

(1) *Dividing* the appropriate value in the first table;

(2) *By* the appropriate value in the second table;

(v) One (1) row for each month; and

(vi) One (1) row for the Term Year Generating Facility efficiency results.

6. Periodic Review of Lost Output Calculation.

At least once per Term Year, SCE shall review the variation in the Lost Output preliminary and final results to determine if other variables, including temperature, ambient pressure, humidity, precipitation or other parameters measured pursuant to Exhibit P, should be incorporated into the Lost Output calculations.

7. Assignment of Lost Output Estimate to an Independent Consultant.

The Parties can by mutual agreement elect to have the estimate of Lost Output prepared by an independent consultant.

**** End of EXHIBIT L ****

EXHIBIT L-2a

Seller's Estimate of Lost Output

**** SCE Comment: Solar Thermal only. ****

Lost Output, as used in Section 3.23, shall be estimated by Seller in accordance with the procedures described in this Exhibit L.

Seller shall (1) collect the measurement data and perform the engineering calculations specified below in one (1) or more Microsoft Excel Workbooks (the "Lost Output Workbook") provided in a form and naming convention approved by SCE and (2) electronically send the Lost Output Workbook to an address provided by SCE.

SCE shall have the right to verify all data by inspecting measurement instruments and reviewing Generating Facility Operating records.

Seller shall update the Lost Output Workbook each month and shall include the latest revision of the Lost Output Workbook with its monthly Lost Output Report.

1. Log of Lost Output Events.

   The log of Lost Output Events must be created on a single, dedicated worksheet that is arranged with:

   (a) One (1) column for a unique Lost Output Event number;

   (b) One (1) column for the Term Year number;

   (c) One (1) column for the start date;

   (d) One (1) column for the start time;

   (e) One (1) column for the end date;

   (f) One (1) column for the end time;

   (g) One (1) column for the duration;

   (h) One (1) column for the cause;

   (i) One (1) column for the total of Metered Amounts during all of the Settlement Intervals of the Lost Output Event, recorded as set forth in Item 4(i) in this Exhibit L;

   (j) One (1) column for the total of the Lost Output *preliminary* results during all of the Settlement Intervals of the Lost Output Event, calculated as set forth in Item 4(m) in this Exhibit L;

   (k) One (1) column for the total of the Lost Output *final* results during all of the Settlement Intervals of the Lost Output Event, calculated as set forth in Item 4(n) in this Exhibit L; and

(l) One (1) row for each Lost Output Event.

2. Generating Facility Power Curve.

Seller shall create a Generating Facility Power Curve table on a single dedicated worksheet that is arranged with:

(a) One (1) column for an item number;

(b) One (1) column for the direct normal insolation;

(c) One (1) column for the manufacturer's estimate of the electric energy that can be produced by a single Solar Generating Unit at each increment of direct normal insolation;

(d) One (1) column for a power curve which estimates the electric energy that could be produced by the entire Generating Facility at each direct normal insolation increment calculated by:

(i) *Multiplying* the Solar Generating Unit manufacturer's estimate of the electric energy that will be produced by a single Solar Generating Unit, set forth in Item 2(c);

(ii) *Times* the total number of Generating Facility Solar Generating Unit; and then

(iii) *Adjusting* the results for the estimated impacts of one (1) Solar Generating Unit on another and for electric losses within the Generating Facility;

(e) One (1) column for each Term Year power curve which includes a simple average of all Metered Amount data points, set forth in Item 3(f), at each direct normal insolation increment; and

(f) One (1) row for each watt-hour per square meter.

Seller shall also create a single chart which plots all of power curve set forth in Item 2(d) and Item 2(e) of this Exhibit L on the Generating Facility Power Curve worksheet.

3. Direct Normal Insolation Data Collection.

Seller shall record Settlement Interval direct normal insolation, in watt-hours per square meter, and Metered Amounts in the Settlement Interval in the Lost Output Workbook on individual Term Year worksheets.

Each Term Year worksheet must be arranged with:

(a) One (1) column for an item number;

(b) One (1) column for the date;

(c) One (1) column for the beginning time;

(d) One (1) column for the weekday;

(e) One (1) column for each recorded direct normal insolation measurement;

(f) One (1) column for each Metered Amounts quantity;

(g) One (1) column for a forecast of Metered Amounts determined by:

(i) *Multiplying* the recorded direct normal insolation measurement set forth in Item 3(e) of this Exhibit L;

(ii) *Times* the appropriate value in the Generating Facility Power Curve, set forth in Item 2(e) of this Exhibit L, for the first Term Year;

(h) One (1) column for the number of Solar Generating Units in service; and

(i) One (1) row for each Settlement Interval period.

4. Detailed Estimate of Lost Output.

Seller's detailed estimate of the Lost Output amounts during the Term shall be presented on a single worksheet organized as follows:

(a) One column for an item number;

(b) One (1) column for the Lost Output Event number;

(c) One (1) column for the state date;

(d) One (1) column for the start time;

(e) One (1) column for the end date;

(f) One (1) column for the end time;

(g) One (1) column for the weekday;

(h) One (1) column for the direct normal insolation;

(i) One (1) column for Metered Amounts;

(j) One (1) column for the number of Solar Generating Units in service;

(k) One (1) column for a *preliminary* estimate of the Metered Amounts that would have been produced by the Generating Facility, but for the Lost Output Event:

(i) *Multiplying* the direct normal insolation:

(ii) *Times* the appropriate initial power curve as follows:

(1) For the first eleven (11) months of the first Term Year the appropriate initial power curve must be the power curve set forth in Item 2(d) of this Exhibit L;

(2) For the first eleven (11) months of any Term Year, other than the first Term Year, the appropriate initial power curve must be the

power curve set forth in Item 2(e) of this Exhibit L for the previous Term Year;

(l) One (1) column for a *final* estimate of the Metered Amounts that would have been produced by the Generating facility, but for the Lost Output Event calculated by:

(i) *Multiplying* the direct normal insolation;

(ii) *Times* the *final power curve* from Item 2(e) of this Exhibit L for the Term Year being calculated;

(m) One (1) column for the *preliminary* estimate of Lost Output calculated by:

(i) *Subtracting* the actual Metered Amount quantities set forth in Item 4(i) of this Exhibit L;

(ii) *From* the preliminary estimate of the Metered Amounts that would have been produced by the Generating Facility, but for the Lost Output Event, calculated in Item 4(k); and

(n) One (1) column for the *final* estimate of Lost Output calculated by

(i) *Subtracting* the actual Metered Amount quantities set forth in Item 4(i) of this Exhibit L;

(ii) *From* the estimate of Metered Amounts that would have been produced by the Generating Facility, but for the Lost Output Event, calculated in Item 4(l) of this Exhibit L; and

(o) One (1) row for each Settlement Interval.

5. Generating Facility Performance Factor Calculation.

Seller shall calculate a Generating Facility Efficiency value for each calendar month and each Term Year on a dedicated worksheet organized with three tables.

(a) The first table must contain the monthly Metered Amount totals and must consist of:

(i) One (1) column for the month number;

(ii) One (1) column for the month name;

(iii) One (1) column for the year number;

(iv) One (1) column for the monthly Metered Amount totals for each Term Year from the direct normal insolation data collection worksheet column set forth in Item 3(f) of this Exhibit L; and

(v) One (1) row for each month;

(b) The second table must contain the monthly totals of forecasted Metered Amount and must consist of:

(i) One (1) column for the month number;

(ii) One (1) column for the month name;

(iii) One (1) column for the year number;

(iv) One (1) column for the monthly totals of forecasted Metered Amount for each Term Year from the direct normal insolation data collection worksheet column set forth in Item 3(g) of this Exhibit L; and

(v) One (1) row for each month; and

(c) The third table must contain monthly Metered Amount performance factors and must consist of:

(i) One (1) column for the month number;

(ii) One (1) column for the month name;

(iii) One (1) column for the year number;

(iv) One (1) column for a monthly Generating Facility performance factor result and a Term Year Generating Facility performance factor results calculated by:

(1) *Dividing* the appropriate value in the first table;

(2) *By* the appropriate value in the second table;

(v) One (1) row for each month; and

(vi) One (1) row for the Term Year Generating Facility performance factor results.

6. Periodic Review of Lost Output Calculation.

At least once per Term Year, SCE shall review the variation in the Lost Output preliminary and final results to determine if other variables, including temperature or other parameters measured pursuant to Exhibit P, should be incorporated into the Lost Output calculations.

7. Assignment of Lost Output Estimate to an Independent Consultant.

The Parties can by mutual agreement elect to have the estimate of Lost Output prepared by an independent consultant.

**** End of EXHIBIT L ****

EXHIBIT L-2b

Seller's Estimate of Lost Output

**** SCE Comment: Solar Photovoltaic only. ****

Lost Output, as used in Section 3.23, shall be estimated by Seller in accordance with the procedures described in this Exhibit L.

Seller shall (1) collect the measurement data and perform the engineering calculations specified below in one (1) or more Microsoft Excel Workbooks (the "Lost Output Workbook") provided in a form and naming convention approved by SCE and (2) electronically send the Lost Output Workbook to an address provided by SCE.

SCE shall have the right to verify all data by inspecting measurement instruments and reviewing Generating Facility Operating records.

Seller shall update the Lost Output Workbook each month and shall include the latest revision of the Lost Output Workbook with its monthly Lost Output Report.

1. Log of Lost Output Events.

   The log of Lost Output Events must be created on a single, dedicated worksheet that is arranged with:

   (a) One (1) column for a unique Lost Output Event number;

   (b) One (1) column for the Term Year number;

   (c) One (1) column for the start date;

   (d) One (1) column for the start time;

   (e) One (1) column for the end date;

   (f) One (1) column for the end time;

   (g) One (1) column for the duration;

   (h) One (1) column for the cause;

   (i) One (1) column for the total of Metered Amounts during all of the Settlement Intervals of the Lost Output Event, recorded as set forth in Item 4(i) in this Exhibit L;

   (j) One (1) column for the total of the Lost Output *preliminary* results during all of the Settlement Intervals of the Lost Output Event, calculated as set forth in Item 4(m) in this Exhibit L;

   (k) One (1) column for the total of the Lost Output *final* results during all of the Settlement Intervals of the Lost Output Event, calculated as set forth in Item 4(n) in this Exhibit L; and

(l) One (1) row for each Lost Output Event.

2. Generating Facility Energy Yield Curve.

Seller shall create a Generating Facility Energy Yield Curve table on a single dedicated worksheet that is arranged with:

(a) One (1) column for an item number;

(b) One (1) column for the plane of array insolation;

(c) One (1) column for the manufacturer's estimate of the electric energy that can be produced by a single Inverter Block Unit at each increment of plane of array insolation;

(d) Multiple columns for a energy yield curve which estimates the electric energy that could be produced by the entire Generating Facility at each plane of array insolation increment and number of in service Inverter Block Units calculated by:

(i) *Multiplying* the Inverter Block Unit manufacturer's estimate of the electric energy that will be produced by a single unit, set forth in Item 2(c);

(ii) *Times* the total number of in service Inverter Block Units; and then

(iii) *Adjusting* the results for the estimated impacts of one (1) Inverter Block Unit on another and for electric losses within the Generating Facility;

(e) Multiple columns for each Term Year energy yield curve which includes a simple average of all Metered Amount data points, set forth in Item 3(f), at each plane of array insolation increment and number of in service Inverter Block Units; and

(f) One (1) row for each watt-hour per square meter of plane of array insolation.

Seller shall also create a single chart which plots all of energy yield curves set forth in Item 2(d) and Item 2(e) of this Exhibit L on the Generating Facility Energy Yield Curve worksheet.

3. Plane of Array Insolation Data Collection.

Seller shall record Settlement Interval plane of array insolation, in watt-hours per square meter, and Metered Amounts in the Settlement Interval in the Lost Output Workbook on individual Term Year worksheets.

Each Term Year worksheet must be arranged with:

(a) One (1) column for an item number;

(b) One (1) column for the date;

(c) One (1) column for the beginning time;

(d) One (1) column for the weekday;

(e) One (1) column for each recorded plane of array insolation measurement;

(f) One (1) column for each Metered Amounts quantity;

(g) One (1) column for a forecast of Metered Amounts determined by:

(i) *Multiplying* the recorded plane of array insolation measurement set forth in Item 3(e) of this Exhibit L;

(ii) *Times* the appropriate value in the Generating Facility Energy Yield Curve, set forth in Item 2(e) of this Exhibit L, for the first Term Year;

(h) One (1) column for the number of Inverter Blocks in service; and

(i) One (1) row for each Settlement Interval period.

4. Detailed Estimate of Lost Output.

Seller's detailed estimate of the Lost Output amounts during the Term shall be presented on a single worksheet organized as follows:

(a) One column for an item number;

(b) One (1) column for the Lost Output Event number;

(c) One (1) column for the state date;

(d) One (1) column for the start time;

(e) One (1) column for the end date;

(f) One (1) column for the end time;

(g) One (1) column for the weekday;

(h) One (1) column for the plane of array insolation;

(i) One (1) column for Metered Amounts;

(j) One (1) column for the number of Inverter Block Units in service.

(k) One (1) column for a *preliminary* estimate of the Metered Amounts that would have been produced by the Generating Facility, but for the Lost Output Event:

(i) *Multiplying* the plane of array insolation:

(ii) *Times* the appropriate initial energy yield curve as follows:

(1) For the first eleven (11) months of the first Term Year the appropriate initial energy yield curve must be the energy yield curve set forth in Item 2(d) of this Exhibit L;

(2) For the first eleven (11) months of any Term Year, other than the first Term Year, the appropriate initial energy yield curve must be the energy yield curve set forth in Item 2(e) of this Exhibit L for the previous Term Year;

(l) One (1) column for a *final* estimate of the Metered Amounts that would have been produced by the Generating facility, but for the Lost Output Event calculated by:

(i) *Multiplying* the plane of array insolation;

(ii) *Times* the *final energy yield curve* from Item 2(e) of this Exhibit L for the Term Year being calculated;

(m) One (1) column for the *preliminary* estimate of Lost Output calculated by:

(i) *Subtracting* the actual Metered Amount quantities set forth in Item 4(i) of this Exhibit L;

(ii) *From* the preliminary estimate of the Metered Amounts that would have been produced by the Generating Facility, but for the Lost Output Event, calculated in Item 4(k); and

(n) One (1) column for the *final* estimate of Lost Output calculated by

(i) *Subtracting* the actual Metered Amount quantities set forth in Item 4(i) of this Exhibit L;

(ii) *From* the estimate of Metered Amounts that would have been produced by the Generating Facility, but for the Lost Output Event, calculated in Item 4(l) of this Exhibit L; and

(o) One (1) row for each Settlement Interval.

5. Generating Facility Performance Factor Calculation.

Seller shall calculate a Generating Facility Performance Factor value for each calendar month and each Term Year on a dedicated worksheet organized with three tables.

(a) The first table must contain the monthly Metered Amount totals and must consist of:

(i) One (1) column for the month number;

(ii) One (1) column for the month name;

(iii) One (1) column for the year number;

(iv) One (1) column for the monthly Metered Amount totals for each Term Year from the plane of array insolation data collection worksheet column set forth in Item 3(f) of this Exhibit L; and

(v) One (1) row for each month;

(b) The second table must contain the monthly totals of forecasted Metered Amount and must consist of:

(i) One (1) column for the month number;

(ii) One (1) column for the month name;

(iii) One (1) column for the year number;

(iv) One (1) column for the monthly totals of forecasted Metered Amount for each Term Year from the plane of array insolation data collection worksheet column set forth in Item 3(g) of this Exhibit L; and

(v) One (1) row for each month; and

(c) The third table must contain monthly Performance Factors and must consist of:

(i) One (1) column for the month number;

(ii) One (1) column for the month name;

(iii) One (1) column for the year number;

(iv) One (1) column for a monthly Generating Facility Performance Factor result and a Term Year Generating Facility Performance Factor results calculated by:

(1) *Dividing* the appropriate value in the first table;

(2) *By* the appropriate value in the second table;

(v) One (1) row for each month; and

(vi) One (1) row for the Term Year Generating Facility Performance Factor results.

6. Periodic Review of Lost Output Calculation.

At least once per Term Year, SCE shall review the variation in the Lost Output preliminary and final results to determine if other variables, including temperature, precipitation, solar altitude or azimuth angles or other parameters measured pursuant to Exhibit P, should be incorporated into the Lost Output calculations.

7. Assignment of Lost Output Estimate to an Independent Consultant.

The Parties can by mutual agreement elect to have the estimate of Lost Output prepared by an independent consultant.

**** End of EXHIBIT L ****

EXHIBIT L-3

Seller's Estimate of Lost Output

**** SCE Comment: Biomass only. ****

Lost Output, as used in Section 3.23, shall be estimated by Seller in accordance with the procedures described in this Exhibit L.

Seller shall (1) collect the measurement data and perform the engineering calculations specified below in one (1) or more Microsoft Excel Workbooks (the "Lost Output Workbook") provided in a form and naming convention approved by SCE and (2) electronically send the Lost Output Workbook to an address provided by SCE.

SCE shall have the right to verify all data by inspecting measurement instruments and reviewing Generating Facility Operating records.

Seller shall update the Lost Output Workbook each month and shall include the latest revision of the Lost Output Workbook with its monthly Lost Output Report.

1. Log of Lost Output Events.

   The log shall be kept on a single Worksheet in the Lost Output Workbook. Such log shall identify the date, time, duration, cause and amount by which the Generating Facility's output was curtailed for each Lost Output Event.

2. Data Collection.

   Seller shall record all hourly Metered Amounts, during the Term, in the Lost Output Workbook on a single worksheet labeled "Metered Amounts".

   The worksheet shall be arranged with:

   (a) One (1) column for the date;

   (b) One (1) column for the time;

   (c) One (1) column for the weekday;

   (d) One (1) column for the recorded Metered Amounts for each Term Year; and

   (e) One (1) row for each one (1) hour period during the Term Year.

   Seller shall also identify, on a worksheet labeled "Lost Output Hours" and organized in a manner similar to the Metered Amounts worksheet described above, all hours when the Generating Facility's Metered Amounts were reduced due to any of the conditions or occurrences enumerated in the definition of Lost Output.

3. Generating Facility Monthly Profiles.

   Seller shall create a profile of the estimated Generating Facility's Metered Amounts during an average week of each month during the Term (the "Monthly Profile").

Monthly Profiles shall include the seven (7) day period beginning at midnight on Sunday and ending at midnight on the following Saturday. They shall have a total of 168 average hourly Metered Amount periods (i.e., 7 days times 24 hours per day equals 168 hourly periods).

Each Monthly Profile shall be created by averaging the Metered Amounts during the same one (1) hour interval of each day of the week within the month of the current Term Year and up to the three preceding Term Years, if available.

All hours during which the Generating Facility's Metered Amounts were reduced due to any of the conditions or occurrences enumerated in the definition of Lost Output must be removed from the Monthly Profile.

If a Monthly Profile is incomplete because of missing hourly averages or if more than one half (1/2) of the one (1) hour averages are calculated using less than three (3) hourly Metered Amounts, the Monthly Profile for that month shall be based upon a comparable winter season or summer season month, as appropriate, agreed upon by the Parties for the Term Year in which the Lost Output amount is being calculated.

All Term Year Monthly Profiles, for the same calendar month, shall be calculated on a worksheet dedicated to that month.

Worksheets shall be labeled "Jan Profile," "Feb Profile," etc. Each of the twelve (12) profile worksheets shall have one (1) column for the weekday, one (1) column for the time, one (1) column for each Term Year Monthly Profile and one (1) row for each of the one hundred sixty-eight (168) hourly periods.

Seller shall also create twelve (12) line charts, one for each calendar month, on dedicated worksheets formatted with the charts sized to fit on the worksheet. Each chart shall include one data series for each Term Year. Chart sheets shall be labeled "Jan Chart," "Feb Chart," etc.

4. Seller's Estimate of Lost Output.

Lost Output shall be estimated by Seller for all Term Years on one worksheet labeled "Lost Output Events".

The worksheet shall include:

(a) One (1) column for the date;

(b) One (1) column for the time;

(c) One (1) column for the weekday;

(d) One (1) column for Seller's Lost Output estimate for each Term Year; and

(e) One (1) row for each one (1) hour period during the Term Year.

Seller's estimate of Lost Output, for any hour during which the Generating Facility was not offline due to any of the conditions or occurrences enumerated in the definition of

Lost Output shall be equal to the Metered Amount average included in the Monthly Profile for the same hour, of the same weekday, of the month in the same Term Year in which the Lost Output Event occurred less any Metered Amounts during the hour.

Seller shall summarize its Lost Output calculation results on a one (1) worksheet that has one (1) column for the month, one (1) column for each Term Year and one (1) row for each calendar month. Seller's claim for Lost Output, at the end of any Term Year, shall be equal to the sum of the monthly Lost Output amounts, for the appropriate Term Year column, on this summary worksheet. This worksheet shall be labeled "Lost Output Summary."

SCE reserves the right to recalculate any Lost Output estimated by Seller.

*** End of EXHIBIT L ***

EXHIBIT L-4

Seller's Estimate of Lost Output

**** SCE Comment: Geothermal only. ****

Lost Output, as used in Section 3.23, shall be estimated by Seller in accordance with the procedures described in this Exhibit L.

Seller shall (1) collect the measurement data and perform the engineering calculations specified below in one (1) or more Microsoft Excel Workbooks (the "Lost Output Workbook") provided in a form and naming convention approved by SCE and (2) electronically send the Lost Output Workbook to an address provided by SCE.

SCE shall have the right to verify all data by inspecting measurement instruments and reviewing Generating Facility Operating records.

Seller shall update the Lost Output Workbook each month and shall include the latest revision of the Lost Output Workbook with its monthly Lost Output Report.

1. Data Collection.

   Seller shall record average hourly measurements for the following Generating Facility Operating parameters and geothermal fluid ("geofluid") working conditions.

   Each parameter shall be input into a dedicated worksheet in the Lost Output Workbook which shall be arranged with one (1) column for each Term Year and one (1) row for each hour.

   (a) Ambient Weather Conditions.

      (i) Wind speed in miles per hour;

      (ii) Wind direction in degrees measured clockwise from North;

      (iii) Wet bulb temperature in degrees Fahrenheit,

      (iv) Dry bulb temperature in degrees Fahrenheit; (Variable "t" below); and

      (v) Barometric pressure in inches Hga.

   (b) Generating Facility Operating Data.

      (i) Metered Amounts in kWh, (Variable "A" below.);

      (ii) Sum of all geofluid mass flows at the wellhead in pounds per hour, (Variable "Q_o" below);

      (iii) Average geofluid temperature at the wellhead in degrees Fahrenheit;

      (iv) Average geofluid pressure at the wellhead in psia;

      (v) Average temperature of the lowest pressure steam separator drain fluid in degrees Fahrenheit;

(vi) Average geofluid temperature at the re-injection point in degrees Fahrenheit;

(vii) Average geofluid pressure at the re-injection point in psia; and

(viii) Average steam turbine condenser pressure in psia.

2. Utilization Factors.

(a) Calculation of Hourly Utilization Factors.

Seller shall determine the efficiency level at which the Generating Facility was able to convert the geofluid thermal energy into electric energy by calculating a utilization factor ("Utilization Factor") for each operating hour on a dedicated Worksheet organized in a manner similar to that described in Item 1.

Hourly Utilization Factors shall be calculated as the ratio of the Metered Amounts to the maximum net electric energy production that the Generating Facility could possibly produce from the energy in the geofluid when using wellhead conditions and atmospheric (sink) conditions ("Theoretical Maximum Output").

Utilization Factor is further defined in ASTM E 974-00 "Standard Guide for Specifying Thermal Performance of Geothermal Systems."

UTILIZATION FACTOR ("U") in percent = A_{meter} / B

Where: A_{meter} = Metered Amounts in kWh per hour. (Item 1(b)(i) above.)

B = Theoretical Maximum Output in kWh per hour, as defined in Item 2b below.

(b) Calculation of Hourly Theoretical Maximum Output.

THEORETICAL MAXIMUM OUTPUT (B) in kWh = Q_o x E_i x F

Where: Q_o = Sum of all wellhead mass flow rates in pounds per hour. (Item 1(b)(ii) above.)

E_i = Ideal Specific Work available to the process within natural bounds of the environment in Btu per pound, as defined below in Item 2c.

F = Conversion factor equal to 1 kWh per 3413 Btu.

(c) Calculation of Ideal Specific Work.

The theoretical maximum amount of work that the Generating Facility could perform with the energy from the geofluid ("Ideal Specific Work") shall be calculated by using the following formula:

IDEAL SPECIFIC WORK (E_i) in Btu per pound $= (h_0 - h_a) - T_a(s_0 - s_a)$

Where:

h_o, h_a = Geofluid enthalpies at the inlet and sink conditions, in Btu per pound.

s_o, s_a = Geofluid entropies at inlet and sink conditions, in Btu per pound degree Rankine.

T_a = Sink (atmosphere) absolute temperature in degrees Rankine (i.e., 1^o Rankine = 1^o Fahrenheit + 459^o or $T_a = t + 459^o$).

Seller shall incorporate the mechanical engineering references for determining enthalpy and entropy values into one (1) or more Lost Output Workbook tables and shall link these tables to the appropriate algorithms using Excel's lookup functions.

3. Data Summaries.

Seller shall summarize the data for each hourly recorded measurement and the results of the hourly calculations for Utilization Factor and Ideal Specific Work, in individual summary tables.

Each summary table shall be organized with:

(a) One (1) column for each Term Year; and

(b) One (1) row for each calculation result.

There shall be 288 rows for each year which shall correspond to the 288 calculations associated with determining an average 24 hour day for each of the 12 calendar months.

Seller shall also create one (1) graph for each table of values. Each graph shall include one (1) data series for each Term Year.

4. Data Analysis.

Seller shall derive a table with 288 average hourly values (i.e., one set of 24 average hourly values for each of the 12 calendar months.) which correlates the relationship between the wet bulb temperature in degrees Fahrenheit and Metered Amounts in kWh per hour for each average day of each month for each Term Year.

Seller also shall graph the table values on a dedicated Excel Worksheet that has one data series for each Term Year.

5. Calculation of Lost Output When Wellhead Data are Available.

If all required Generating Facility Operating data measurements have been accurately recorded in the Lost Output Workbook, Seller's claim for Lost Output shall be equal to the total of the hourly Lost Output values calculated in accordance with the following formula.

The hourly wellhead mass flow rates shall be based upon actual recorded measurements. The hourly Ideal Specific Work values shall be calculated using the hourly measurements of geofluid enthalpies (h_o, h_a) and entropies (s_o, s_a), and the atmospheric temperature (T_a).

Each hourly Utilization Factors (U) shall be individually derived from the collected data by finding the closest historical match between the ambient temperatures and geofluid conditions.

HOURLY LOST OUTPUT

A_{Lost} in kWh per hour = [U x F x Q_o x E] - Metered Amounts or

A_{Lost} = U x F x Q_o x [(h_o – h_a) – T_a x (s_o – s_a)] - Metered Amounts

TOTAL LOST OUTPUT (A_{Total}) in kWh = $\sum_{First}^{Last} A_{Lost}$

6. Calculation of Lost Output When Wellhead Data are *Not* Available.

If Seller believes that the geofluid collected data are unreliable because of a decline in the potential energy at the wellhead due to a Seller decision to throttle the geofluid flow rate during a period of Lost Output, Seller shall calculate its claim for Lost Output using the formula in Item 5 above and calculated amounts for hourly geofluid mass flow rates (Q_o), enthalpy (h_o) and entropy (s_o) values.

The calculated amounts for geofluid mass flow rate (Q_o), enthalpy values (h_o) and entropy values (s_o) shall be equal to the average values calculated for the one hundred forty-four (144) hour period that includes the seventy-two hour (72) period before the Lost Output period and the seventy-two (72) hour period that begins forty-eight (48) hours after the end of the Lost Output period.

7. Seller's Analysis of the Calculations Results.

Seller may submit an alternate set of calculations with its Lost Output claim along with a written description of why it believes that the results of the Lost Output calculations described above do not provide an accurate estimate of the Metered Amounts that the Generating Facility would have sold to SCE, but for the conditions listed in the definition of "Lost Output" set forth in Exhibit A.

8. SCE Review of Sellers Lost Output Calculations.

SCE shall not be obligated to accept either the Lost Output quantity estimated by Seller in accordance with the procedures outlined in this exhibit or estimated by Seller in accordance with some other method.

SCE shall have the right to review all of Seller's measured data and calculation results, to revise any or all of Seller's calculations or to develop its own calculations for estimating Seller's Lost Output.

If SCE does not accept Seller's estimate of its Lost Output, SCE shall provide Notice to Seller of its decision along with a copy of its calculations as soon as practicable.

*** End of EXHIBIT L ***

EXHIBIT M

Form of Letter of Credit

IRREVOCABLE NONTRANSFERABLE STANDBY

LETTER OF CREDIT

Reference Number:

Transaction Date:

BENEFICIARY:

Southern California Edison Company

2244 Walnut Grove Avenue

Risk Control GO#1, Quad 1D

Rosemead, CA 91770

Ladies and Gentlemen:

_____ (the "Bank") hereby establishes this Irrevocable Nontransferable Standby Letter of Credit ("Letter of Credit") in favor of Southern California Edison Company, a California corporation (the "Beneficiary"), for the account of _____, a _____ corporation, also known as ID# ___ (the "Applicant"), for the amount of XXX AND XX/100 Dollars ($_____) (the "Available Amount"), effective immediately and expiring at 5:00 p.m., California time, on _____ (the "Expiration Date").

This Letter of Credit shall be of no further force or effect upon the close of business on the Expiration Date or, if such day is not a Business Day (as hereinafter defined), on the next Business Day.

For the purposes hereof, "Business Day" shall mean any day on which commercial banks are not authorized or required to close in Los Angeles, California.

Subject to the terms and conditions herein, funds under this Letter of Credit are available to Beneficiary by presentation in compliance on or before 5:00 p.m. California time, on or before the Expiration Date of the following:

1. The original or a photocopy of this Letter of Credit and all amendments; and

2. The Drawing Certificate issued in the form of Attachment A attached hereto and which forms an integral part hereof, duly completed and purportedly bearing the signature of an authorized representative of the Beneficiary.

Notwithstanding the foregoing, any full or partial drawing hereunder may be requested by transmitting the requisite documents as described above to the Bank by facsimile at _____ or such other number as specified from time-to-time by the Bank.

The facsimile transmittal shall be deemed delivered when received. Drawings made by facsimile transmittal are deemed to be the operative instrument without the need of originally signed documents.

Partial drawing of funds shall be permitted under this Letter of Credit, and this Letter of Credit shall remain in full force and effect with respect to any continuing balance; *provided*, the Available Amount shall be reduced by the amount of each such drawing.

This Letter of Credit is not transferable or assignable. Any purported transfer or assignment shall be void and of no force or effect.

Banking charges shall be the sole responsibility of the Applicant.

This Letter of Credit sets forth in full our obligations and such obligations shall not in any way be modified, amended, amplified or limited by reference to any documents, instruments or agreements referred to herein, except only the attachment referred to herein; and any such reference shall not be deemed to incorporate by reference any document, instrument or agreement except for such attachment.

The Bank engages with the Beneficiary that Beneficiary's drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored if presented to the Bank on or before the Expiration Date.

Except so far as otherwise stated, this Letter of Credit is subject to the International Standby Practices ISP98 (also known as ICC Publication No. 590), or revision currently in effect (the "ISP"). As to matters not covered by the ISP, the laws of the State of California, without regard to the principles of conflicts of laws thereunder, shall govern all matters with respect to this Letter of Credit.

AUTHORIZED SIGNATURE for Issuer

_____

(Name)

Title: _____

ATTACHMENT A
Drawing Certificate

TO *[ISSUING BANK NAME]*

IRREVOCABLE NON-TRANSFERABLE STANDBY LETTER OF CREDIT

No. _____

DRAWING CERTIFICATE

Bank

Bank Address

Subject: Irrevocable Non-transferable Standby Letter of Credit

Reference Number:_____

The undersigned _____, an authorized representative of Southern California Edison Company (the "Beneficiary"), hereby certifies to *[Issuing Bank Name]* (the "Bank"), and _____ (the "Applicant"), with reference to Irrevocable Nontransferable Standby Letter of Credit No. {_____}, dated _____ _____, (the "Letter of Credit"), issued by the Bank in favor of the Beneficiary, as follows as of the date hereof:

1. The Beneficiary is entitled to draw under the Letter of Credit an amount equal to $_____, for the following reason(s) [check applicable provision]:

[ ]A. An Event of Default, as defined in that certain Renewable Power Purchase and Sale Agreement between Applicant and Beneficiary, dated as of *[Date of Execution]* (the "Agreement"), with respect to the Applicant has occurred and is continuing.

[ ]B. An Early Termination Date (as defined in the Agreement) has occurred or been designated as a result of an Event of Default (as defined in the Agreement) with respect to the Applicant for which there exist any unsatisfied payment obligations.

[ ]C. The Letter of Credit will expire in fewer than twenty (20) Local Business Days (as defined in the Agreement) from the date hereof, and Applicant has not

provided Beneficiary alternative Development Security or Performance Assurance (as defined in the Agreement) acceptable to Beneficiary.

[ ]D. The Bank or Applicant has heretofore provided written notice to the Beneficiary of the Bank's or Applicant's intent not to renew the Letter of Credit following the present Expiration Date thereof, and Applicant has failed to provide the Beneficiary with a replacement letter of credit satisfactory to Beneficiary in its sole discretion within thirty (30) days following the date of the Notice of Non-Renewal.

[ ]E. The Beneficiary has not been paid any or all of the Applicant's payment obligations now due and payable under the Agreement.

[ ]F. The Beneficiary is entitled to retain the entire Development Security: (i) because Commercial Operation Date has not occurred on or before the Commercial Operation Deadline, or any extended Commercial Operation Deadline as provided in the Agreement, or for any of the reasons set forth in Section 3.06(d) of the Agreement; or (ii) because the Agreement has been terminated due to an Event of Default by Applicant before the Commercial Operation Deadline.

[ ]G. The Beneficiary is entitled to retain a portion of the Development Security equal to the product of *[Ninety dollars ($90)] {SCE Comment: For Baseload } [Sixty dollars ($60)] {SCE Comment: For Intermittent}* per kilowatt times the Unincluded Capacity in kilowatts as a result of Applicant demonstrating only a portion of the Contract Capacity.

2. Based upon the foregoing, the Beneficiary hereby makes demand under the Letter of Credit for payment of U.S. DOLLARS AND ____/100ths (U.S.$_____), which amount does not exceed (i) the amount set forth in paragraph 1 above, and (ii) the Available Amount under the Letter of Credit as of the date hereof.

3. Funds paid pursuant to the provisions of the Letter of Credit shall be wire transferred to the Beneficiary in accordance with the following instructions:

_____

_____

_____

Unless otherwise provided herein, capitalized terms which are used and not defined herein shall have the meaning given each such term in the Letter of Credit.

IN WITNESS WHEREOF, this Certificate has been duly executed and delivered on behalf of the Beneficiary by its authorized representative as of this ____ day of _____, _____.

Beneficiary: SOUTHERN CALIFORNIA EDISON COMPANY

By:

Name:

Title:

*** End of EXHIBIT M ***

EXHIBIT N-1

SCE Penalties and CAISO Sanctions

**** SCE Comment: Intermittent only****

Seller is liable for SCE Penalties and CAISO Sanctions under the circumstances described in this Exhibit N.

1. Determining Seller's Liability for SCE Penalties.

   If in any hour of any month in the Delivery Term Seller fails to comply with its Forecasting requirements under Exhibit D of this Agreement with respect to Seller's Forecast of available capacity only, and the sum of Energy Deviations for each of the six Settlement Intervals in that hour exceed the Performance Tolerance Band described in Paragraph 2 of this Exhibit, then Seller is liable for an SCE Penalty equal to one hundred fifty percent (150%) of the Product Price in Section 1.06 for each MWh of electric energy deviation, or any portion thereof, in that hour.

2. Performance Tolerance Band.

   The "Performance Tolerance Band," in kWh, is equal to:

   (a) Three percent (3%) times

   (b) Contract Capacity times

   (c) One (1) hour, i.e., the interval of time for monitoring Forecasting requirements.

3. Seller's Liability for CAISO Sanctions.

   Seller must reimburse SCE for all CAISO Sanctions incurred by SCE as a result of Seller's failure to adhere to its obligations under the CAISO Tariff or any CAISO directive, as such directive may be communicated to Seller by SCE, or as set forth in Sections 3.14 and 4.01(e).

4. Billing and Documentation of CAISO Sanctions.

   (a) The CAISO Sanctions will be available for billing approximately one hundred twenty (120) days following the last day of the calendar month in which the event giving rise to the sanction occurs, or thirty (30) days after the CAISO final settlement data is available to SCE, whichever is sooner.

   (b) SCE shall provide to Seller the applicable back-up data used for validating CAISO Sanctions.

**** End of EXHIBIT N ****

EXHIBIT N-2

CAISO Costs and CAISO Sanctions

**** SCE Comment: Baseload only****

Seller is liable for CAISO Costs and CAISO Sanctions under the circumstances described in this Exhibit N.

1. Determining Applicability of CAISO Costs.

   Seller shall be responsible for all CAISO Costs for all Settlement Intervals where Energy Deviations exceed the Performance Tolerance Band.

2. Performance Tolerance Band.

   The "Performance Tolerance Band" will equal the quantity in any Settlement Interval, in kWh, that is the product of:

   (a) Three percent (3%) times

   (b) Contract Capacity divided by

   (c) The number of Settlement Intervals in the hour.

3. Seller's Liability for CAISO Sanctions.

   Seller will be liable to reimburse SCE for all CAISO Sanctions incurred by SCE as a result of Seller's failure to adhere to its obligations under the CAISO Tariff or any CAISO directive, as such directive may be communicated to Seller by SCE, or as set forth in Sections 3.14 and 4.01(e).

4. Billing and Documentation of CAISO Costs and CAISO Sanctions.

   (a) The CAISO Costs and CAISO Sanctions will be available for billing approximately one hundred twenty (120) days following the last day of a calendar month in which the event giving rise to the sanction occurs, or thirty (30) days after the CAISO final settlement data is available to SCE, whichever is sooner.

   (b) SCE shall provide to Seller the applicable back-up data used for validating CAISO Costs and CAISO Sanctions.

**** End of EXHIBIT N ****

EXHIBIT O

Actual Availability Report

Pursuant to Section 3.24, Seller shall prepare an Actual Availability Report in accordance with the procedures described in this Exhibit O.

1. Availability Workbook.

   Seller shall:

   (a) Collect the measurement data, listed in Item 2 below, in one (1) or more Microsoft Excel Workbooks (the "Availability Workbook") provided in a form and naming convention approved by SCE; and

   (b) Electronically send the Availability Workbook to an address provided by SCE.

   The Actual Availability Report must reflect the Actual Available Capacity as measured by Seller's SCADA equipment.

2. Log of Availability.

   The Availability Workbook must be created on a single, dedicated worksheet and shall be in the form of Attachment 1 to this Exhibit O.

   The data presented in the Availability Workbook must not reflect any electric energy losses between the CAISO Approved Meter or Check Meter and the Delivery Point.

ATTACHMENT 1

Actual Availability Report

(Form of Microsoft Excel File Attachment to E-mail Notice)

**** End of EXHIBIT O ****

EXHIBIT P-1

Meteorological Station Specifications

**** SCE Comment: Wind only.****

Pursuant to Section 3.08(f), Seller shall install and maintain a minimum of the greater of (i) one (1) stand-alone meteorological equipment station for each fifty (50) MWs (or portion thereof) of nameplate capacity installed at the Generating Facility or (ii) one (1) stand-alone meteorological equipment station for each *[number]* miles *{SCE Comment: To be determined based on site plan}* (or portion thereof) of the Site. Each station shall be equipped with instruments and equipment that meet or exceed those specifications set forth in the CAISO's PIRP/EIRP protocol and are compatible with the requirements of SCE. SCE and Seller acknowledge that SCE may update this Exhibit P from time to time in order to accommodate industry standards, the CAISO PIRP/EIRP protocol and the needs of SCE.

SCE and Seller shall develop the technical specifications for meteorological stations, which will meet these basic requirements.

Seller shall maintain the meteorological station in accordance with Prudent Electrical Practices. Seller shall perform yearly calibrations of all instruments.

1. Equipment Stations.

   (a) The equipment stations shall be comprised of the following:

      (i) Two (2) heated wind sensors;

      (ii) Two (2) air temperature sensors; and

      (iii) One (1) barometric pressure sensor (with DCP sensor).

   (b) The wind sensors and air temperature sensors shall be set at two (2) height locations from ground level:

      (i) One wind sensor and one temperature sensor shall be set at the height that represents the lowest blade tip when positioned at a ninety degree (90^{o}) angle with the ground; and

      (ii) One wind sensor and one temperature sensor shall be set at the height that represents the hub center of the turbines.

2. Attributes of Equipment Station Locations.

   The equipment station location(s) should be unencumbered by tower shadow or other equipment. If an equipment station tower is being placed on the Site, the tower is to be placed in front of generating turbines on the upwind side of the wind park, as determined by the wind rose. The second station is best placed at the rear of the park as determined by the wind rose.

The contents of this document are subject to restrictions on disclosure as set forth herein.

3. Communication.

Seller shall communicate meteorological data to SCE via a system consistent with SCE's employed methods at the time of installation.

4. Equipment Requirements.

SCE currently requires equipment with quality levels and compatibility and functional specifications that meet or exceed those of the equipment set forth below in this Item 4. Any equipment different from that listed below must have the approval of SCE before installation at the Site.

(a) MAWS301 AWS System.

(i) MAWS301Basic Assembly for MAWS301 Automatic Weather Station, including following modules and functions:

- QML201 AWS Logger with 1.7 MB Flash memory for data logging
- QBR101B Battery regulator
- ENC542PLM Equipment enclosure with backup battery mounting accessories and internal wiring
- Bottom plate with signal connectors for sensors and peripheral equipment
- MAWS LIZARD Set-up software
- MAWS Terminal software

(ii) ENC542SHIELD Radiation Shield for MAWS301 enclosure

(iii) QMZ101 Terminal/maintenance cable for MAWS

(iv) QMBATT12 Back-up battery - 12 Ah/12V, installed in MAWS enclosure, includes wiring

(b) Sensors.

(i) QMT110 or HMT 330 Series Air temperature sensor with 10 m cable and connector

- DTR502P22 or DRT503 Radiation shield for QMT110 (air temp sensor) including mounting accessories to a pole/mast (60-100 mm)

(ii) QMT103 or HMP Air temperature sensor with 5-m cable and connector

- 212417 Extension cables, 25m, shielded, 5-pin F-M connector for QMT103 sensor
- DTR502P22 or DRT503 Radiation shield for QMT103 (air temp sensor) including mounting accessories to a pole/mast (60-100 mm)

The contents of this document are subject to restrictions on disclosure as set forth herein.

(iii) PMT16A Barometric pressure sensor installed within the MAWS301 enclosure

(iv) W5425, WMT52, or WMT700 Series Heated Ultrasonic Wind Sensor with RS485 & power output cable, sensor mounting on 60 mm diameter pole/mast and 36 VDC power supply

(c) Powering.

Mains (AC) power supply, installed in enclosure (ENC542PLM), including wiring and surge arrestors for 115 VAC

(d) Communication.

(i) DSI485ASET48-M3 Isolated RS-485 module - 2 wire connection, including extra surge arrestors for both lines, installed in MAWS enclosure communications from logger to W5425, WMT52, or WMT700 Series sensors

(ii) DME421-M3 Ethernet interface serial port to VSAT transmitter. Module mounted within MAWS enclosure (if needed)

(iii) VSAT Hardware, VSAT transmitter, cables with connectors, testing of each site, antenna positioners, mounting hardware. Installation at each site should include program fee for VSAT module

The satellite communication requires an unencumbered south-by-southwest view of the sky for antenna placement. Weather station data will be transmitted to SCE consistent with the industry standard practices at the time of installation.

(e) Install Accessories.

(i) APPK-60SET Mast mounting for MAWS enclosure on a 50-60 mm diameter pole/mast/tower

(ii) WSP Surge Arrestor for QMT103/110 Temp sensor lines (4-wire)

(iii) #010411 Shielded RS485 cabling from MAWS301 to W5425, WMT52, or WMT700 Series sensor

(iv) WSP Surge Arrestor for RS485 lines, wind sensors at 10m

(v) WS425STDH-SPEC-30m Shielded RS485 cabling from MAWS301 to W5425, WMT52, or WMT700 Series sensors - 30m cables

(vi) WSP Surge Arrestor for RS485 lines, wind sensors at 30m

**** End of EXHIBIT P****

The contents of this document are subject to restrictions on disclosure as set forth herein.

EXHIBIT P-2a

Meteorological Station Specifications

**** SCE Comment: Solar Thermal only.****

Pursuant to Section 3.08(f), Seller shall install and maintain a minimum of one (1) stand-alone meteorological equipment station for each one (1) square mile (or portion thereof) of the Site. Each station shall be equipped with instruments and equipment that meet or exceed those specifications set forth in the CAISO's PIRP/EIRP protocol and are compatible with the requirements of SCE. SCE and Seller acknowledge that SCE may update this Exhibit P from time to time in order to accommodate industry standards, the CAISO PIRP/EIRP protocol and the needs of SCE.

SCE and Seller shall develop the technical specifications for meteorological stations, which will meet these basic requirements.

Seller shall maintain the meteorological station in accordance with Prudent Electrical Practices and equipment specifications. Seller shall perform yearly calibrations of all instruments. In addition, any solar irradiance sensor must be cleaned daily or after storm events, following manufacturers recommended cleaning procedures.

1. Equipment Stations.

   (a) The equipment stations shall be comprised of the following:

      (i) One (1) heated wind sensor;

      (ii) One (1) air temperature sensor;

      (iii) One (1) relative humidity sensor;

      (iv) One (1) barometric pressure sensor (with DCP sensor);

      (v) One (1) direct normal irradiance sensor operated to track the sun;

      (vi) One (1) total global radiation sensor horizontal to the ground plane (only 1 such sensor shall be required under this Agreement); and

      (vii) One (1) diffuse radiation sensor (only 1 such sensor shall be required under this Agreement).

   (b) In addition, Seller shall report:

      (i) Solar altitude angle;

      (ii) Solar azimuth angle; and

      (iii) Precipitation.

   (c) All sensors shall be set at a height location representing the height from ground level of the solar collection point, for example, two (2) meters above ground level.

The contents of this document are subject to restrictions on disclosure as set forth herein.

3. Attributes of Equipment Station Locations.

The equipment station location(s) should be unencumbered by any shadow or equipment. The equipment station tower is to be placed in front of the solar collectors on the southern side of the Site. In addition, the station's satellite communication transmitter requires an unencumbered south-by-south west view of the sky for antenna placement.

4. Communication.

Seller shall communicate meteorological data to SCE via a system consistent with SCE's employed methods at the time of installation. The equipment installed will need to be approved by SCE.

The satellite communication requires an unencumbered south-by-southwest view of the sky for antenna placement. Weather station data will be transmitted to SCE consistent with the industry standard practices at the time of installation.

5. Equipment Requirements.

SCE currently requires equipment with quality levels, compatibility and functional specifications that meet or exceed those of the equipment set forth below in this Item 4. Any equipment different from that listed below must have the approval of SCE before installation at the Site.

(a) MAWS301 AWS System.

(i) MAWS301Basic Assembly for MAWS301 Automatic Weather Station, including following modules and functions:

- QML201 AWS Logger with 1.7 MB Flash memory for data logging
- QBR101B Battery regulator
- ENC542PLM Equipment enclosure with backup battery mounting accessories and internal wiring
- Bottom plate with signal connectors for sensors and peripheral equipment
- MAWS LIZARD Set-up software
- MAWS Terminal software

(ii) ENC542SHIELD Radiation Shield for MAWS301 enclosure

(iii) QMZ101 Terminal/maintenance cable for MAWS

(iv) QMBATT12 Back-up battery - 12 Ah/12V, installed in MAWS enclosure, includes wiring

(b) Sensors.

(i) QMT110 Air temperature sensor with 10 m cable and connector

The contents of this document are subject to restrictions on disclosure as set forth herein.

- DTR502P22 Radiation shield for QMT110 (air temp sensor) including mounting accessories to a pole/mast (60-100 mm)

(ii) QMT103 Air temperature sensor with 5-m cable and connector

- 212417 Extension cables, 25m, shielded, 5-pin F-M connector for QMT103 sensor
- DTR502P22 Radiation shield for QMT103 (air temp sensor) including mounting accessories to a pole/mast (60-100 mm)

(iii) PMT16A Barometric pressure sensor installed within the MAWS301 enclosure

(iv) M301-WS425STDH Heated Ultrasonic Wind Sensor with RS485 & power output cable, sensor mounting on 60 mm diameter pole/mast and 36 VDC power supply

(v) HMT 100 humidity and temperature sensor

(vi) Eppley Labs Model NIP pyroheliometer with solar tracker

(c) Powering.

MCP150-M3-115 Mains (AC) power supply, installed in enclosure (ENC542PLM), including wiring and surge arrestors for 115 VAC

(d) Communication.

(i) DSI485ASET48-M3 Isolated RS-485 module - 2 wire connection, including extra surge arrestors for both lines, installed in MAWS enclosure communications from logger to WS425 sensors

(ii) DME421-M3 Ethernet interface serial port to VSAT transmitter. Module mounted within MAWS enclosure

(iii) VSAT Hardware, VSAT transmitter, cables with connectors, testing of each site, antenna positioners, mounting hardware. Installation at each site should include program fee for VSAT module

(e) Install Accessories.

(i) APPK-60SET Mast mounting for MAWS enclosure on a 50-60 mm diameter pole/mast/tower

(ii) QSA124PT Surge Arrestor for QMT103/110 Temp sensor lines (4-wire)

(iii) #010411 Shielded RS485 cabling from MAWS301 to WS425STDH - 10m cables

(iv) QSA224DC Surge Arrestor for RS485 lines, wind sensors at 10m

The contents of this document are subject to restrictions on disclosure as set forth herein.

**** End of EXHIBIT P****

EXHIBIT P-2b

Meteorological Station Specifications

**** SCE Comment: Solar Photovoltaic only.****

Pursuant to Section 3.08(f), Seller shall install and maintain a minimum of one (1) stand-alone meteorological equipment station for each one (1) square mile (or portion thereof) of the Site. Each station shall be equipped with instruments and equipment that meet or exceed those specifications set forth in the CAISO's PIRP/EIRP protocol and are compatible with the requirements of SCE. SCE and Seller acknowledge that SCE may update this Exhibit P from time to time in order to accommodate industry standards, the CAISO PIRP/EIRP protocol and the needs of SCE.

SCE and Seller shall develop the technical specifications for meteorological stations, which will meet these basic requirements.

Seller shall maintain the meteorological station in accordance with Prudent Electrical Practices and equipment specifications. Seller shall perform yearly calibrations of all instruments. In addition, any solar irradiance sensor must be cleaned daily or after storm events, following manufacturers recommended cleaning procedures.

1. Equipment Stations.

   (a) The equipment stations shall be comprised of the following:

      (i) One (1) heated wind sensor;

      (ii) One (1) air temperature sensor;

      (iii) One (1) relative humidity sensor;

      (iv) One (1) barometric pressure sensor (with DCP sensor);

      (v) For each fixed tilt solar array within the Generating Facility, one (1) total global irradiation sensor for each collector plane orientation in the Site. For each solar array that tracks the sun's path within the Generating Facility, there shall be one (1) total global irradiance sensor for each independently controlled array. The sensor(s) are oriented at the same inclination and aspect as the collector plane(s);

      (vi) One (1) total global radiation sensor horizontal to the ground plane (only 1 such sensor shall be required under this Agreement); and

      (vii) One (1) diffuse radiation sensor (only 1 such sensor shall be required under this Agreement).

   (b) In addition, Seller shall report:

      (i) Solar altitude angle;

      (ii) Solar azimuth angle; and

The contents of this document are subject to restrictions on disclosure as set forth herein.

(iii) Precipitation.

(c) All sensors shall be set at a height location representing the height from ground level of the solar collection point, for example, two (2) meters above ground level.

3. Attributes of Equipment Station Locations.

The equipment station location(s) should be unencumbered by any shadow or equipment. The equipment station tower is to be placed in front of the solar collectors on the southern side of the Site. In addition, the station's satellite communication transmitter requires an unencumbered south-by-south west view of the sky for antenna placement.

4. Communication.

Seller shall communicate meteorological data to SCE via a system consistent with SCE's employed methods at the time of installation. The equipment installed will need to be approved by SCE.

The satellite communication requires an unencumbered south-by-southwest view of the sky for antenna placement. Weather station data will be transmitted to SCE consistent with the industry standard practices at the time of installation.

5. Equipment Requirements.

SCE currently requires equipment with quality levels, compatibility and functional specifications that meet or exceed those of the equipment set forth below in this Item 4. Any equipment different from that listed below must have the approval of SCE before installation at the Site.

(f) MAWS301 AWS System.

(i) MAWS301Basic Assembly for MAWS301 Automatic Weather Station, including following modules and functions:

- QML201 AWS Logger with 1.7 MB Flash memory for data logging
- QBR101B Battery regulator
- ENC542PLM Equipment enclosure with backup battery mounting accessories and internal wiring
- Bottom plate with signal connectors for sensors and peripheral equipment
- MAWS LIZARD Set-up software
- MAWS Terminal software

(ii) ENC542SHIELD Radiation Shield for MAWS301 enclosure

(iii) QMZ101 Terminal/maintenance cable for MAWS

(iv) QMBATT12 Back-up battery - 12 Ah/12V, installed in MAWS enclosure, includes wiring

(g) Sensors.

(i) QMT110 Air temperature sensor with 10 m cable and connector

- DTR502P22 Radiation shield for QMT110 (air temp sensor) including mounting accessories to a pole/mast (60-100 mm)

(ii) QMT103 Air temperature sensor with 5-m cable and connector

- 212417 Extension cables, 25m, shielded, 5-pin F-M connector for QMT103 sensor
- DTR502P22 Radiation shield for QMT103 (air temp sensor) including mounting accessories to a pole/mast (60-100 mm)

(iii) PMT16A Barometric pressure sensor installed within the MAWS301 enclosure

(iv) M301-WS425STDH Heated Ultrasonic Wind Sensor with RS485 & power output cable, sensor mounting on 60 mm diameter pole/mast and 36 VDC power supply

(v) HMT 100 humidity and temperature sensor

(vi) Model RSR-2, Rotating Shadowband Radiometer System from Irradiance Inc. for site global horizontal and diffuse irradiance

(vii) Kipp and Zonen Model CMP-11, thermopile pyranometer mounted in the plane of the solar array for each solar array orientation

(h) Powering.

MCP150-M3-115 Mains (AC) power supply, installed in enclosure (ENC542PLM), including wiring and surge arrestors for 115 VAC

(i) Communication.

(i) DSI485ASET48-M3 Isolated RS-485 module - 2 wire connection, including extra surge arrestors for both lines, installed in MAWS enclosure communications from logger to WS425 sensors

(ii) DME421-M3 Ethernet interface serial port to VSAT transmitter. Module mounted within MAWS enclosure

(iii) VSAT Hardware, VSAT transmitter, cables with connectors, testing of each site, antenna positioners, mounting hardware. Installation at each site should include program fee for VSAT module

(j) Install Accessories.

The contents of this document are subject to restrictions on disclosure as set forth herein.

(i) APPK-60SET Mast mounting for MAWS enclosure on a 50-60 mm diameter pole/mast/tower

(ii) QSA124PT Surge Arrestor for QMT103/110 Temp sensor lines (4-wire)

(iii) #010411 Shielded RS485 cabling from MAWS301 to WS425STDH - 10m cables

(iv) QSA224DC Surge Arrestor for RS485 lines, wind sensors at 10m

*** *End of EXHIBIT P* ***

EXHIBIT Q

Notice of SCE's Rights

{SCE Comment: this form will need to be revised to conform to the particular state's form requirements if the property is not in California. If the Notice is signed in a state other than California then the notary forms will need to conform to the appropriate state notary forms.}

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO:

Southern California Edison

2244 Walnut Grove Avenue
Rosemead, California 91770

Attention: SCE Law Department, Manager of Power Procurement Section

APN: _____

(Space Above for Recorder's Use Only)

NOTICE OF SCE's RIGHTS

NOTICE IS HEREBY GIVEN THAT SOUTHERN CALIFORNIA EDISON COMPANY, a California corporation ("SCE"), and *[Seller's Name],* a *[Seller's jurisdiction of organization and type of organization]* ("Seller"), have entered into that Renewable Power Purchase and Sale Agreement dated as of _____ (as amended, supplemented and revised

from time to time, the "Agreement"). Pursuant to the Agreement, SCE has the right to purchase all electric energy, Green Attributes, Capacity Attributes and Resource Adequacy Benefits (as such terms are defined in the Agreement) associated with or attributable to any generating facilities located or to be located on that certain real property (the "Property") more particularly described on Attachment A attached hereto and incorporated herein by the reference.

SCE's rights shall terminate as set forth in the Agreement, but not later than ____. This Notice shall terminate automatically on ____, unless earlier terminated by SCE by recording a notice of termination.

Reference is made to the Agreement for the terms and conditions of SCE's rights. In the event of a conflict between the terms of this Notice and the terms of the Agreement, the terms of the Agreement shall control.

[Signatures are on the following page]

[SELLER'S NAME]

a *[Seller's jurisdiction of organization and type of organization]*

By: _____
Its:

Date: _____

By: _____
Its:

Date: _____

SOUTHERN CALIFORNIA EDISON COMPANY,

a California corporation.

By: _____

Vice President of
Renewable and Alternative Power

Date: _____

ATTACHMENT A

[Legal Description of Property]

ACKNOWLEDGMENT

STATE OF CALIFORNIA)

)

COUNTY OF LOS ANGELES)

On _____ 20____, before me, _____, Notary Public, personally appeared _____,who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument, the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____

[SEAL]

**** End of EXHIBIT Q ****

EXHIBIT R

Availability Guarantee Lost Production Payment

**** SCE Comment: Wind only.****

If Seller fails to meet the Availability Guarantee in any Term Year during the Guarantee Period, *then* Seller shall be subject to an Availability Guarantee Lost Production Payment in accordance with the provisions of Section 3.19, calculated as follows:

AVAILABILITY GUARANTEE LOST PRODUCTION PAYMENT = [(A – B) x (C x (D - E))]

Where:

A = Availability Guarantee for the applicable Term Year, in percent.

B = Generating Facility Annual Availability for the applicable Term Year, in percent.

C = Expected Annual Net Energy Production, in kWh.

D = Simple average of the Green Market Price for all Settlement Intervals during the applicable Term Year, in $/kWh (i.e., $/MWh/1000).

E = Product Price for the applicable Term Year in $/kWh (i.e., $/MWh/1000).

In no event will SCE pay an Availability Guarantee Lost Production Payment.

**** End of EXHIBIT R ****

Document comparison by Workshare Compare on Thursday, December 19, 2013 4:01:52 PM

Input:	
Document 1 ID	file://C:\Users\walshwv\Desktop\111213_RenewablePowerPurchaseAgreement.doc
Description	111213_RenewablePowerPurchaseAgreement
Document 2 ID	file://C:\Users\walshwv\Documents\2013 LCR RFO\Changes to posted docs 11.26.2013\111213_RenewablePowerPurchaseAgreement(changes to posted doc).doc
Description	111213_RenewablePowerPurchaseAgreement(changes to posted doc)
Rendering set	Standard

Legend:	
Insertion	
~~Deletion~~	
~~Moved from~~	
Moved to	
Style change	
Format change	
~~Moved deletion~~	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	79
Deletions	74
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	153

CITY OF HUNTINGTON PARK

Finance Department
City Council Agenda Report

December 12, 2017

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Mayor and Members of the City Council:

CONSIDERATION AND SELECTION OF A FIRM AND APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT (PSA) FOR TRASH HAULING COMPLIANCE AUDITING SERVICES

IT IS RECOMMENDED THAT THE CITY COUNCIL:

1. Select a firm for Trash Hauling Compliance Auditing Services;

2. Approve award of a Professional Services Agreement; and

3. Authorize Interim City Manager to negotiate and execute the agreement.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The City is in need of a consultant with specialized expertise in Trash Hauling Compliance Auditing services. In November 2017, the City issued a Request for Qualifications (RFQ) for these services. Two firms responded by the submittal deadline of December 11, 2017. City Council shall select and approve a firm they deem qualified.

The firm will conduct an audit for compliance on the City's trash hauling contract with United Pacific Waste (UPW) dated January 1, 2015. The firm will perform compliance review of the City's trash hauling contracts, monitor customer service, ensure the trash hauler is accurately reporting tonnage disposed and diverted to the City, and review the public education/outreach program. The firm will also provide guidance and advice on new regulatory developments that may affect the provision of solid waste services.

The firm will also set up meetings with key individuals with the City and UPW to discuss program compliance and milestones.

FISCAL IMPACT

The contract will be funded from the Adopted Budget Fiscal 2017-18, Contractual Services Account Number 111-9010-419-56-41.

CONCLUSION

Upon City Council's approval staff will proceed with recommended actions.

Respectfully submitted,

RICARDO REYES
Interim City Manager

JOHN A. ORNELAS
Interim Finance Director

ATTACHMENT(S)

A. Request for Qualifications
B. Proposals
C. Draft Professional Services Agreement

ATTACHMENT “A”

November 2017

REQUEST FOR QUALIFICATIONS

FOR

COMPLIANCE AUDITING SERVICES FOR

THE CITY OF HUNTINGTON PARK'S

TRASH HAULING SERVICES

REQUEST FOR QUALIFICATIONS
FOR
COMPLIANCE AUDITING SERVICES

The City of Huntington Park (hereinafter referred to as the "City") is requesting qualifications to enter into a contract for Compliance Auditing Services for the City of Huntington Park's Trash Hauling Services to commence on or about December 13, 2017.

Qualifications must be submitted to the City of Huntington Park City Clerk's Office no later than Monday, December 11, 2017 at 12:00 p.m. Submissions shall be reviewed and rated on the basis of qualifications, specific experience, references, familiarity with the services, and compensation. The City will determine which submissions best meet the City's requirements.

LATE QUALIFICATIONS WILL NOT BE ACCEPTED

The City reserves the right to reject any or all submissions and to select the submission that best meets the City's needs.

QUALIFICATIONS

This Request for Qualifications (RFQ) is for Trash Hauling Compliance Auditing Services, more specifically, an audit for compliance on the City's trash hauling contract with United Pacific Waste (UPW) dated January 1, 2015. Experience providing Compliance Auditing Services to a public agency is required. Additionally, firm must have knowledge of the City of Huntington Park and perform compliance reviews of the City's trash hauling contracts, monitoring customer service, ensuring the trash hauler is accurately reporting tonnage disposed and diverted to the City, and as set forth in Attachment I: Scope of Services.

TERMS AND CONDITIONS

If a contract is offered, it will be for a one-year renewable term, with a 30-day termination clause for the convenience of the City and without cause for termination upon written notification of the City. Invoices are to be submitted monthly. Successful awardees will be expected to comply with applicable advocacy requirements relating to state and county advocacy services.

ORGANIZATION

The submission shall include resumes of the individuals participating in this role for the City. The submissions will be evaluated by the City and shall include, at a minimum, the following information:

1. **PERSONNEL**

   Describe the experience of the key personnel assigned to provide the services requested, including the primary contact with the City during the contract period.

2. **EXPERIENCE**

   Provide an overview of your firm's experience, and in particular, how it relates to the Scope of Services as set forth in this RFQ.

3. REFERENCES

Provide references for similar work that the proposed personnel has completed within the last two (2) years. Include a detailed description of the services and the agency or firm receiving the services.

4. AUTHORIZATION

The submission shall be signed by an official authorized to bind the firm, and shall contain a statement to the effect that the submission is valid for ninety (90) days.

5. ADDENDA

In the event that any portion of this RFQ is changed, the City will provide an addenda by e-mail to all firms who have received an RFQ. The signed addenda must be included within the RFQ submittal. Submittals received without the applicable addenda may be rejected as incomplete.

6. RESPONSIVENESS

All submittals will be reviewed by the City to determine compliance with all requirements and instructions as specified in the RFQ. Firms are notified that failure to comply with any part of the RFQ may result in the rejection of the submittal as non-responsive. The City also reserves the right, at its sole and absolute discretion, to waive minor administrative irregularities or errors.

7. REJECTION OF SUBMITTALS

The City reserves the right at its sole discretion to reject any and all submittals received without penalty as a result of this RFQ.

A submittal may be immediately rejected if:

- It contains misrepresentative or misleading information;
- It is received at any time after the exact date and time set for receipt of submittals;
- It does not meet the required specifications or terms and conditions as prescribed;
- It is signed by an individual not authorized to represent the RFQ
- Candidate is involved in outstanding litigation that could impinge on its ability to complete the responsibilities and obligations of the submittal; or
- Any other reason at the City's sole and absolute discretion.

8. SUB-CONSULTANTS

Submittals shall identify any sub-consultants and describe the responsibilities that will be assigned to them. The same level of references and background information required for submitters shall be required of sub-consultants.

9. ACCEPTANCE OF CONDITIONS

Submittals shall include a statement offering the acceptance of all conditions listed in the RFQ document, which shall be submitted with the proposal.

10. CONFLICT OF INTEREST

By signing the Agreement, the successful proposer declares and warrants that no elected or appointed official, officer or employee of the City has been or shall be compensated, directly or indirectly, in connection with the award of the Agreement or any work for the proposed project. For the term of the Agreement, no elected or appointed official, officer or employee of the City, during the term of his/her service with the City and for two (2) years following his/her termination of office or employment with the City, shall have any direct interest in the Agreement, or obtain any present, anticipated or future material benefit arising therefrom.

11. CONFIDENTIAL INFORMATION

City reserves the right to make copies of a proposer's proposal available for inspection and copying by members of the public (including proposals which may contain information the proposer regards and proprietary in nature), unless the City's legal counsel determines that the information which the proposer regards as proprietary may be withheld pursuant to applicable provisions of the California Public Records Act (Gov. Code section 6250 et seq.) or other applicable state or federal law. In the event the City proposes to disclose records containing information the proposer has specifically identified as being proprietary and confidential, the City shall notify the proposer in writing of its intent to release such information and the proposer shall have five (5) working days after City's issuance of its notices to give the City written notice of candidate's objection to the City's release of proprietary information. The City will not release the proprietary information after receipt of the rejection notice from the proposer unless: (i) the objection notice is not received by the City until the close of business on the 5th day following the City's issuance of the notice of intent to disclose; (ii) the City is ordered to release the information by a court of competent jurisdiction; or (iii)the candidate's objection notice fails to include a fully executed indemnification agreement wherein the candidate agrees to indemnify, defund and hold harmless the City, and its elected and appointed officials, officers, directors, employees and agents from and against all liability, loss, cost, or expense (including attorney's fees) arising out of any legal action brought to compel the release of records containing the proprietary information which the candidate wishes to withhold. Again, the candidate must specifically identify the information it deems proprietary.

12. DISCRIMINATION

The candidate and all subcontractors must not discriminate nor permit discrimination against any person on the grounds of race, national origin, sex, handicap, sexual orientation, or veteran status in their employment practices, in any of their contractual arrangements, in all services and accommodations they offer the public or in their business operations.

13. GRATUITY PROHIBITION

Candidate shall not offer any gratuities, favors or anything of monetary value to any official, employee or agent of the City for the purpose of influencing the consideration of this proposal.

SELECTION PROCESS

The selection of Consultant shall be made from among all submittals. The RFQ does not bind a commitment by the City to award a contract to any submittal. Award of contract shall be made within thirty (30) calendar days upon receipt of RFQ proposals. The City intends to evaluate the proposed services based upon the data presented in response to the RFQ.

The submissions will then be reviewed based on qualifications, specific experience, references, familiarity with the services, and compensation. The submittals will be rated according to which Consultant best meets the City's requirements.

SUBMITTAL INSTRUCTIONS

Qualifications must be submitted in a sealed envelope via mail or hand-delivery to the City of Huntington Park City Clerk's Office on or before **Monday, December 11, 2017 at 12:00 p.m.** Late submissions will not be accepted. Please provide two (2) copies of your submission.

The envelope containing your qualification(s) must be labeled **"Compliance Auditing Services"** and marked to the attention of:

City of Huntington Park
Office of the City Clerk
6550 Miles Avenue
Huntington Park, CA 90255

GENERAL INFORMATION

Any costs incurred in the preparation of the qualifications, presentation to the City, travel in conjunction with such presentations, or samples of items shall be solely the responsibility of the submitter. The City assumes no responsibility and no liability for costs incurred by submitters prior to issuance of a contract or purchase order.

The submitter shall furnish the City with such additional information as the City may reasonably require. The City reserves the right to conduct pre-contract negotiations with any or all potential submitters.

Any questions or requests for clarification must be submitted in writing or sent via email to:

John A. Ornelas, Interim Finance Director
JOrnelas@hpca.gov

All data, documents, and other products used or developed during performance of the services will be and remain the property of the City upon completion of the services.

ATTACHMENT I
SCOPE OF SERVICES

In order to provide the City with maximum flexibility, the specific compliance objectives will be determined by neutral agreement based on the City's trash hauling program objectives.

1. In order to ensure compliance with the Agreement, contractor will develop and maintain:

    - A contractor compliance matrix which will be reviewed at each meeting with UPW and the City to ensure compliance with all contractual requirements.
    - An Agreement summary for the City which categorizes items such Agreement terms and conditions, program and diversion requirements, rate increases, liquidated damages, etc. This document will allow the City to easily provide information to residents and City staff regarding programs and assist in contractor compliance with requirements which are sometimes overlooked.
    - A database to track and monitor tonnage reported by UPW.

2. The items contained in Compliance Reviews will include, but are not limited to:

    - Trend analyses of tonnage in order to track progress and discern anomalies; and,
    - A matrix of contractor responsibilities based on requirements contained in the solid waste Agreement.
    - New regulatory developments that may impact the provision of solid waste services.
    - Perform trend analyses on tonnage data submitted by UPW to the City and present findings during regular meetings. The analyses allow real-time tracking of solid waste programs by measuring the generation of different types of waste (such as refuse, recycling and green waste) over an extended period of time. Trash hauling can also be tracked by customer type, further revealing the nature of the City's Trash Hauling Services.
    - Review monthly, quarterly and annual reports submitted by UPW and evaluate the reasonableness of the submitted data based on observed industry averages for ratios such as "receipts for ton" and "tons diverted per home per year" to identify potential reporting inaccuracies. Compare the disposal amounts reported by UPW to the City to the amount reported by the landfills, identify any discrepancies, and request clarification or a reporting adjustment from UPW. Monitoring of reported tonnage is critical to ensure that disposal is accurately measured for AB 939 compliance purposes.
    - Conduct joint meetings with City staff and UPW on an agreed upon basis.

3. Monitor Programs for Compliance

    The Agreement requires UPW to divert 31% of the solid waste collected under the Agreement and contains financial penalties assessed on a per ton basis if the diversion target is not achieved.

    Monitor UPW's diversion based on the submitted tonnage reports for compliance with terms of the Agreement and calculate penalties if the required diversion is not achieved. Track year-to-date performance of diversion to monitor compliance.

4. Public Education and Outreach

Section 10.9 of the Agreement outlines the public education and outreach materials and activities required of UPW. These items should be included in the Contractor Compliance Checklist to ensure that each of the materials and activities are completed to the satisfaction of the City. In order to perform this task, consultant will:

- Develop a public education and outreach schedule based on Section 10.9 of the Agreement.
- Review and provide comments and revisions to drafts of all public education materials created by UPW to ensure Agreement compliance and relation to the programs offered.
- Determine residential, multi-family and commercial participation in diversion programs by reviewing service level reports provided by UPW, and discuss participation at meetings with UPW and City staff.

ATTACHMENT “B”

HUNTINGTON PARK
THE CITY OF PERFECT BALANCE California

City of Huntington Park
Response to Request for Qualifications for Compliance Auditing Services

December 8, 2017

HF&H Consultants, LLC

HF&H CONSULTANTS, LLC
Managing Tomorrow's Resources Today

19200 Von Karman Avenue, Suite 360
Irvine, California 92612
Telephone: (949) 251-8628
www.hfh-consultants.com

Robert D. Hilton, CMC
John W. Farnkopf, PE
Laith B. Ezzet, CMC
Richard J. Simonson, CMC
Marva M. Sheehan, CPA
Robert C. Hilton, CMC

December 8, 2017

Mr. John A. Ornelas
Interim Finance Director
c/o Office of the City Clerk
City of Huntington Park
6550 Miles Avenue
Huntington Park, California 90255

Subject: Response to Request for Qualifications for Compliance Auditing Services for the City of Huntington Park's Trash Hauling Services

Dear Mr. Ornelas:

HF&H Consultants, LLC (HF&H) is pleased to submit this proposal to the City of Huntington Park (City) to provide the services included in the City's request for qualifications (RFQ). HF&H is proud of the assistance we provided to the City in the past and look forward to performing these ongoing tasks to ensure that the City is receiving all of the contractual benefits to which it is entitled.

By retaining HF&H, the City can be confident that the work will be performed at the highest professional and ethical standards as evidenced by the solid waste consultant services provided by HF&H to the City and all of our clients.

Unique Qualifications

Listed below are qualifications that set HF&H apart from our competitors and provide us the ability to successfully perform all of the tasks requested in the City's RFQ.

- ***HF&H assisted the City with the evaluation and negotiation of terms included in the franchise agreement with United Pacific Waste (UPW).***
- ***HF&H provided the services included in the RFQ to the City from 2015 to 2016.***
    - HF&H developed all of the documents required in Task 1 of the Scope of Services (Agreement Summary, Contractor Compliance Matrix, and Tonnage Database). These documents are included as Attachment 1 to this proposal.
    - HF&H developed the meeting document included as Attachment 2 to this proposal in order to provide an ongoing review of contractor compliance with terms included in Tasks 2, 3, and 4.

- ***HF&H's Contract Compliance Monitoring clients retain us on an ongoing basis.***

  - City of Lawndale – 1997 to present
  - City of Inglewood – 2004 to present
  - City of Irvine – 2010 to present
  - City of Bell Gardens – 2011 to present
  - City of El Monte – 2015 to present

> *"HF&H's track record with the City demonstrates their ability to consistently deliver a high level of client satisfaction and strength as a consulting firm."*
> Nasser Abbaszadeh, P.E.
> (former Director of Public Works)
> City of Lawndale

- ***HF&H's Solid Waste Hauler Contract Compliance clients retain us again and again.*** While HF&H performs compliance audits throughout the region, clients, such as the cities of Bellflower, Beverly Hills, Dana Point, Inglewood, Lawndale, and Redondo Beach continue to retain HF&H on a biennial basis to perform compliance checkups.

- ***HF&H does not work for solid waste haulers in order to avoid conflicts of interest.*** We believe that our independence is crucial to ensuring that the work performed by HF&H is unbiased.

- ***HF&H has over twenty full-time professionals that possess a wide variety of certifications and expertise.*** Our clients can rest assured that their requests will be addressed in a timely manner by professionals with expertise specific to their needs. We have selected specific staff for the City's project team that possess the skills necessary to successfully complete all tasks required by the City. In addition to Huntington Park's dedicated project team, the City has HF&H staff and resources at its disposal.

> *"For me as a Director of Public Works, I take comfort knowing HF&H's team is available to respond to issues as they arise."*
> Chau Vu, City of Bell Gardens

- ***The proof of our success is best expressed by our clients.*** We have included references and we encourage the City to contact each of them. We perform a variety of solid waste consulting services for our clients and we believe that the City is best served by knowing how well we perform the specific services requested in this RFQ.

> *"HF&H takes pride in the services they provide their clients. They painstakingly ensure that all reports, data requests and rate calculations are provided accurately."*
> Angela Williams
> City of Inglewood

- ***Through more than 2,000 engagements we have served nearly 500 municipal agencies.*** Some important measures of our clients' satisfaction are:

  - The majority of our engagements are received through sole-source processes and result from prior experience with the client or strong referrals from past clients.
  - In any year, 70% of our clients have previously engaged us within the past two years.
  - In independent client satisfaction surveys spanning the past 13 years, more than 90% of respondents have said they would use HF&H again and would recommend us to other municipal agencies.

Thank you for the opportunity to provide you with this information. **The contents of this proposal shall remain effective for a period of 90 days.** We look forward to an opportunity to meet with you and the appropriate City staff to present our proposal, and learn how we might best assist the City. If you have any questions, please contact me at (949) 251-8902 or lezzet@hfh-consultants.com.

Very truly yours,
HF&H CONSULTANTS, LLC

Laith Ezzet

Laith Ezzet, CMC
Senior Vice President

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Attachments

Attachment 1: Example documents prepared for Huntington Park: Agreement Summary, Contractor Compliance Matrix, and Tonnage Database

Attachment 2: Meeting document prepared for Huntington Park

Attachment 3: Letters of Reference

Attachment 4: Client List

This document is printed on 100% recycled, post-consumer content paper

SECTION 1: PERSONNEL

Project Team

HF&H's staff is comprised of professionals with a wide range of qualifications and project experience. Laith Ezzet, Debbie Morris and Haley Kunert all contributed to our previous work with the City of Huntington Park. Debbie Morris will be the City's Project Manager and primary contact. We are happy to introduce Joseph Santos and Philip Mainolfi to our Huntington Park team. Joseph is a CPA and has assisted with the contract compliance audits for the cities of Beverly Hills, Dana Point, El Monte, Inglewood, Lawndale, and Redondo Beach. Philip is currently assisting with ongoing contractor compliance engagements in the cities of Bell Gardens and Irvine.

Laith B. Ezzet, CMC — Senior Vice President

Mr. Ezzet is a Certified Management Consultant and Senior Vice President of our Southern California solid waste consulting practice. Mr. Ezzet has 30 years of experience as an economist and solid waste consultant and has assisted over 100 public agencies to plan, implement, and monitor their solid waste collection, recycling and disposal programs. During the course of these engagements, he has presented to or participated in more than 200 public workshops and public meetings for City Councils, Boards of Supervisors, and citizens' advisory groups. Mr. Ezzet is a past member of the Board of Directors of the California Resource Recovery Association, and for over 20 years has served as a Director of the Southern California Founding Chapter of the Solid Waste Association of North America.

Procurement and Contract Negotiations

Mr. Ezzet has managed numerous procurement engagements for solid waste services contracts, including RFP preparation, proposal evaluation, and negotiation support. Examples of clients for whom he has helped to obtain new solid waste services contracts include the cities of Anaheim, Beverly Hills, Bellflower, Cerritos, Dana Point, Diamond Bar, Hermosa Beach, Huntington Park, Imperial Beach, Indian Wells, Inglewood, Lake Forest, Lawndale, Long Beach, Manhattan Beach, Mission Viejo, Newport Beach, Norwalk, Orange, Palm Desert, Palmdale, Pico Rivera, Rancho Palos Verdes, Rancho Santa Margarita, Redondo Beach, Riverside, Santa Clarita, Tustin, West Hollywood, and others. He managed the procurement of a new solid waste system operator for San Bernardino County's landfills and transfer stations. He has negotiated solid waste agreements with a total value in excess of $2 billion. The competitive solid waste collection procurements managed by Mr. Ezzet have a total value in excess of $1 billion, and he has saved public agencies more than $200 million, with some agencies saving up to 40%. He assisted the Orange County City Managers' Solid Waste Working Group negotiate 10-year waste disposal agreements with the County of Orange. He authored a paper entitled "How Much Can You Save Through Competitive Proposals?" that was presented at SWANA's Western Regional Symposium.

Solid Waste Rate Studies and Audits

Mr. Ezzet has provided expert solid waste advice over 70 cities and counties in the areas of rate analysis, cost of service studies, program planning and funding, and negotiation of solid waste rates. Examples of

clients whom he has assisted with fee audits, performance audits, contract compliance audits, and solid waste rate analysis of both existing and proposed services, include the cities of Anaheim, Arcadia, Bellflower, Beverly Hills, Burbank, Chandler, Covina, Dana Point, Downey, Fullerton, Glendale, Hesperia, Indian Wells, Indio, Inglewood, La Palma, Laguna Beach, Laguna Niguel, Long Beach, Monterey Park, Orange, Palm Springs, Pasadena, Pomona, Redondo Beach, San Bernardino, San Clemente, San Juan Capistrano, Santa Clarita, Santa Monica, Torrance, and others. During the course of these and other engagements, Mr. Ezzet has directed the auditing of financial and operating records at approximately 100 solid waste companies throughout Southern California'

Diversion Programs and Contract Management

Mr. Ezzet has helped more than 30 public agencies to monitor and evaluate their recycling and waste diversion program requirements in order to comply with the State's waste diversion goals, and negotiated revised franchise agreement terms to enhance recycling and waste diversion programs offered in those communities. He has assisted cities develop waste and recycling tonnage reporting formats and related auditing requirements for both exclusive franchise agreements and non-exclusive service arrangements. He assisted the City of Los Angeles in evaluating the feasibility of achieving its 70% diversion plan. He has assisted agencies to manage their solid waste collection and recycling contracts, including the cities of Bell Gardens, El Monte, Huntington Park, Inglewood, Irvine, Lawndale, La Quinta, Newport Beach, and others. He has assisted numerous agencies to plan, negotiate and/or evaluate organics recycling programs to comply with AB 1826, including the cities of Anaheim, Aliso Viejo, Inglewood, Lawndale, Norwalk, Palmdale, and the counties of Santa Barbara and San Bernardino.

Debbie Morris, CMC — Senior Project Manager

Ms. Morris is a Certified Management Consultant and Senior Project Manager in our Southern California solid waste consulting practice. Ms. Morris has specialized in consulting to government clients on solid waste issues for more than 25 years. Ms. Morris' experience includes assistance with diversion studies, zero waste planning, AB 939, AB 1826 and other legislative compliance, solid waste and diversion program implementation and monitoring, solid waste and recycling contract development and management, grant management and administration, greenhouse gas inventories, audit services, rate reviews, illegal dumping/bulky item abatement program development, and construction and demolition debris ordinance preparation and monitoring.

Ongoing Contract Compliance Monitoring/Solid Waste Consulting Services

Ms. Morris provides on-going contract management and solid waste consulting services to several cities in Southern California including the cities of Bell Gardens, El Monte, Irvine and Lawndale. The scope of work for these engagements includes profiling the City's solid waste franchise agreement/s and municipal code in order to ensure hauler compliance with all service, reporting, fee payment, rate structure, performance, and public education and outreach requirements. Ms. Morris meets with City staff and the haulers on a regular basis to review ongoing contractor compliance, monitor program diversion performance, assist in the development of effective public education and outreach campaigns, and provide expertise in new diversion program development. Additionally, the engagements include a review of the haulers' annual rate adjustments, and tonnage and fee payment audits.

Solid Waste Legislative Compliance

Ms. Morris' legislative compliance experience includes AB 939, AB 341, AB 1826 and AB 1594 compliance strategic planning, annual report preparation, base-year adjustments, requests to use alternate adjustment factors, and disposal reconciliations. Jurisdictions assisted by Ms. Morris were able to document a significantly improved diversion rate (from three to 20 percentage points) and none of these jurisdictions have received a compliance order from CalRecycle.

Ms. Morris has assisted her clients in preparing for the Mandatory Commercial Recycling Regulation included in Assembly Bill 341. This assistance has included gathering current commercial refuse and recycling service level data from the cities' haulers, documenting the number of accounts covered under the regulation, calculating the current level of compliance and appropriate recycling service fees, and developing public education and outreach materials.

Ms. Morris is currently assisting jurisdictions in complying with the requirements of AB 1826. This assistance has included developing public education and outreach, determining affected businesses, reviewing and negotiating proposed rates and contract amendments, and gathering and presenting data to CalRecycle.

Procurement and Contact Negotiation

Ms. Morris has assisted in numerous procurement engagements for solid waste services contracts, including RFP preparation, proposal evaluation, and negotiation support. Examples of clients for whom she has helped to obtain new or renegotiated solid waste services contracts include the cities of Huntington Park, Lawndale, Palm Desert, and others. Ms. Morris is currently assisting the City of Diamond Bar to renegotiate their solid waste contracts with two haulers currently providing service in the City. Ms. Morris is also currently assisting the City of Aliso Viejo in renegotiating its solid waste contract.

Solid Waste Rate Reviews, Fee and Tonnage Audits and Contract Compliance Reviews

Ms. Morris assists jurisdictions, including the cities of Bell Gardens, Covina, El Monte, Irvine, La Quinta, and Lawndale, in controlling increases to their solid waste rates by evaluating waste haulers' rate adjustment requests for accuracy and validity.

Ms. Morris' audit experience has included performing fee payment and tonnage reviews to determine the accuracy and reasonableness of reporting by permitted waste companies for the cities of Bellflower, Bell Gardens, Beverly Hills, Burbank, El Monte, Irvine, Lawndale, La Quinta, Pomona and Torrance.

Ms. Morris has performed hauler compliance audits for Southern California cities such as the cities of Lawndale and El Monte to determine and correct the cities' solid waste hauler's compliance with key contract terms.

Haley Kunert — Associate Analyst

Ms. Kunert is an Associate Analyst and majored in Environmental Systems. Ms. Kunert has two years of experience in sustainability services while attending the University of California San Diego. Ms. Kunert's experience includes assistance with: solid waste and recycling audits of solid waste receptacles; research and development of a sustainability action plan; public education and outreach; event planning; and, new project and campaign development for sustainability initiatives. She currently assists in managing solid waste franchise agreements, legislative compliance and diversion monitoring, audit services, rate reviews, valuation models, program implementation services, zero waste planning and conducting solid waste rate studies.

Ongoing Contract Compliance Monitoring/Solid Waste Consulting Services

Ms. Kunert assists with ongoing contract management and solid waste consulting services to cities in Southern California. The scope of work for these engagements includes monitoring contractor compliance with franchise agreement requirements regarding reporting, fee payments, and public education and outreach. Ms. Kunert meets with City staff and haulers on a regular basis to review ongoing contractor compliance and monitor program diversion performance. Additionally, the engagements include a review of the haulers' annual rate adjustment requests and monitoring of reported tonnage and hauler fee payments.

Solid Waste Legislative Compliance

Ms. Kunert has assisted clients in preparing for the Mandatory Commercial Recycling Regulation included in Assembly Bill 341. This assistance has included gathering current commercial refuse and recycling service level data from the cities' haulers, documenting the number of accounts covered under the regulation, calculating the current level of compliance and appropriate recycling service fees, and developing public education and outreach materials.

Ms. Kunert is assisting clients in preparing for compliance for the Mandatory Organics Commercial Recycling Regulation included in Assembly Bill 1826 by preparing public education and outreach materials and gathering current commercial data from the cities' haulers to establish customers affected under the thresholds of the bill.

She has assisted the cities of Bell Gardens, Lawndale, El Monte and Ridgecrest in the preparation of the AB 939 Mandatory Commercial Recycling requirements including completion of the CalRecycle Electronic Annual Report.

Solid Waste Fee and Tonnage Audits and Contract Compliance Reviews

Ms. Kunert's audit experience includes performing fee payment and tonnage reviews to determine the accuracy and reasonableness of reporting by permitted waste companies for the cities of El Monte, Inglewood and Lawndale.

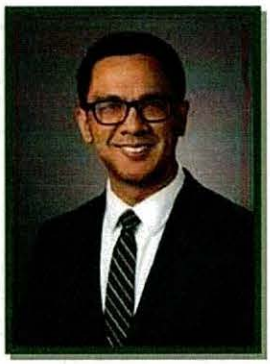
Ms. Kunert has assisted with hauler compliance audits for the cities of El Monte, Inglewood and Lawndale to determine and correct a city's solid waste hauler's compliance with key contract terms.

Public Education and Outreach

Ms. Kunert has actively provided public education and outreach related to environmental programs and practices for many jurisdictions including the cities of El Monte, Lawndale, and Bell Gardens, the Coachella Valley Association of Governments, and the University of California San Diego. Some of the public education and outreach techniques Ms. Kunert has initiated include: attending community events to educate and inform residents in person; creating printed brochures, articles and flyers; development of street banners and presentations; use and coordination of social media to promote events and education; and, facilitation of contests to improve participation and outreach.

The public education and outreach materials she has created cover, but are not limited to AB 341 (Mandatory Commercial Recycling), AB 1826 (Mandatory Organics Recycling), solid waste diversion, ways to increase residential recycling, bulky item collection, used motor oil and filter recycling, household hazardous waste, e-waste, and water conservation.

Joseph Santos, CPA — Senior Associate



Joseph Santos, Associate Analyst, has four years of financial, accounting and auditing experience for public agencies and private companies. Mr. Santos works in our Southern California Recycling and Solid Waste Practice. He has been assigned projects that include contract compliance audits, collection rate adjustment models, competitive procurement processes, and contract management services.

Prior to HF&H, Mr. Santos was an external auditor, performing financial statement audits, compliance audits, internal audits, transient occupancy tax audits, transient parking tax audits, performance audits, and agreed upon procedures for cities, water districts, sewer districts, and other municipalities. Additionally, Mr. Santos has experience auditing commercial and non-profit agencies. Mr. Santos has received his B.S. in Business Administration and his M.B.A. in Accounting.

Audit Services

Mr. Santos is a contract compliance auditor out of the southern California office. He has assisted on the solid-waste contract compliance and franchise fee audits for several cities, including Lawndale, Dana Point, Inglewood, El Monte, Irvine, and Beverly Hills. Additionally, Mr. Santos has been the lead financial statement auditor for a myriad of cities, special districts, non-profit agencies, as well as international companies. Mr. Santos has assisted in his clients in the first year implementation of GASB pronouncements and has developed templates that have been used by many cities in the calculation of pension related liabilities, deferred in-flows, and deferred outflows in order to ensure the materially accurate presentation of his clients' financial statements. Mr. Santos is an expert in the field of compliance audits, having completed over 40 OMB A-133 compliance audits (A.K.A. single audits) for federal grants awarded at the direct and sub-recipient levels, and has been the lead auditor for many large-scale internal audits, planning and performing test work in order to achieve client objectives, whether they may be the strengthening of internal controls or the assessment of the efficiency of a departmental process. Finally, Mr. Santos has helped cities recapture thousands of dollars in back-owed taxes, fees, and late penalties from local businesses he has audited.

Philip Mainolfi — Associate

Mr. Mainolfi brings over 10 years of prior financial, accounting, and process automation experience, as well as five years of diverse experience in the solid waste industry. While in the private sector, he spent three years managing solid waste contract compliance for 46 municipalities and government agencies, developing financial models, automating financial reporting processes, designing and developing management reporting tools, and managing external audits. Mr. Mainolfi received invaluable insight into hauler operations, zero waste planning and public outreach. Prior to entering the solid waste industry, Mr. Mainolfi spent four years as a business analyst at Brown Brothers Harriman where he focused on financial analysis, process automation, procedure development and the implementation of a centralized data ecosystem.

Contract Compliance Monitoring

Mr. Mainolfi's experience managing contract compliance for 46 municipalities and government agencies for a large regional hauler and material recovery/landfill operator provided him with in-depth knowledge of collection, recovery, and processing programs. His responsibilities also included diversion reporting and fee remittance of approximately $25 million dollars per year, exposing him to a vast array of recycling programs and fee structures including Franchise Fees, AB 939 Fees, Administrative Fees and Vehicle Impact Fees. His perpetual aggregation and analysis of diversion figures and financial data offered a unique perspective on how rate structures impact customer participation.

Mr. Mainolfi currently provides solid waste contract management assistance for the cities of Irvine and Bell Gardens. He attends monthly or quarterly meetings with city officials and the franchised haulers to ensure that solid waste haulers remain in compliance with the approved contract. Mr. Mainolfi collects and analyzes solid waste hauler tonnage and franchise fee reports to verify that the correct franchise fees were paid. He monitors hauler-collected diversion levels, contamination, and scavenging issues.

Audit Services

Mr. Mainolfi served as an audit liaison for the oldest, and one of the largest, private banks in America for four years prior to moving to the solid waste industry. While working for a large solid waste corporation Mr. Mainolfi served as the primary point of contact on over 10 audits conducted by industry-leading consulting firms, government agencies and sole proprietors. His audit experience across multiple industries and firms has offered him unique insight into a wide spectrum of audit processes and procedures.

At HF&H Consultants, Mr. Mainolfi's audit experience has included assisting in the tabulation and verification of hauler fee payments and tonnage, and report preparation for the cities of Irvine, Bell Gardens, Hermosa Beach and Redondo Beach. Mr. Mainolfi ensures that solid waste haulers remain in compliance with the approved contract by reviewing service and billing records.

Solid Waste Legislative Compliance

While working for a large regional hauler Mr. Mainolfi was responsible for ensuring compliance with Assembly Bill 939, Assembly Bill 341 and Assembly Bill 1826 for 46 municipalities and government

agencies. These responsibilities helped develop a deep understanding of the various programs available and how they impact consumer behavior and legislative compliance.

At HF&H Consultants, Mr. Mainolfi has assisted the cities of Bell Gardens, and Irvine in preparing for the Mandatory Commercial Recycling Regulation included in Assembly Bill 341. He has assisted in collecting commercial and multi-family refuse and recycling service level data from the cities' haulers and calculating the current level of compliance. Mr. Mainolfi also ensures that the franchise haulers fulfill the public education and contract requirements in their City agreements.

SECTION 2: EXPERIENCE

Summary of Ongoing Contract Compliance Experience

Client Reference	Developed, Negotiated Agreement	Contract Compliance Monitoring	Hauler Data Collection and Reporting	CalGreen Program Compliance and Reporting	Cal-Recycle Liaison and State Reporting Assistance	Public Education/ Community Outreach
Bell Gardens	✔	✔	✔	✔	✔	✔
El Monte	✔	✔	✔	✔	✔	✔
Huntington Park	✔	✔	✔			✔
Inglewood	✔	✔	✔		✔	✔
Irvine	✔	✔	✔		✔	✔
Lawndale	✔	✔	✔	✔	✔	✔
Ridgecrest	✔	✔	✔	✔	✔	✔

City of Huntington Park Experience

In 2014, HF&H assisted the City with the evaluation and negotiation of terms included in the franchise agreement with United Pacific Waste (UPW). From 2015 to 2016, HF&H provided solid waste contract compliance assistance to City. Our contract compliance assistance included:

- Development of:
  - A database to track UPW's tonnage, diversion, City fees, and legislative compliance;
  - A contractor compliance matrix which includes key due dates for reports, payment of City fees, rate increases, public outreach and education, and required City special events;
  - A meeting document to be reviewed with City staff and UPW at regularly scheduled meetings to ensure ongoing contractor compliance; and,
  - A franchise agreement summary to assist City staff in answering customer inquiries, and finding key terms and requirements without needing reviewing the entire agreement.
- Attendance at regular meetings with City staff and UPW.
- Review of all public outreach and education materials prepared by UPW.

Ongoing Contractor Compliance Experience

Contractor compliance monitoring is one of HF&H's core practice areas. We offer a well-established methodology to ensure that our clients' solid waste and recycling programs and contracts meet the expectations of stakeholders.

- **Diversion program development, implementation, and monitoring** – HF&H does not employ a "one size fits all" approach to diversion program implementation. HF&H thoroughly researches our client's source reduction and recycling elements, household hazardous waste element, and municipal codes to determine the best approach for program development and implementation based on the unique characteristics of our client's jurisdiction. To ensure continued program success, HF&H develops funding and monitoring mechanisms specific to each program. Additionally, HF&H continuously researches state-of-art diversion programs implemented throughout the state, and keeps abreast of legislation which may require additional program implementation.
- **Exclusive and non-exclusive hauler agreement management, administration and monitoring** – For many of our clients whom we provide franchise management and administration services, HF&H has prepared their solid waste and recycling contracts and ordinances. This provides HF&H with a thorough understanding of the terms and conditions of the contract, thus allowing us the ability to more comprehensively administer and monitor all aspects of the contract. HF&H typically meets with our client's contractor once per month or quarterly in order to maintain contractor compliance. On an ongoing basis, HF&H receives and analyzes monthly or quarterly reports from the haulers to verify reporting accuracy. This enables HF&H to verify reported fee payments and tonnage, and to monitor diversion program progress.
- **Technical and field support diversion program administration** – HF&H has provided diversion program technical and field support to many jurisdictions throughout California. HF&H has performed on-site audits of businesses and multi-family properties to determine potential diversion activities. Based on the findings of these audits, HF&H will develop targeted public outreach materials and provide on-site technical assistance.
- **AB 939 reporting and compliance services** – HF&H has been providing AB 939 compliance services to our clients for over 15 years, including annual report preparation, alternative adjustment factor calculations, and disposal reconciliations. Through our AB 939 compliance work, HF&H has built strong relationships with, and is highly respected by CalRecycle staff members.
- **Grant administration** – HF&H has assisted jurisdictions in grant application and report preparation, as well as allocation of funds to ensure that our clients receive maximum benefit from grant dollars. HF&H expends the effort to thoroughly research the demographics of our client's jurisdiction, and then applies this knowledge to develop innovative approaches to public outreach. For example, through the use of an alternative advertising strategy developed in fiscal year 2008, HF&H has been able to double the amount of used oil and used oil filters recycled through our Used Oil Block Grant administration work for the Coachella Valley Association of Governments.
- **Presentations, workshops, and training** – HF&H staff have conducted hundreds of public workshops and public meetings for City Councils, Boards of Supervisors, and citizens' advisory groups. HF&H tailors each presentation to the proposed audience to ensure that the material presented is clear, concise and completely understood by all attendees.

Contract Compliance Audits

HF&H has performed many contract compliance audits for jurisdictions in Southern California. Each audit is unique, as is each contract and city. The chart below lists the jurisdictions we have provided audit services to, and the type of audit performed.

Client	Scope of Audit				
	Fee Payments to City/County	Tons	Billing	Contract Compliance	Operating Data/Cost of Service
Arcadia	X	X			
Bellflower	X	X		X	X
Bell Gardens	X	X			
Beverly Hills	X	X	X	X	
Burbank	X	X			
Carlsbad					X
Cerritos				X	
Covina					X
Dana Point				X	
Diamond Bar	X		X		
Downey				X	
El Monte	X	X		X	
Fullerton	X		X		
Glendale	X	X			
Hermosa Beach	X	X	X	X	X
Hesperia					X
Indian Wells			X		
Inglewood	X		X	X	
Irvine	X	X			
La Habra					X
La Palma	X	X	X		
Lawndale	X	X	X	X	
Long Beach	X	X			X
Mission Viejo					X
Monterey Park				X	
Orange (City of)	X	X	X	X	X
Orange County		X			
Palm Springs	X	X	X	X	X
Pomona	X	X			
Poway	X				
Redondo Beach	X	X	X	X	X
Santa Barbara County	X	X			
Santa Clarita	X	X			X
Torrance	X	X			
Tustin					X
Vernon	X	X			

Example Contract Compliance Audit Objectives and Findings

A. Determined whether the franchise haulers:

- Accurately paid a variety of city fees;
- Accurately accounted for and reported tonnage;
- Met diversion requirements contained in the contracts;
- Met processing or transformation requirements;
- Met vehicle age and fuel requirements;
- Accurately billed customers in accordance with the approved rate schedule;
- Properly reported container service levels by observing a sample of commercial bins (size, and quantity of bins) in the field to confirm that the billing records agreed with the service level provided;
- Maintained adequate insurance levels, as required in the contracts;
- Maintained prescribed levels of performance bonds; and,
- Conducted required public outreach and public education.

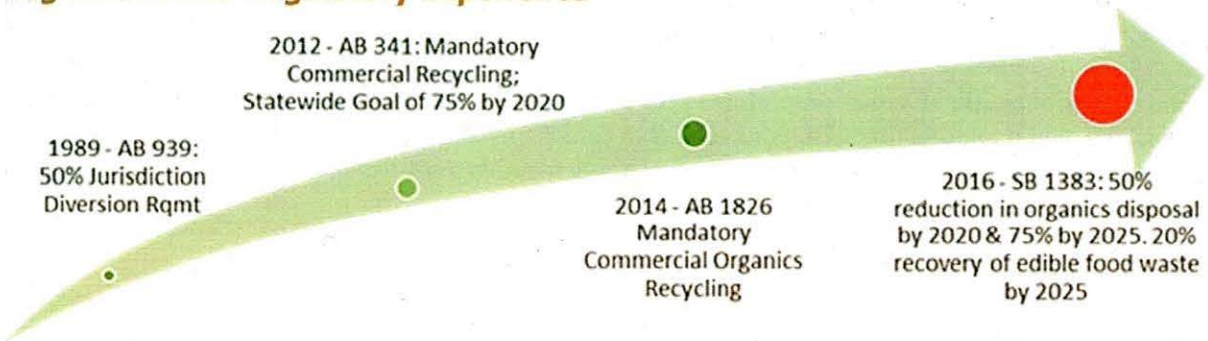
B. Examples of findings from our previous contract compliance audits include:

- Inaccuracies in customer billing;
- Billing of extra fees and charges not identified in the approved rate schedule;
- Underpaid city fees (in one instance over $500,000 in additional fees due to the city);
- Inaccurate reporting of disposal tonnage to landfills;
- Non-compliance with waste diversion, processing and/or transformation requirements;
- Inaccurate documentation of customer complaints;
- Lack of required documentation for required periodic route audits;
- Underpayment of recyclable revenue sharing amounts due to public agencies;
- Inaccurate application of rate adjustment formulas;
- Assessment of financial penalties for late payments and/or late reports;
- Disposal rate components that exceed the cost of service; and,
- Other miscellaneous non-compliance with contract requirements.

Liquidated Damages and Calculation of Late Payment Penalties

HF&H's contract compliance and audit reports to our clients include a calculation of all penalties due to the city from the hauler(s) for non-compliance, and late fee payments for City fees when applicable.

Legislative and Regulatory Experience



AB 939

Assembly Bill 939 requires that jurisdictions achieve and maintain a diversion rate of 50% of waste generated with their jurisdiction. In 2012, the state passed legislation to set a Statewide diversion goal of 75% by 2020, while this did not change the jurisdiction goal of 50%, jurisdictions should be planning for the possibility of increased jurisdiction diversion goals. HF&H's over 27 years of experience with legislation and regulatory requirements gives your jurisdiction access to the tools required to maintain compliance with the current AB 939 requirements and be prepared for increased requirements.

HF&H has been assisting our clients with the diversion and reporting requirements set forth in the legislation of AB 939 since 1990. We assist our clients with negotiating and implementing high diversion programs at reasonable customer rates, monitoring diversion compliance and reporting on program progress to ensure positive results.

HF&H monitors the CalRecycle Disposal Reporting System ("DRS") to ensure tonnage generated reported to CalRecycle matches the disposal reported by our clients' haulers. HF&H has performed numerous DRS reconciliations including all necessary paperwork and correspondence in order to ensure proper reporting to CalRecycle. We increased the City of Lawndale's diversion rate by 17% through a disposal reconciliation. HF&H assists our clients with the preparation and submittal of their Electronic Annual Report. HF&H participates in all conference calls with CalRecycle and gathers any data requested by CalRecycle prior to the annual site visits.

AB 341

HF&H works collaboratively with our clients, their haulers and CalRecycle to develop commercial recycling programs, public education and outreach and monitoring mechanisms to assist with compliance. Recently we assisted the cities of Bell Gardens, El Monte, Inglewood, Irvine, and Lawndale in increasing their AB 341 compliance by 200%.

HF&H has created databases of AB 341 reporting and monitoring forms, AB 341 public education and outreach templates for our clients. HF&H provides regular updates to our clients on the progress of AB 341 program implementation. Over the years, HF&H has helped all of our contract management clients to remain in compliance with AB 341. We drafted a letter of non-compliance for the City of El Monte, which is sent quarterly to all businesses and multi-family properties not in compliance, and have already seen a 10% increase in the number of businesses and multi-family properties being reported as in compliance with AB 341 in a short three-month period.

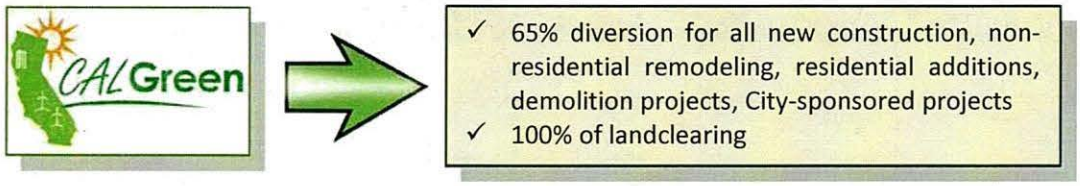
AB 1826

From our detailed review of the AB 1826 legislation, HF&H has been assisting clients with organics program negotiations, including drafting amendments for existing solid waste agreements or including AB 1826 requirements in new agreements at reasonable customer rates. HF&H then assists with regular monitoring of programs, creates reporting forms and develops public education and outreach to meet the reporting and monitoring requirements to stay in compliance with the regulation. HF&H also performs jurisdiction rate and programs surveys to reach out to other jurisdictions to determine current and potential programs to implement.

We have recently assisted the City of Anaheim in developing their organics rates; and, in the recently concluded Palmdale procurement, the final agreement is compliant with AB 1826 requirements. HF&H is

currently in the process of assisting the cities of Fullerton, Garden Grove, Placentia and Yorba Linda in negotiating a commercial organics program with their hauler.

CalGreen



Since 2015, CalRecycle has been monitoring jurisdictions' compliance with the diversion requirements of CalGreen. CalGreen's diversion requirements increased from 50% to 65% for construction and demolition debris from covered projects and 100% diversion of landclearing. HF&H has assisted our clients in developing and revising C&D ordinances, municipal codes, and waste management plans to ensure compliance with CalGreen. We also review waste management plans submitted for accuracy and compliance and conduct training sessions with staff to ensure procedures are adopted.

HF&H has assisted the cities of Covina, El Monte and Lawndale in creating and/or updating their C&D ordinances and municipal codes, developing easy to follow waste reduction and recycling plans for completion by the building department staff and contractors, and creating an online diversion deposit fee calculator.

Additional Organics Legislation: SB 1383

HF&H is closely monitoring updates related to the requirements of SB 1383 recently passed by Governor Brown in September of 2016. This bill requires a 50% statewide reduction in disposal of organic waste by 2020 from 2014 levels. It also requires that 20% of all salvageable food waste be recovered or repurposed for consumption. If this 50% target is not met, CalRecycle may initiate additional requirements on jurisdictions to increase progress towards achieving the target reduction. HF&H has taken an active role in monitoring SB 1383 and has already begun preparing our clients for the regulations to come. HF&H is working with haulers and local businesses to determine if food recovery operations are an option to aid in the diversion of edible food and will continue to monitor the legislation.

HF&H takes pride in keeping our clients informed of upcoming legislation and not only provides verbal updates, but creates an annual legislative update that is sent to all clients. We also monitor and survey other jurisdictions to stay informed of new or innovative compliance techniques so our clients are aware of all potential or upcoming technologies and methods.

SECTION 3: REFERENCES

Client Name and Title	Jurisdiction	Address	Phone Number	Email
Chau Vu Director of Public Works	City of Bell Gardens	7100 South Garfield Avenue, Bell Gardens, CA 90201	(562) 806-7770	CVu@bellgardens.org
Elaine Jeng, Director of Public Works	City of El Monte	11333 Valley Boulevard, El Monte, CA 91731	(626) 580-2055	ejeng@elmonteca.gov
Frank Senteno, Director of Public Works	City of Lawndale	4722 Manhattan Beach Blvd., Lawndale, CA 90260	(310) 973-3268	fsenteno@lawndalecity.org
Angela Williams, Environmental & Sanitation Services Manager	City of Inglewood	One Manchester Blvd., Inglewood, CA 90301	(310) 412-5333	awilliams@cityofinglewood.org
Michael J. Byrne, Senior Management Analyst	City of Irvine	One Civic Center Plaza, Irvine, CA 92713	(949) 724-6357	mbyrne@ci.irvine.ca.us
James Burnley Solid Waste Manager	City of Beverly Hills	455 N. Rexford Drive, Beverly Hills, CA 90210	(310) 285-2475	jburnley@beverlyhills.org

City of Bell Gardens — Contract & Diversion Programs (2011-Present)

Description

The City of Bell Gardens residential sector is served under an exclusive franchise agreement. The City's commercial and multi-family sector is served by several haulers under non-exclusive competitive franchise agreements. The City of Bell Gardens retained HF&H monitor hauler contract compliance, assist with AB 939 and AB 341 compliance, and provide ongoing solid waste consulting assistance.

HF&H Solution

HF&H provides ongoing consulting services that address all areas of Bell Garden's solid waste services. These services have included the following:

- Reviewing the haulers' operational and financial data to ensure proper payment of city fees and reporting of tonnage.
- Reviewing rate increase requests submitted by the exclusive franchised hauler on an annual basis.
- Developing measures to ensure compliance with the State's mandatory commercial recycling program.

- Preparing AB 939 Annual Reports.
- Developing construction and demolition diversion procedures and documents to ensure compliance with the CalGreen building code.

Results

- Recovered unpaid city fees.
- Worked with each hauler on an individual basis to ensure compliance with the mandatory commercial recycling regulation.
- Ensured hauler compliance – meetings between HF&H, the haulers, and the City ensured compliance with all of the requirements of the solid waste and recycling collection contract.

Key HF&H Staff

Laith Ezzet, Debbie Morris, Haley Kunert, Joseph Santos, Philip Mainolfi

City of El Monte — Contract Management Services (2015 to Present)

Description

The City of El Monte's Environmental Services Division manages five exclusive solid waste contracts, a hazardous waste collection contract and an e-waste collection contract. The Division is also responsible for ensuring compliance with legislation and administering the construction and demolition diversion program.

HF&H Ongoing Services

HF&H's ongoing services to the City include:

- Ensuring hauler compliance with the terms and requirements of agreements;
- Reviewing hauler rate adjustments;
- Performing fee payment and contract compliance hauler audits;
- Preparing council staff reports and presentations;
- Completing all environmental reporting including the Electronic Annual Report, Form 303 Household Hazardous Waste Report, and environmental grant applications and reports;
- Responding to customer complaints and inquiries and processing resident discount and discontinuance applications;
- Acting as the City's liaison to CalRecycle;
- Representing the City at community events; and,
- Ensuring compliance with environmental legislation.

Project Highlights

- When HF&H was retained by the City in 2015, the City had seven solid waste agreements based on geographic areas of the City. HF&H assisted the City through a seamless transition of services for one of the geographic areas to another of the City's contracted haulers.

- The City has experienced a high level of illegal dumping over the past several years. HF&H developed an Abandoned Item Action Plan which included municipal code revisions to increase fines for illegal dumping, extensive public education and outreach, hauler compliance with bulky item collection requirements, and quarterly bulky item contest where residents may bring an unlimited number of bulky items to the City yard to be entered into a raffle to win gift cards donated by the haulers.
- HF&H streamlined the City's construction and demolition process to ensure the capture of the all projects within the City to maximize diversion. HF&H also updated the City's construction and demolition debris ordinance to align with CalGreen requirements.

HF&H Team Members

Laith Ezzet, Debbie Morris, Haley Kunert, Joseph Santos

City of Lawndale — Contract Management Services (1997-Present)

Description

In 1997, the City of Lawndale was faced with a diversion rate of only 17%, limited staff resources and funding to effectively manage their solid waste contracts and implement new diversion programs. HF&H has since been retained by the City on an annual basis to manage the City's solid waste contracts, to perform hauler fee and tonnage audits, to provide AB 939 and AB 341 compliance assistance, including preparation of annual report, construction and demolition ordinance development and monitoring, and provide ongoing procurement and negotiation services to the City.

HF&H Solution

Since beginning its relationship with HF&H, the City has implemented several contractual and regulatory arrangements to increase diversion, such as mixed waste processing of the majority of commercial waste, a C&D diversion ordinance, school recycling services, and a street sweeping contract that stipulates composting of all collected debris.

In 2009, HF&H assisted the City in negotiating a solid waste agreement with Consolidated Disposal Services that provides exclusive service for the residential and commercial sectors. The new agreement will reduce the number of solid waste vehicles in the City, therefore, reducing greenhouse gas emissions. Additionally, the new agreement offers residents a variable rate structure based on the size and number of carts to encourage recycling.

HF&H works directly with the City and its residential franchised hauler at monthly meetings to discuss the progress of solid waste programs and develop public education materials. HF&H prepares the City's AB 939 Annual Reports, monitors and reports on the City's AB 341 efforts, and represents the City in meetings with CalRecycle staff. HF&H's audit staff verifies hauler fee payments and tonnage reports on an annual basis.

Results

- Increased the City's diversion rate from 17% in 1997 to 71% in 2015;
- Increased the City's diversion rate 10 percentage points in 2004 through a disposal reconciliation process;
- Saved the City $37,000 in over-reported billings for recycling services;

- Reduced costs to the ratepayers by $5 million over the term of the franchise agreement; and
- Successful transition to new collection service agreement.

HF&H Team Members

Laith Ezzet, Debbie Morris, Haley Kunert, Joseph Santos

City of Inglewood — Contract Monitoring Services (2004 – Present)

Description

In 2004, the City of Inglewood entered into an exclusive franchise agreement for solid waste collection services that HF&H assisted the City in negotiating with Waste Management. The agreement included new recycling requirements and a change in the roll-off billing rate structure. In 2012, the City entered into a new exclusive solid waste agreement with a new hauler, Consolidated Disposal Services. HF&H assisted with a competitive procurement for the new agreement.

The City performs the billing for residential and commercial solid waste services and the hauler bills for temporary bin and roll-off services.

The City retained HF&H on an on-call basis to monitor the hauler's performance, review City and hauler rate adjustments, and assist with contract management.

HF&H Solution

Since 2004, the City has asked HF&H to perform a variety of activities related to the solid waste collection operations in the City, including but not limited to:

- Assisting with recalculation of rates for residential and commercial services;
- Reviewing the hauler rate adjustment requests;
- Reviewing the accuracy of the hauler's roll-off billing;
- Verifying the accuracy of tonnage reports;
- Confirming whether the required mixed waste processing and transformation levels were performed as required by contract;
- Verifying that required commercial customer site visits were completed;
- Verifying whether routes were exclusive to Inglewood customers;
- Monitoring hauler compliance on an on-going basis; and
- Assisting with the procurement of solid waste services.

Prior to 2008, the City had consistently hired HF&H on a project-by-project basis. In order for HF&H to provide more comprehensive, on-going assistance to the City, the City retained HF&H under a three-year consulting agreement in 2008, which has since been extended for another three-year term.

Results

Solid waste contract requirements have been successfully implemented and monitored, and HF&H has been available to the City to meet all of its solid waste consulting needs.

Key HF&H Staff

Laith Ezzet, April Hilario, Haley Kunert

City of Irvine — Franchise Management/Waste Hauler Audits (2010-Present)

Description

The City entered into non-exclusive agreements with 23 haulers for the collection, transportation, recycling and disposal of solid waste from areas of the City that are not subject to the City's exclusive franchise agreement. The City entered into an exclusive franchise agreement with Waste Management of Orange County (WM) for the collection, transportation, recycling and disposal of solid waste from the residential and Village commercial area of the City.

HF&H Solution

On a quarterly basis, HF&H reviews tonnage and fee payment reports submitted to the City by the non-exclusive and exclusive haulers. HF&H meets with the City to review hauler contract compliance, diversion, fee payments, and AB 341 compliance.

On an annual basis, HF&H reviews annual franchise fee remittances, reported receipts, and determines the reasonableness and accuracy of tonnage reported by two selected waste haulers under the non-exclusive agreements and the exclusive hauler for residential and Village commercial solid waste collection for the selected years.

HF&H also, prepares for and attends the annual CalRecycle conference calls and site visits to the City.

Results

HF&H determined that one hauler in calendar years 2007, 2008 and 2009 underpaid franchise fees on solid waste collection by $35,068 and on recyclable material sales revenue by $53,785. HF&H also determined that the hauler accurately reported tonnage to the City. However, the disposal component of the rates charged did not reflect the actual disposal cost. We recommended that the City and the hauler rebalance the rates under the exclusive franchise agreement. The second hauler underreported franchise fees by $373 for calendar year 2009.

In calendar year 2010, HF&H audited one hauler and found that the hauler had accurately reported gross receipts, franchise fees and tonnage under the non-exclusive commercial solid waste agreement and the exclusive residential and Village commercial agreements. HF&H found that franchise fees of $37,825 on recyclable material revenue were due to the City.

Key HF&H Staff

Laith Ezzet, Debbie Morris, Haley Kunert, Joseph Santos, Philip Mainolfi

City of Beverly Hills — Overall Services Provided (1995 – Present)

Description

The City of Beverly Hills' Public Works Department provides automated residential refuse, recycling and green waste collection services. Commercial refuse collection services are currently provided by a single solid waste hauler. Over the last 17 years HF&H has provided a variety of services, including solid waste rate analyses, procurement services, vehicle impact study and fee payment reviews.

HF&H Solution

HF&H performed solid waste rate analyses for the City of Beverly Hills in 2002, 2005, 2007, 2008, 2010, 2011 and 2012 that resulted in recommendations for adjustments in both residential and commercial rates. These rate analyses involved the collection and evaluation of financial and operational data and the projection of revenues and costs for up to five years. In the recent analyses, City desired a specified target Fund Balance at the end of the projection period.

Procurement services to obtain a private solid waste hauler or haulers for residential and commercial collection, including negotiating collection agreements were provided in 1994, 2000 and 2003. The City chose to continue in-house residential collection services and currently contracts with one solid waste hauler for commercial collection services.

HF&H performed hauler fee payment and tonnage reviews from 1995 through 2000 for its non-exclusive commercial haulers. HF&H performed a vehicle impact study to estimate the financial impact of the residential and commercial refuse vehicles on City streets.

Results

Our rate analyses ensured the proposed rate adjustments funded residential and commercial solid waste operations and provided an adequate revenue flow into the division Fund Balance.

The vehicle impact study identified an impact of approximately $500,000 per year from the operation of residential and commercial refuse vehicles. The City has factored in $250,000 each for residential and commercial rates to reimburse the City for the estimate cost of refurbishing and resurfacing city streets.

As part of our hauler fee payment and tonnage review, HF&H identified in excess of $500,000 in additional fees due to the City.

Key HF&H Staff

Laith Ezzet, April Hilario, Joseph Santos

ADDITIONAL ENGAGEMENT EXPERIENCE

City of Huntington Park Contract & Diversion Program Management 2015-2016

Project Description

In 2014, the City of Huntington Park entered into an exclusive franchise agreement for solid waste collection services that HF&H assisted the City in negotiating with United Pacific Waste. The agreement included new diversion requirements, AB 341 requirements, and an organics program.

HF&H assisted the City with all aspects of the solid waste agreement transition including, but not limited to, the development and review of public education pieces, monitoring of container procurement and delivery, and billing and fee payment accuracy.

The City retained HF&H to monitor the hauler's performance, review hauler rate adjustments, and assist with contract management.

HF&H Solution

- Reviewing the franchised hauler's operational and financial data to ensure proper payment of city fees and reporting of tonnage.
- Reviewing rate increase requests submitted by the franchised hauler on an annual basis.
- Managing diversion programs for the City, providing analysis for better decision-making, and partnering with City staff and hauler personnel to review program performance.
- Developing measures to ensure compliance with the State's mandatory commercial recycling program.

Key HF&H Staff

Laith Ezzet, Debbie Morris, Haley Kunert

City of Bellflower — Contract Compliance Audit (2007, 2010, 2012, 2014)

Description

The City of Bellflower established an exclusive franchise agreement in September 2005 to provide solid waste collection services to commercial customers. After the first year of service under the new Agreement, the City requested HF&H Consultants to perform an audit of the contractor's compliance with selected provisions of the Agreement.

HF&H Solution

In order to achieve the City's goals, HF&H:

- Confirmed that the hauler billed customers in accordance with the City-approved rate schedule.
- Observed a sample of commercial bin service levels (size and quantity of bins) in the field.
- Verified the accuracy of tonnage reported (collected, diverted, transformed and disposed) to the City.
- Confirmed that the hauler accurately paid franchise fees to the City.
- Verified hauler compliance with selected provisions of the agreement.

Results

During the 2007 contract compliance audit, HF&H found that the hauler was not complying with a number of selected provisions of the Agreement that could result in enforcement by the City or a revision of the Agreement. In addition, HF&H found that the hauler was accurately billing customers in accordance with the City-approved rate schedule and the hauler accurately remitted franchise fees for the 19-month audit period.

During the 2010 and 2012 contract compliance audits, HF&H found that the hauler was accurately billing customers in accordance with the City-approved rate schedule, accurately remitted franchise fees for the 12-month audit period and accurately reported tonnage to the City. HF&H found that the hauler was not complying with several contract provisions that would be corrected in future periods.

HF&H is in the process of performing the 2014 contract compliance audit.

Key HF&H Staff

Laith Ezzet

City of Dana Point — Contract Compliance Audit (2008, 10, 12, 14, 16)

Project Description

In 2006, HF&H assisted the City in negotiating a new agreement with the City's existing hauler that included new contract terms and service requirements. The City hired HF&H in 2008, 2010, 2012, 2014 and 2016 to perform complaince audits of services under this contract to ensure requirements such as recycling targets, insurance requirements and fee payment calculations, were being met.

HF&H Solution

In order to meet the City's goals, HF&H:

- Confirmed that the City's hauler accurately paid City fees
- Confirmed that the City's hauler reimbursed the City for renegotiation and administrative costs based on the contract
- Confirmed the hauler obtained adequate insurance as defined in the contract
- Confirmed whether hauler met mixed waste processing and diversion goals
- Verified the accuracy of hauler's tonnage reports
- Verified that vehicles met age and fuel requirements
- Confirmed that City's hauler is complying with the contract
- Confirmed whether the City's hauler billed its customers in accordance with the approved rate schedule

Results

In 2008, HF&H determined that the hauler was overbilling several of its commercial customers in excess of $12,500, which was refunded. There were several other small discrepencies between the City's approved rate schedule and the rates charged by the hauler. Unapprovied fees for special services were identified. Diversion levels and other state and contract requirements were deemed to be meet, or on course to be met, as result of the audit. The City recovered over $13,000 in fees underpaid by the hauler. The 2010 and 2012 audits dentified additional special service fees in use and that all roll-off loads were not being processed in accordance with the agreement. The 2014 audit identified several commercial customers were miscoded resulting in an underpayment of fees by more than $12,000 that the City recovered.

Key HF&H Staff

Laith Ezzet, Scott Holt, Joseph Santos

SECTION 4: AUTHORIZATION

The contents of this proposal shall remain effective for a period of 90 days.

CITY OF HUNTINGTON PARK – SOLID WASTE AGREEMENT SUMMARY

UPW CUSTOMER SERVICE (866) 699-7600

Category	Summary	Section
BILLING		
Billing	Single Family/Multi-Family billed bimonthly.	13.1
	Commercial billed monthly, in advance.	13.1
	Direct billing by UPW. Bills not to include separate itemization of franchise fee or other City fees.	13.1
	UPW may not suspend service to residential and multi-family cart customers due to non-payment. Delinquent fees/service charges set by Contractor and subject to City Manager approval. City may assist UPW in placing delinquent accounts on tax roll.	13.1.1.1
	Suspension of Services forms for commercial customers to be approved by City Manager.	13.1.1.1, 13.1.1.2
	In addition/as alternative to discontinuing commercial service, UPW may ask City to place delinquent accounts on tax roll.	13.1.1.3
CITY SERVICES		
Illegally Dumped/Abandoned Items	UPW will provide containers for and/or dispose of bulky items and other solid waste as a result of illegal dumping, within 24 hours of notification from City. Upon receipt of call for service from City, UPW will advise City within 4 hours as to when service will be provided. If collection is in response to abatement activities, UPW shall provide invoice information to City sufficient to include in lien process.	8.7.2
City-Sponsored or Special Events	Provide solid waste and recycling collection at all City-sponsored or supported non-profit events.	8.7.3
	Recycling Assistance for Special Events – UPW to assist designated event personnel in implementation of recycling programs. UPW to submit a WRRP prior to each event, and a waste characterization 30 days after event.	8.7.5
	Portable Deluxe Toilets – UPW to provide Porta-Kan portable toilets and wash stations for all City-sponsored or supported non-profit events.	8.7.4
City-Wide Clean Up Events	UPW to promote and conduct at least two Bulky Item and Solid Waste drop-off events per year at no cost to City. Prior approval for date and location from City.	8.7.8
Graffiti Abatement	UPW to remove graffiti from containers within 24 hours of notification.	8.1.9(J)
Monitoring and Cleaning of Bin Enclosures	UPW to monitor and clean out overflowing bins or bin enclosures within 24 hours of notification by City.	8.7.1

Category	Summary	Section
Services at City Facilities	Containers for City facilities, including Public Works yard.	11.4
Shredding Service for City Documents	On-site shredding and collection of City documents on an on-call basis 4 times per year, approved by City Manager.	11.6
DAMAGES	Liquidated Damages	18.7
EMERGENCY DISASTER PLAN	Disaster Plan–due within 90 days of effective date.	23.6
FAITHFUL PERFORMANCE	Initial Surety -- $200,000, due on or before 10/31/14; to be released within 30 days from the earlier of: (1) 12/31/15, if City determines UPW is in compliance after compliance review, or (2) 12/31/16.	14.1.1
	Agreement Surety -- $500,000, due on or before 11/15/14; to be released 30 days after both expiration of Agreement, and satisfactory performance of all obligations.	14.1.2
CITY FEES		
Fees	Reimbursement of Negotiation Costs – City to provide invoice, not to exceed $250,000 on or before 10/1/14, to be paid by UPW within 30 days of being invoiced by City or 10/31/14, whichever comes later.	11.1
	Administrative Cost Reimbursement –$50,000 due 10/31/14. City to provide invoice by 10/1/14, to be paid within 30 days. Subsequent annual payments adjusted by CPI and paid by July 1 or 30 days subsequent to invoicing	11.2
	Monthly Franchise Fee – 15% of gross receipts paid monthly on or before 15th of each month.	11.3
	Bulky Item Cost Reimbursement -- $25,000 due 9/17/14, and then on or before July 1 each year thereafter, adjusted by CPI.	11.5
Late Contractor Payments	Charge for late contractor payments – 5% of amount due, after 60 days 10%	12
FUTURE SERVICES		
Grease Program	If required in future, UPW shall design a program and meet and confer with City to determine rates. City Manager must approve program.	8.2.5
Medication Collection Program	If required in future, UPW shall design a program and meet and confer with City to determine rates. City Manager must approve program.	8.2.14
Organics Program	UPW will provide Organics (food Waste, or mixed Food and Green Waste), and Green Waste carts to customers upon request. Will be phased in between July 1, 2015 and December 31, 2017.	8.3.7
GOVERNMENT LIASON	Government Liaison – Written designation	10.8.5

Category	Summary	Section
INSURANCE	Insurance	15
LOCAL OFFICE	Local Office – UPW to maintain a local office within City which shall be open at a minimum of 8:00 a.m. to 5:00 p.m. Monday through Friday and 8:00 a.m. to 12:00 p.m. on Saturdays; must provide at least one representative capable of communicating in English and Spanish	10.8.1
PUBLIC EDUCATION AND OUTREACH		
Public Education and Outreach Requirements	Written Program Materials—City may request materials be included with customer bills, all materials to be approved in advance by City. UPW to provide quarterly reports summarizing public outreach and education efforts.	10.9.2
	Public Outreach – school assemblies, presentations to Chamber of Commerce, HOAs, construction contractors, and civic groups. UPW to provide articles for newspapers.	10.9.3
	Quarterly Newsletter—content to be determined by City Manager.	10.9.4.1
	Annual Notices — must include information about: services, collection schedules, holiday collection schedules, customer service numbers, termination of service procedures; and promoting and explaining Recycling, Green Waste, Holiday Tree and Bulky Item Collection, and HHW and e-waste collection.	10.9.4.2
	How-To Brochure — for new customers, including information on carts, collection and billing.	10.9.4.3
	Corrective Action Notice	10.9.4.4
	Contractor Representative — routinely visits civic groups, school assemblies, and HOAs; to promote and explain recycling and other programs, and participate in demonstrations and civic events.	10.9.4.5
	Web Site Page – dedicate one page of WRI website to City services, assist City in establishing link to City website.	10.9.4.6

RATES AND RATE ADJUSTMENTS		
Rates	Standard rate per dwelling unit, additional refuse cart extra.	8.2.2
	Senior Citizen and Walkout Service	8.2.2 and 8.2.3
Rate Adjustment	Annual Residential Rate Adjustments – Beginning 7/1/17, rates adjusted annually by CPI, City Manager approval 45 days prior to charging customers.	24.3
	3% rate adjustment cap	24.4.1
REPORTING REQUIREMENTS		
Complaint Documentation	UPW to provide complaint log to City on monthly, quarterly and annual basis; must include all complaints, complainants, and resolution.	10.8.3
Compliance	Ongoing Compliance Review — annually at a minimum, by internal staff or outside consultants, funded by Administrative Cost Reimbursement.	27.3
Reporting Requirements	Monthly Reports – due 20 days after end of report month: solid waste tonnage sorted by waste type, customer type, facilities used, warning noticed issued, and a narrative summary of problems encountered.	23.1
	Quarterly Reports – due 20 days after end of report quarter: complaint summary, copies of promotional and public education materials sent during the quarter, description of outreach activities, and other information that the City may require.	23.2
	Annual Reports – due 30 days after end of each calendar year during term, and 30 days after end of term: summary of previous year's activities, total tons collected and diverted, AB 939 reporting requirements, revenue statement, list of contractor's officers and stockholders, and customer service level list.	23.3
Service Level List	Provide service level list (number and size of carts, serial number, customer address) with Annual Report and within 30 days of effective date of this Agreement.	8.1.9(F) and 23.3
DIVERSION RATE GUARANTEE	UPW shall divert 31% of all solid waste it collects under this Agreement for each calendar year beginning 1/1/2015	8.6.4

SERVICES		
Residential Collection Services	Each customer: 1 96-gallon mixed waste cart, or 1 64 gallon or 35 gallon cart instead if requested. Additional mixed waste carts per Exhibit A rates.	8.2.1
	Greenwaste carts – 1 96-gallon cart, or 1 64 gallon or 35 gallon cart instead if requested. Unlimited additional containers at no charge.	8.2.6
	Mixed waste carts brown, recycling blue, and greenwaste green. English and Spanish plus graphics, UPW name and customer service phone number.	Exhibit B
Bulky Item Collection	Single Family Bulky-Item – unlimited number of collections; 4 items per pickup; one pickup per week; collected within 1 day of call.	8.2.9
	Commercial Bulky Item – Unlimited at rates included in Exhibit A. Must collect within 7 days.	8.3.3
	Multi-Family Bulky Item – Same as Commercial.	8.2.10
	City-Wide Clean Up Events – Two events per year, to include bulky items and solid waste.	8.7.8
Clean-Up Events	City-Wide Cleanup Events – 2 per year; hauler shall obtain prior approval of dates and locations.	8.7.8
Commercial/Multi-Family Source-Separated Programs	Multi-family and commercial mixed waste and source-separated programs. UPW to conduct site visit to ensure adequate space for source separated containers. UPW to conduct education and outreach program to include handouts, door hangers for multi-family customers, training for owners or managers of commercial premises, townhall meetings, site visits and follow-ups, and brochures in designated areas and within City Hall. Multi-family customers to receive blue recycling bag printed in English and Spanish to store recyclable materials prior to being deposited in collection container.	8.2.8.1 and 8.3.4.1
HHW, U-Waste, and E-Waste	Unlimited residential collection on-call, maximum 5 collections per week. UPW to respond within 1 business day.	8.2.15
	City-Wide Clean Up Events — twice per year, e-waste accepted but not HHW.	8.7.8
	Curbside Grease Collection —U PW to design program if ever required. City Manager must approve program	8.2.5
Sharps Program	Residential Sharps Program – UPW to design and implement program at no cost to customers (Single Family and Multi-Family) to be approved by City Manager	8.2.13

ROUTE REQUIREMENTS	No commingling of routes.	8.1.7
VEHICLE REQUIREMENTS	Specific Requirements -- Must comply with AQMD 1193, must be fueled by CNG, must display contractor's information, must display City advertisements two times per year at UPW cost, must be no more than 10 years old.	9.2 and 9.3

CITY OF HUNTINGTON PARK

Attachment 1

SOLID WASTE AGREEMENT CONTRACTOR REQUIREMENTS

Reports: Section 23 Monthly and Quarterly Reports Due 20th day after end of month/quarter. Annual Reports due on or before January 30th of each year. [1]	Jan-16	Feb-16	Mar-16	Apr-16	May-16	June-16	July-16	Aug-16	Sept-16	Oct-16	Nov-16	Dec-16	Jan-17
Monthly Reports (23.1)	20-Feb	20-Mar	20-Apr	20-May	20-Jun	20-Jul	20-Aug	20-Sep	20-Oct	20-Nov	20-Dec	20-Jan	20-Feb
Tonnage and Fee Report	✓	✓	✓										
Facilities Report													
Warning Notices (Red Tags)	✓	✓	✓										
Summary of Problems Encountered													
Quarterly Reports (23.2)													
Complaint Summary													
Public Education and Outreach Materials													
Contractor Outreach Activities													
Annual Report (23.3)													
City Fees: Section 11 [2] **Administrative Cost Reimbursement and Bulky Item Cost Reimbursement: Adjusted Annually by CPI, due July 1. Monthly franchise fee due on or before the 15th of each month**	**Jan-16**	**Feb-16**	**Mar-16**	**Apr-16**	**May-16**	**June-16**	**July-16**	**Aug-16**	**Sept-16**	**Oct-16**	**Nov-16**	**Dec-16**	**Jan-17**
Administrative Cost Reimbursement (11.2) - Adjusted annually by change in CPI													
Bulky Item Cost Reimbursement (11.5) - Adjusted annually by change in CPI													
Franchise Fee (11.3)	✓	✓											
AB 939 Fee	✓	✓											
Rate Adjustment: First adjustment July 1, 2017 request due from UPW April 15, 2017 (24.3)	**Jan-16**	**Feb-16**	**Mar-16**	**Apr-16**	**May-16**	**June-16**	**July-16**	**Aug-16**	**Sept-16**	**Oct-16**	**Nov-16**	**Dec-16**	**Jan-17**
Public Outreach and Education: Section 10.9	**Jan-16**	**Feb-16**	**Mar-16**	**Apr-16**	**May-16**	**June-16**	**July-16**	**Aug-16**	**Sept-16**	**Oct-16**	**Nov-16**	**Dec-16**	**Jan-17**
City Newsletter (Content due to City Manager's Office)													
Public Outreach (assemblies, presentations, articles) 10.9.3									Schools	Schools	Schools		
Quarterly Newsletter 10.9.4.1			X				16-Jul		16-Sep		16-Nov		
Annual Notice 10.9.4.2													
Special Programs: Sections 8 and 11	**Jan-16**	**Feb-16**	**Mar-16**	**Apr-16**	**May-16**	**June-16**	**July-16**	**Aug-16**	**Sept-16**	**Oct-16**	**Nov-16**	**Dec-16**	**Jan-17**
Organics Program (8.3.7): District 1 by July 1, 2015; All other customers phased in over 2016 and 2017							1-Jul						1-Jan
Holiday Tree Collection (8.7.6)												26-Dec	16-Jan
City-Wide Clean Up Events: 2 per year (8.7.8)				9-Apr									
Shredding Service for City Documents: On-call and not less than 4 times per year (11.6)													

[1] Liquidated damages may be assessed on reports received after the report due date as follows: Monthly Reports - $100/day; Quarterly Reports - $250/day; Annual Reports - $350/day.

[2] Fees received by the City subsequent to the due dates documented in the Agreement are subject to a 5% late payment fee, and 10% interest penalty calculated on a daily basis for amounts not received after 60 days of due date.

✓ = Submitted, NS = Not submitted

SOLID WASTE AGREEMENT CONTRACTOR REQUIREMENTS

City Sponsored Events: Sections 8.7.3 through 8.7.5 UPW to provide: Solid waste and recycling collection for events (8.7.3); Portable deluxe toilets (8.7.4); Recycling assistance to event organizers and WRRP's to City (8.7.5)	Jan-16	Feb-16	Mar-16	Apr-16	May-16	June-16	July-16	Aug-16	Sept-16	Oct-16	Nov-16	Dec-16	Jan-17
Month of the Child													
Memorial Day Ceremony													
Tiny Tots Graduation													
Telemundo Sports Experience						+toilets							
Relay for Life						+toilets							
4th of July Celebration							+toilets						
National Night Out								+toilets					
Employee Softball Tournament													
El Grito									+toilets				
HP Gran Prix									+toilets				
Veterans Day Ceremony													
Employee Soccer Tournament													
Tree Lighting Ceremony												+toilets	
Senior Dances													
Business Grand Openings													
Town Hall Meetings													
Youth Sports Awards Ceremony													

(1) Liquidated damages may be assessed on reports received after the report due date as follows: Monthly Reports - $100/day; Quarterly Reports - $250/day; Annual Reports - $350/day.

(2) Fees received by the City subsequent to the due dates documented in the Agreement are subject to a 5% late payment fee, and 10% interest penalty calculated on a daily basis for amounts not received after 60 days of due date.
✓ = Submitted, NS = Not submitted

CITY OF HUNTINGTON PARK

Tonnage and Franchise Fees

Attachment 1

Section 23.1: Monthly Reports Due Within 20 Days After the End of the Report Month
Section 23.2: Quarterly Reports Due Within 20 Days After the End of the Report Quarter

Input Cells
Locked Calculation Cells

Residential	Jan	Feb	March	Quarter 1	April	May	June	Quarter 2	July	August	Sept	Quarter 3	Oct	Nov	Dec	Quarter 4	YTD
Trash	680	621	-	1,301	-	-	-	-	-	-	-	-	-	-	-	-	1,301
Transformation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Recyclables	261	234	-	495	-	-	-	-	-	-	-	-	-	-	-	-	495
Green Waste	134	136	-	270	-	-	-	-	-	-	-	-	-	-	-	-	270
Total Collected	1,075	990	-	2,065	-	-	-	-	-	-	-	-	-	-	-	-	2,065
Total Trash and Transformation	680	621	-	1,301	-	-	-	-	-	-	-	-	-	-	-	-	1,301
Total Diversion Excluding Transformation	395	369	-	764	-	-	-	-	-	-	-	-	-	-	-	-	764
Total Diversion Including Transformatior	395	369	-	764	-	-	-	-	-	-	-	-	-	-	-	-	764
Diversion % Excluding Transformation	37%	37%	0%	37%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	37%
Diversion % Including Transformatior	37%	37%	0%	37%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	37%

Commercial	Jan	Feb	March	Quarter 1	April	May	June	Quarter 2	July	August	Sept	Quarter 3	Oct	Nov	Dec	Quarter 4	YTD
Trash	1,488	1,504	-	2,993	-	-	-	-	-	-	-	-	-	-	-	-	2,993
Transformation	184	248	-	432	-	-	-	-	-	-	-	-	-	-	-	-	432
Recyclables	420	424	-	844	-	-	-	-	-	-	-	-	-	-	-	-	844
Green Waste	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Collected	2,092	2,177	-	4,268	-	-	-	-	-	-	-	-	-	-	-	-	4,268
Total Trash and Transformation	1,672	1,752	-	3,424	-	-	-	-	-	-	-	-	-	-	-	-	3,424
Total Diversion Excluding Transformation	420	424	-	844	-	-	-	-	-	-	-	-	-	-	-	-	844
Total Diversion Including Transformatior	603	672	-	1,276	-	-	-	-	-	-	-	-	-	-	-	-	1,276
Diversion % Excluding Transformation	20%	19%	0%	20%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	20%
Diversion % Including Transformatior	29%	31%	0%	30%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	30%

Roll-Off	Jan	Feb	March	Quarter 1	April	May	June	Quarter 2	July	August	Sept	Quarter 3	Oct	Nov	Dec	Quarter 4	YTD
Trash	149	94	-	243	-	-	-	-	-	-	-	-	-	-	-	-	243
Transformation	54	113	-	167	-	-	-	-	-	-	-	-	-	-	-	-	167
Recyclables	82	57	-	139	-	-	-	-	-	-	-	-	-	-	-	-	139
Green Waste	3	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	3
Total Collected	289	264	-	553	-	-	-	-	-	-	-	-	-	-	-	-	553
Total Trash and Transformation	203	207	-	410	-	-	-	-	-	-	-	-	-	-	-	-	410
Total Diversion Excluding Transformation	85	57	-	143	-	-	-	-	-	-	-	-	-	-	-	-	143
Total Diversion Including Transformatior	139	170	-	309	-	-	-	-	-	-	-	-	-	-	-	-	309
Diversion % Excluding Transformation	30%	22%	0%	26%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	26%
Diversion % Including Transformatior	48%	64%	0%	56%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	56%

Total Hauler-Collected Diversion	Jan	Feb	March	Quarter 1	April	May	June	Quarter 2	July	August	Sept	Quarter 3	Oct	Nov	Dec	Quarter 4	YTD
Total Collected	3,456	3,431	-	6,886	-	-	-	-	-	-	-	-	-	-	-	-	6,886
Total Trash and Transformation	2,555	2,580	-	5,135	-	-	-	-	-	-	-	-	-	-	-	-	5,135
Total Diversion Excluding Transformation	900	851	-	1,751	-	-	-	-	-	-	-	-	-	-	-	-	1,751
Total Diversion Including Transformatior	1,138	1,212	-	2,349	-	-	-	-	-	-	-	-	-	-	-	-	2,349
Diversion % Excluding Transformation	26%	25%	0%	25%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	25%
Diversion % Including Transformatior	33%	35%	0%	34%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	34.1%

Section 11.3: Franchise Fees Due On or Before the 15th of Each Month

Franchise Fees	Jan	Feb	March	Quarter 1	April	May	June	Quarter 2	July	August	Sept	Quarter 3	Oct	Nov	Dec	Quarter 4	YTD
Gross Receipts	$ 428,024.22	$ 446,694.32	$ -	$ 874,718.54	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 874,718.54
Franchise Fee Percent	15%	15%	15%		15%	15%	15%		15%	15%	15%		15%	15%	15%		
Franchise Fee Due to City	$ 64,203.63	$ 67,004.15	$ -	$ 131,207.78	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 131,207.78

AB 939 Fees - Commercial

AB 939 Fees	Jan	Feb	March	Quarter 1	April	May	June	Quarter 2	July	August	Sept	Quarter 3	Oct	Nov	Dec	Quarter 4	YTD
Gross Receipts - Commercial	$ 327,745.80	$ 347,720.21	$ -	$ 675,466.01	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 675,466.01
AB 939 Fee Percent	2.3%	2.3%	2.3%		2.3%	2.3%	2.3%		2.3%	2.3%	2.3%		2.3%	2.3%	2.3%		
AB 939 Fees Due to City	$ 7,538.15	$ 7,997.56	$ -	$ 15,535.72	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 15,535.72

AB 939 Fees - Roll Off

AB 939 Fees	Jan	Feb	March	Quarter 1	April	May	June	Quarter 2	July	August	Sept	Quarter 3	Oct	Nov	Dec	Quarter 4	YTD
Gross Receipts - Roll Off	$ 15,166.74	$ 10,976.48	$ -	$ 26,143.22	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 26,143.22
AB 939 Fee Percent	2.3%	2.3%	2.3%		2.3%	2.3%	2.3%		2.3%	2.3%	2.3%		2.3%	2.3%	2.3%		
AB 939 Fees Due to City	$ 348.84	$ 252.46	$ -	$ 601.29	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 601.29

AB 939 Fees - Residential

AB 939 Fees	Jan	Feb	March	Quarter 1	April	May	June	Quarter 2	July	August	Sept	Quarter 3	Oct	Nov	Dec	Quarter 4	YTD
Gross Receipts - Residentia	$ 85,111.69	$ 87,997.63	$ -	$ 173,109.32	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 173,109.32
# of Accounts - Residentia	5,781	5,940	-	11,721	-	-	-	-	-	-	-	-	-	-	-	-	11,721
AB 939 Fee Per Account	$ 0.78	$ 0.78	$ 0.78		$ 0.78	$ 0.78	$ 0.78		$ 0.78	$ 0.78	$ 0.78		$ 0.78	$ 0.78	$ 0.78		
AB 939 Fees Due to City	$ 4,509.18	$ 4,633.20	$ -	$ 9,142.38	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,142.38

Total Fees Due to City	Jan	Feb	March	Quarter 1	April	May	June	Quarter 2	July	August	Sept	Quarter 3	Oct	Nov	Dec	Quarter 4	YTD
Total Fees	$ 76,599.80	$ 79,887.37	$ -	$ 156,487.17	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 156,487.17

Billings

Billings	Jan	Feb	March	Quarter 1	April	May	June	Quarter 2	July	August	Sept	Quarter 3	Oct	Nov	Dec	Quarter 4	YTD
Residential	$ 187,047.26	$ 816.19	$ -	$ 187,863.45	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 187,863.45
Commercial	$ 366,274.12	$ 364,242.39	$ -	$ 730,516.51	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 730,516.51
Roll Off	$ 15,026.81	$ 8,507.12	$ -	$ 23,533.93	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 23,533.93
Total	$ 568,348.19	$ 373,565.70	$ -	$ 941,913.89	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 941,913.89

Gross Receipts Per Ton

Gross Receipts Per Ton	Jan	Feb	March	Quarter 1	April	May	June	Quarter 2	July	August	Sept	Quarter 3	Oct	Nov	Dec	Quarter 4	YTD
Residential	$ 79.15	$ 88.00	$ -	$ 83.82	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 83.82
Commercial	$ 156.69	$ 159.75	$ -	$ 158.25	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 158.25
Roll Off	$ 52.55	$ 41.54	$ -	$ 47.29	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 47.29
Total	$ 123.86	$ 130.20	$ -	$ 127.02	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 127.02

Signed: _____ Date: _____

City of Huntington Park Franchise Management Meeting
March 17, 2016

Agenda

1. Action Items (red font = open Items)
2. Diversion Tracking
3. Red Tags
4. Contractor Requirements
5. Monthly Reporting (Section 23.1)
   - Facilities Report
   - Summary of Problems Encountered

Action Items from February 11, 2016 Solid Waste Contract Management Meeting

	Responsibility	Action Item	Date of Initial Discussion	Notes	Action Item
1	UPW	Organics Program for District 1	April 2, 2015	• Section 8.3.7 of the Agreement requires that UPW provide Organics Service to District 1 by July 1, 2015 • Per John Ornelas, UPW may postpone implementation of District 1 organics program, as requested by UPW, until October 1, 2015 • Per email from Mike Kandilian received 7/24/2015: UPW has a team of experts that will be going through the City to educate customers on the organics program. This will start in August to see how many customers are interested and provide information on AB 1826. Public education materials will be forwarded to the City for review. The team consists of a public education & outreach expert and a zero waste expert. They and their staff will help implement the program. • According to Mike K., Puente Hills MRF is partnering with Anaergia for Organics diversion and will start accepting organics November 30, 2015. • Assuming customers elect to participate, UPW will start taking organics loads from District 1 to Puente Hills MRF on November 30, 2015. Initial customer outreach resulted in no signups.	• Per Richard-all customers have been contacted, 2 accounts interested in cart program • 2/11/2016: The 2 interested accounts require bin service. UPW submitted bin rates on 2/9/2016 to be reviewed by HF&H • 2/11/2016: Bin rates will need to be negotiated and approved by City. • HF&H to review rates and discuss with City - In process

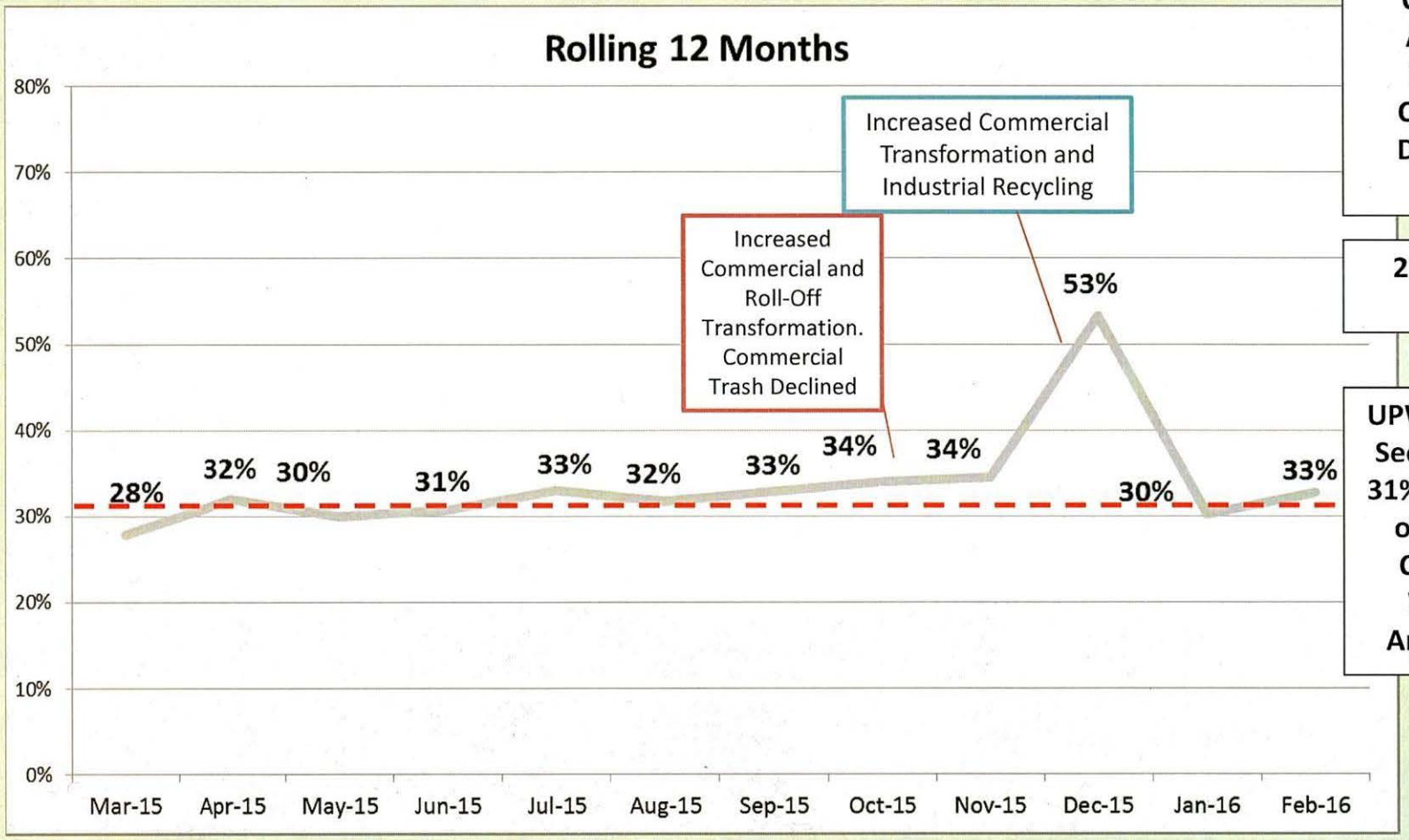
Action Items from February 11, 2016 Solid Waste Contract Management Meeting

Responsibility		Action Item	Date of Initial Discussion	Notes	Action Item
2	HF&H & City	Abandoned and Illegal Dumping	November 5, 2015	• Plethora of illegally dumped and abandoned items around the City • City staff suspect other residents are dumping from other cities in "Hot-Zones" • HF&H to assist City to develop public outreach about bulky, illegal and abandoned items • Christina is coordinating events directly with Michael K. • Debbie to send Michael K. billing insert language addressing California Penal Code fines for illegal dumping-Sent 1/11/2016 • 1/14/2016: Christina will follow-up with Superintendent about billing insert approval and provide any revisions to HF&H • 1/14/2016: Debbie, Christina and Michael K. to schedule meeting to discuss future City clean-up event raffle ideas-Scheduled 2/9/2019 with Christina Dixon and Mike Rivas	• 2/11/2016: Debbie to prepare a memorandum describing the clean-up event raffle for Christina to discuss with City staff.-Complete • Contest scheduled for April 9th. Prizes will be awarded at the April 19th City Council meeting
3	City	Counter Space Issue	November 5, 2015	• Relocation of UPW staff within City Hall • Jan to have conversation with City Manager (Edgar Cisneros) by January 1, 2016 regarding relocation of UPW staff at City Hall or adjacent building • HF&H to contact City Manager directly • Per email from Jan on 1/6/2016 – Jan is working with City Manager to secure space for UPW in building adjacent to City Hall	• 2/11/2016: Richard B. is working directly with City Manager to secure a location.

Action Items from February 11, 2016 Solid Waste Contract Management Meeting

	Responsibility	Action Item	Date of Initial Discussion	Notes	Action Item
4	UPW	Public Education and Outreach	December 16, 2015	• Christina with would like to collaborate on school assemblies and misc. public education opportunities with UPW	• 1/14/2016: UPW will prepare a 2016 public education and outreach plan and forward to City and HF&H – not received • 2/11/2016: UPW will provide to HF&H the week of February 15th - not received
5	City & HF&H	Council Presentation	December 16, 2015	• Christina would like to present a full year of data to council with regard to UPW's performance in the City	• 1/14/2016: Debbie and Christina to schedule a conference call to discuss presentation materials – on hold pending direction from Christina
6	City	Paper Shredding Events	December 16, 2015	• UPW is contractually obligated to provide 4 shredding events for City departments each year	• 2 Police Department and 2 City Hall events, Christina to follow up with potential dates
7	UPW	Residential Sharps Program	January 24, 2016	• Per section 8.2.13, UPW to design and implement sharps program at no cost to customers	• 1/14/2016: City and UPW to add information about the sharps program (previously prepared by UPW) to their websites-Verified • 1/14/2016: UPW to create a flyer describing the program for distribution at City counters. – Received • 2/11/2016: HF&H provided comments on 2/12/2016 - complete

Diversion Tracking: Hauler-Collected Waste



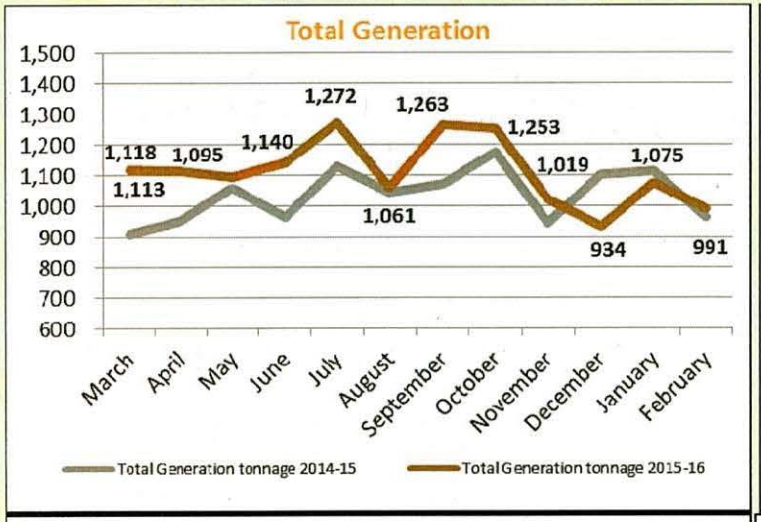
CY 2015: Average Hauler-Collected Diversion 33%

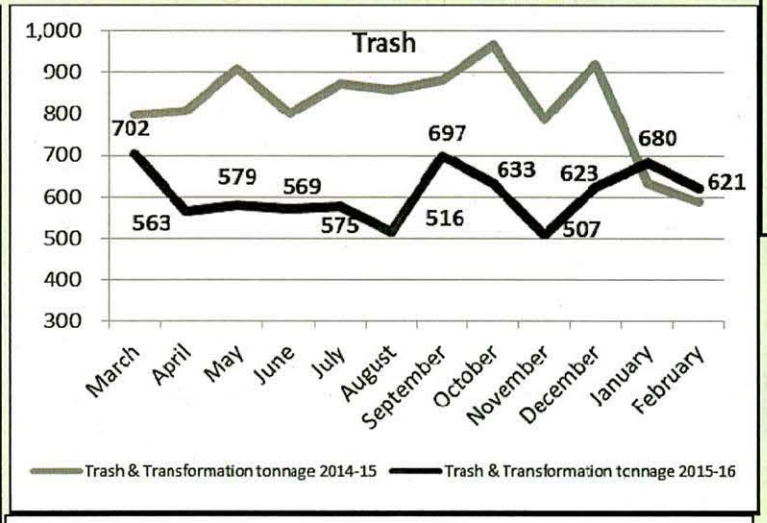
2016 YTD: 31%

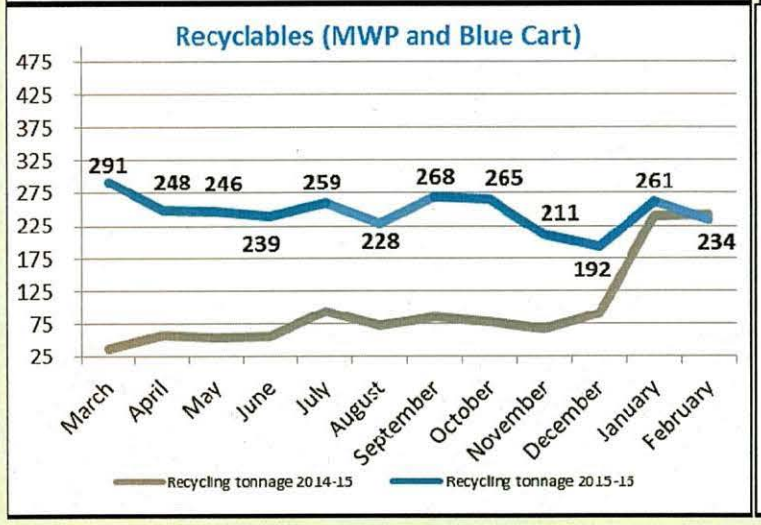
UPW Contract Section 8.6.4 31% Diversion of Hauler-Collected Waste – Annually [1]

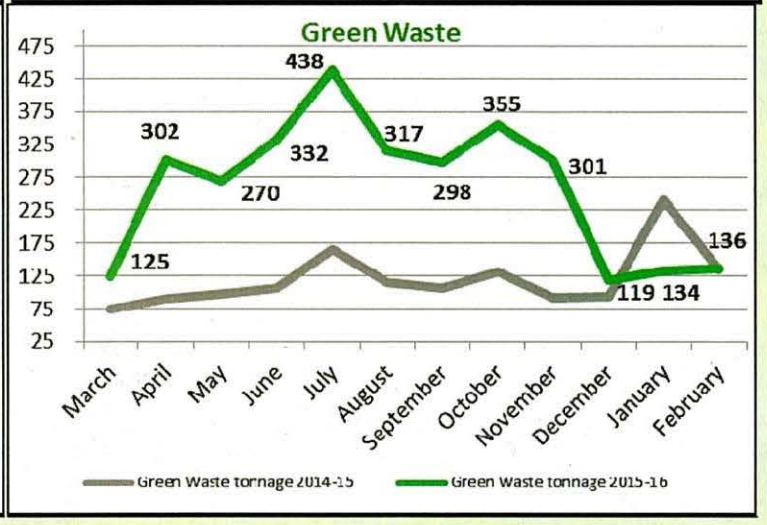
[1] Liquidated Damage- $40.00 for each ton below the tonnage level necessary to meet the Recycling Diversion Requirement

Tonnage Tracking - Residential







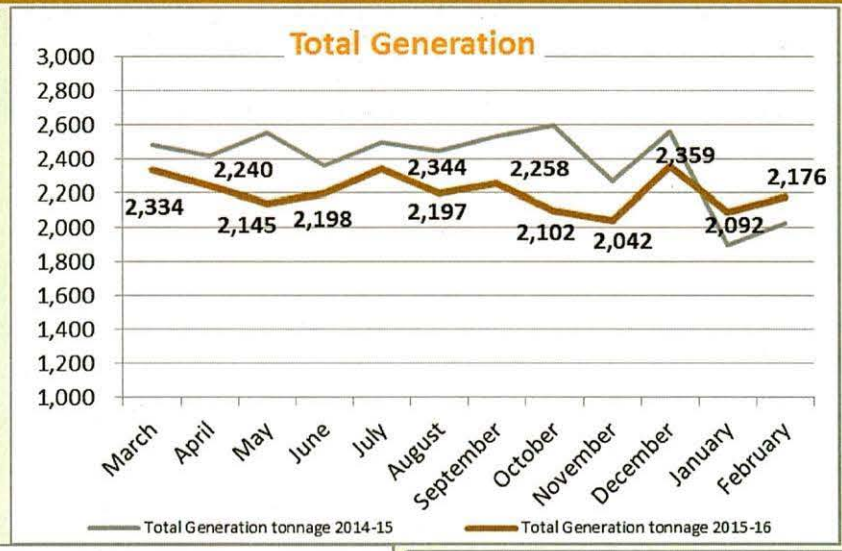


YTD 2016 Residential Diversion %
37%
February 2016 %
37%

2014 Residential Diversion %
16%

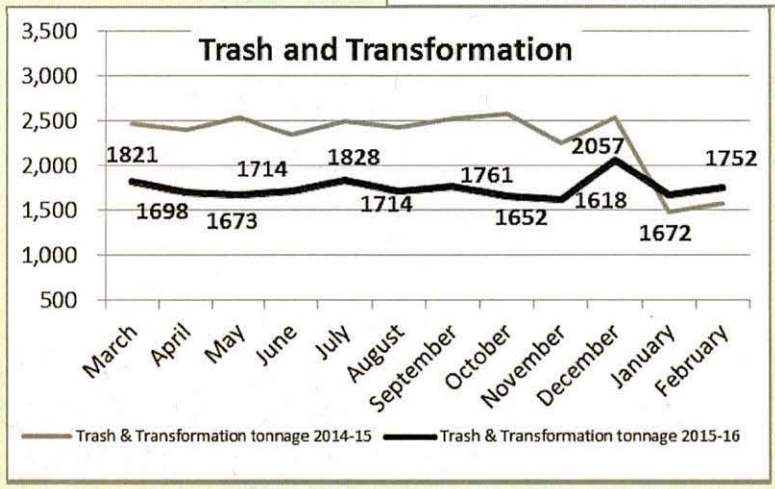
2015 Residential Diversion %
46%

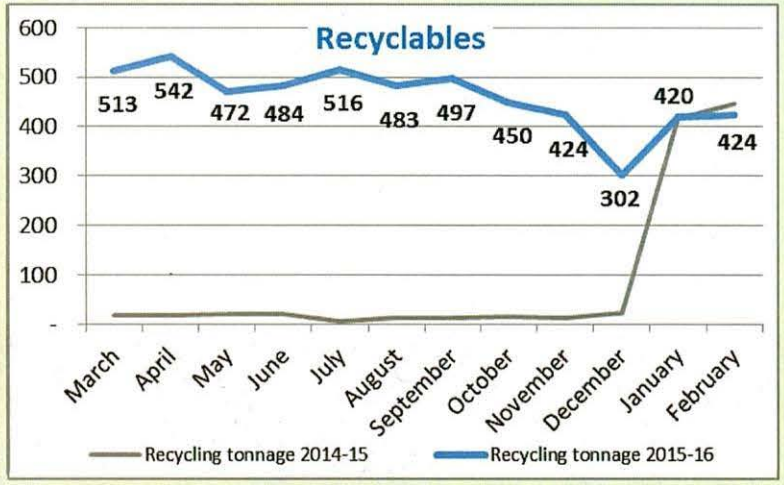
Tonnage Tracking – Commercial*



YTD 2016 Commercial Diversion:
With Transformation: 30%
Without Transformation: 20%

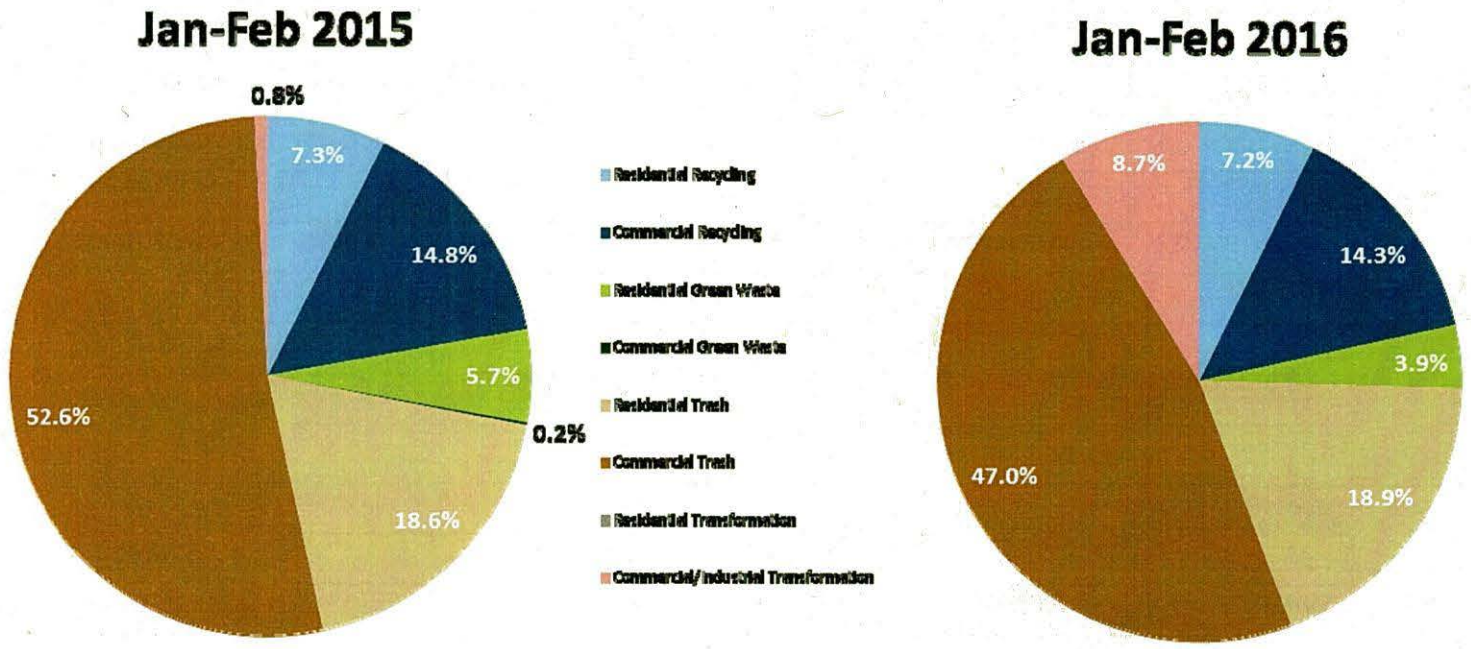
2015 Commercial Diversion:
With transformation: 26%
Without Transformation: 21%





* Does not include industrial

Total Waste Stream Comparison 2015 vs. 2016



Billings and Gross Receipts Tracking

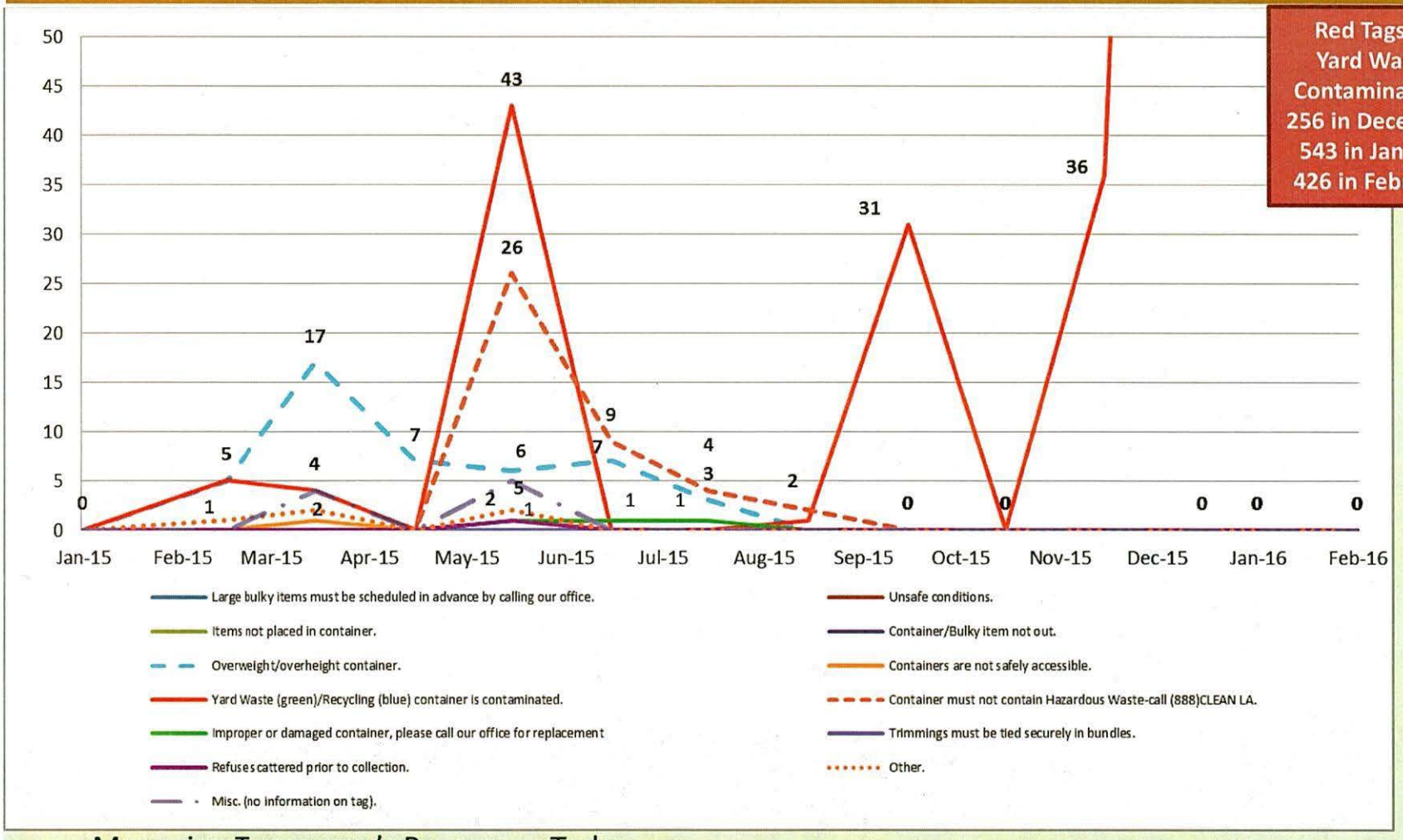
Residential	January	February	Cumulative
Billings	$ 187,047	$ 816	$ 187,863
Billing Period			
Receipts	$ 85,112	$ 87,998	$ 173,109
Difference (Receipts - Billings)	$ (101,936)	$ 87,181	$ (14,754)
Overall % Difference			-8%

Commercial and Roll-Off	January	February	Cumulative
Billings	$ 381,301	$ 372,750	$ 754,050
Receipts	$ 342,913	$ 358,697	$ 701,609
Difference (Receipts - Billings)	$ (38,388)	$ (14,053)	$ (52,441)
Overall % Difference			-7%

Billings Per Ton: Commercial and Roll-Off

	January	February	Cumulative
Billings: Commercial and Roff-Off	$ 381,301	$ 372,750	$ 754,050
Tons: Commercial and Roll-Off	2,380	2,440	4,820
Billings Per Ton	$ 160	$ 153	$ 156

Red Tags


Red Tags for Yard Waste Contamination:
256 in December
543 in January
426 in February
50
45
40
35
30
25
20
15
10
5
0
Jan-15
Feb-15
Mar-15
Apr-15
May-15
Jun-15
Jul-15
Aug-15
Sep-15
Oct-15
Nov-15
Dec-15
Jan-16
Feb-16
Large bulky items must be scheduled in advance by calling our office.
Items not placed in container.
Overweight/overheight container.
Yard Waste (green)/Recycling (blue) container is contaminated.
Improper or damaged container, please call our office for replacement
Refuses cattered prior to collection.
Misc. (no information on tag).
Unsafe conditions.
Container/Bulky item not out.
Containers are not safely accessible.
Container must not contain Hazardous Waste-call (888)CLEAN LA.
Trimmings must be tied securely in bundles.
Other.

Contractor Responsibilities

SOLID WASTE AGREEMENT CONTRACTOR REQUIREMENTS													
Reports: Section 23 **Monthly and Quarterly Reports Due 20th day after end of month/quarter. Annual Reports due on or before January 30th of each year. [1]**	**Jan-16**	**Feb-16**	**Mar-16**	**Apr-16**	**May-16**	**June-16**	**July-16**	**Aug-16**	**Sept-16**	**Oct-16**	**Nov-16**	**Dec-16**	**Jan-17**
Monthly Reports (23.1)	**20-Jan**	**20-Feb**	**20-Mar**	**20-Apr**	**20-May**	**20-Jun**	**20-Jul**	**20-Aug**	**20-Sep**	**20-Oct**	**20-Nov**	**20-Dec**	**20-Jan**
Tonnage and Fee Report	✓	✓											
Facilities Report													
Warning Notices (Red Tags)	✓	✓											
Summary of Problems Encountered													
Quarterly Reports (23.2)													
Complaint Summary													
Public Education and Outreach Materials													
Contractor Outreach Activities													
Annual Report (23.3)													
City Fees: Section 11 [2] **Administrative Cost Reimbursement and Bulky Item Cost Reimbursement: Adjusted Annually by CPI, due July 1. Monthly franchise fee due on or before the 15th of each month**	**Jan-16**	**Feb-16**	**Mar-16**	**Apr-16**	**May-16**	**June-16**	**July-16**	**Aug-16**	**Sept-16**	**Oct-16**	**Nov-16**	**Dec-16**	**Jan-17**
Administrative Cost Reimbursement (11.2) - Adjusted annually by change in CPI													
Bulky Item Cost Reimbursement (11.5) - Adjusted annually by change in CPI													
Franchise Fee (11.3)	✓	✓											
AB 939 Fee	✓	✓											
Rate Adjustment: First adjustment July 1, 2017 request due from UPW April 15, 2017 (24.3)	**Jan-16**	**Feb-16**	**Mar-16**	**Apr-16**	**May-16**	**June-16**	**July-16**	**Aug-16**	**Sept-16**	**Oct-16**	**Nov-16**	**Dec-16**	**Jan-17**

Contractor Responsibilities

Public Outreach and Education: Section 10.9	Jan-16	Feb-16	Mar-16	Apr-16	May-16	June-16	July-16	Aug-16	Sept-16	Oct-16	Nov-16	Dec-16	Jan-17
City Newsletter (Content due to City Manager's Office)													
Public Outreach (assemblies, presentations, articles) 10.9.3													
Quarterly Newsletter 10.9.4.1													
Annual Notice 10.9.4.2													
Special Programs: Sections 8 and 11	**Jan-16**	**Feb-16**	**Mar-16**	**Apr-16**	**May-16**	**June-16**	**July-16**	**Aug-16**	**Sept-16**	**Oct-16**	**Nov-16**	**Dec-16**	**Jan-17**
Organics Program (8.3.7): District 1 by July 1, 2015; All other customers phased in over 2016 and 2017							1-Jul						1-Jan
Holiday Tree Collection (8.7.6)												26-Dec	16-Jan
City-Wide Clean Up Events: 2 per year (8.7.8)				9-Apr									
Shredding Service for City Documents: On-call and not less than 4 times per year (11.6)													

(1) Liquidated damages may be assessed on reports received after the report due date as follows: Monthly Reports - $100/day; Quarterly Reports - $250/day; Annual Reports - $350/day.

(2) Fees received by the City subsequent to the due dates documented in the Agreement are subject to a 5% late payment fee, and 10% interest penalty calculated on a daily basis for amounts not received after 60 days of due date.

✓ = Submitted, NS = Not submitted

Contractor Responsibilities

SOLID WASTE AGREEMENT CONTRACTOR REQUIREMENTS													
City Sponsored Events: Sections 8.7.3 through 8.7.5 UPW to provide: Solid waste and recycling collection for events (8.7.3); Portable deluxe toilets (8.7.4); Recycling assistance to event organizers and WRRP's to City (8.7.5)	Jan-16	Feb-16	Mar-16	Apr-16	May-16	June-16	July-16	Aug-16	Sept-16	Oct-16	Nov-16	Dec-16	Jan-17
Month of the Child													
Memorial Day Ceremony													
Tiny Tots Graduation													
Telemundo Sports Experience						+toilets							
Relay for Life						+toilets							
4th of July Celebration							+toilets						
National Night Out								+toilets					
Employee Softball Tournament													
El Grito									+toilets				
HP Gran Prix									+toilets				
Veterans Day Ceremony													
Employee Soccer Tournament													
Tree Lighting Ceremony												+toilets	
Senior Dances													
Business Grand Openings													
Town Hall Meetings													
Youth Sports Awards Ceremony													

(1) Liquidated damages may be assessed on reports received after the report due date as follows: Monthly Reports - $100/day; Quarterly Reports - $250/day; Annual Reports - $350/day.

(2) Fees received by the City subsequent to the due dates documented in the Agreement are subject to a 5% late payment fee, and 10% interest penalty calculated on a daily basis for amounts not received after 60 days of due date.
✓ = Submitted, NS = Not submitted

Attachment 3

Elaine Jeng, P.E.
Public Works & Utilities Director

Jonathan Wu, P.E.
Interim City Engineer

CITY OF EL MONTE
PUBLIC WORKS DEPARTMENT

September 14, 2017

Mr. Laith Ezzet, CMC
Senior Vice President
HF&H Consultants, LLC
19200 Von Karman Avenue, Suite 360
Irvine, California 92612

Re: Letter of Recommendation

On behalf of the City of El Monte, I would like to take this opportunity to express my appreciation for the outstanding services provided by HF&H Consultants.

The City of El Monte retained HF&H Consultants in 2015 to provide diversion program implementation and monitoring, regulatory compliance planning and assistance, solid waste contract monitoring, auditing services, grant management, and representing the City at community events on an ongoing basis.

HF&H's "hands-on" approach to solid waste consulting has assisted the City in:

- Developing and implementing a plan to gain compliance with assembly bills 341 and 1826;
- Ensuring that the franchised haulers are complying with the terms and conditions contained in the solid waste agreements, and paying City fees accurately;
- Streamlining the City's construction and demolition process to ensure the capture of the all projects within the City to maximize diversion, and updating the City's construction and demolition debris ordinance to align with CalGreen requirements; and,
- Developing an effective plan to decrease illegal dumping.

HF&H's professional and well-qualified staff has been a benefit to the City, and I am pleased to have the opportunity to recommended HF&H Consultants to other jurisdictions.

Sincerely,

Elaine Jeng, P.E.
Director of Public Works and Utilities

City of BELL GARDENS
7100 Garfield Avenue • Bell Gardens, CA 90201 • 562-806-7700 • www.bellgardens.org

January 21, 2014

Mr. Laith Ezzet, CMC
Senior Vice President
HF&H Consultants, LLC
19200 Von Karman Avenue, Suite 360
Irvine, California 92612

Re: Letter of Recommendation

I am pleased to recommend HF&H Consultants. HF&H has been providing solid waste consulting services to the City of Bell Gardens since 2011. The City has benefited from their breadth of solid waste industry experience and we have always found their work to be comprehensive, and their staff to be responsive to all of our requests.

On an ongoing basis, HF&H:

- Reviews the haulers' operational and financial data to ensure proper payment of city fees and reporting of tonnage.
- Reviews rate increase requests submitted by the exclusive franchised hauler on an annual basis.
- Develops measures to ensure compliance with the State's mandatory commercial recycling program.
- Prepares AB 939 Annual Reports.

As a result of this ongoing work, HF&H has assisted the City in:

- Recovering unpaid city fees.
- Working with each hauler on an individual basis to ensure compliance with the mandatory commercial recycling regulation.
- Ensuring hauler compliance – meetings between HF&H, the haulers, and the City ensured compliance with all of the requirements of the solid waste and recycling collection contract.

For me as a Director of Public Works, I take comfort knowing Debbie Morris and your team is available to respond to issues as they arise. HF&H's consistently delivers a high level of client satisfaction.

Sincerely,

Chau L. Vu
Public Works Director

September 25, 2013

Mr. Laith Ezzet, CMC
Senior Vice President
HF&H Consultants, LLC
19200 Von Karman Avenue, Suite 360
Irvine, California 92612

Re: Letter of Recommendation

I am pleased to recommend HF&H Consultants without hesitation. We have appreciated their invaluable expertise for the past sixteen years. With a staff that is professional, experienced, fair and well-qualified in the solid waste and recycling industries. The City has always found their work to be comprehensive and performed in a timely manner, and their staff to be responsive to all of our requests.

Tasks performed by HF&H over the years have included:

- Three competitive waste hauler procurements;
- Preparation of AB 939 annual reports;
- Waste hauler compliance;
- AB 939 and AB 341 compliance strategies; and,
- The design, implementation and monitoring of over a dozen separate AB 939 diversion programs.

Debbie Morris, Project Manager, has played an integral role in our work for the City since 2003, and has directly managed the City's legislative compliance and solid waste management contracts for the past six contract periods. Laith Ezzet, Project Director, guided the City through their residential solid waste procurement processes in 1997, 2002, and the residential and commercial solid waste procurement process in 2009.

Through the work performed by HF&H, the City has increased their AB 939 diversion rate by 48 percentage points (17% in 1997, 65% in 2012), ensured hauler compliance with all aspects of the solid waste agreement, and reduced costs to ratepayers by $5 million over the term of the existing agreement. HF&H's track record with the City of Lawndale demonstrates their ability to consistently deliver a high level of client satisfaction and strength as a consulting firm. In case of questions, please contact me at 310/973-3266.

Sincerely,

Nasser Abbaszadeh, PE
Public Works Director

Inglewood California

Public Works Department
ONE MANCHESTER BOULEVARD / INGLEWOOD, CA. 90301 / P.O. BOX 6500 / INGLEWOOD, CA. 90312
Telephone (310) 412-5333 / Fax (310) 412-5552
www.cityofinglewood.org

LOUIS A. ATWELL, P.E.
PUBLIC WORKS DIRECTOR

December 15, 2016

Mr. Laith Ezzet, CMC
Senior Vice President
HF&H Consultants, LLC
19200 Von Karman Avenue, Suite 360
Irvine, CA 92612

Re: Letter of Recommendation

Dear Mr. Ezzet:

This letter is provided as recommendation of HF&H Consultants, LLC. HF&H has assisted the City of Inglewood in the area of solid waste consulting and recycling projects since 2006.

HF&H Consultants are a great business partner to the City. Their leadership and extensive knowledge of solid waste practices, contract procurement, negotiations and sustainability principles has proven to be invaluable for Inglewood. Inglewood's current franchise agreement is far and above industry standards due in part to the fact that HF&H understands the City's mission to provide the best trash disposal and recycle services to our residential and commercial customers.

HF&H's ability to serve Inglewood with prompt responsiveness, accountability and professional commitment goes a long way to solidify our trust in them. HF&H is nationally known as "Leaders in Managing Tomorrow's Resources Today"; here in Inglewood, we have found that to be true. HF&H takes pride in the services they provide to their clients in California. They painstakingly ensure that all reports, data requests and rate calculations are provided accurately. Their breadth of experience is depended upon to assist the City to maintain its compliance with state, local and federal agencies.

I wholeheartedly recommend HF&H Consultants, LLC to any entity that is looking for a high quality, state of the art and professional operation.

Respectfully,

Angela Williams
Environmental Services Manager

ATTACHMENT 4: CLIENT LIST

Alameda County Waste Management Authority
Alameda County Water District
Bay Area Water Supply & Conservation Agency
California City
CalRecycle
Central Contra Costa Solid Waste Authority
Chittenden Solid Waste District
City of Adelanto
City of Alameda
County of Alameda
City of Aliso Viejo
City of Anaheim
City of Arcadia
City of Atherton
City of Atwater
City of Bakersfield
City of Bell Gardens
City of Bellflower
City of Belmont
City of Berkeley
City of Berkeley
City of Beverly Hills
City of Brentwood
City of Burbank
City of Burlingame
City of Calabasas
City of Carlsbad
City of Cerritos
City of Chandler
City of Clovis
City of Compton
City of Cotati
City of Covina
City of Daly City
City of Dana Point
City of Diamond Bar
City of Downey
City of East Palo Alto
City of El Centro
City of El Cerrito
City of El Monte
City of Emeryville
City of Folsom
City of Fort Bragg
City of Foster City
City of Fremont
City of Fresno
City of Fullerton
City of Garden Grove
City of Glendale
City of Glendora
City of Guadalupe
City of Hayward
City of Healdsburg
City of Hermosa Beach
City of Hesperia
Town of Hillsborough
County of Humboldt
City of Huntington Park
City of Imperial Beach
City of Indio
City of Inglewood
City of Irvine
County of Kern
City of La Palma
City of La Puente
City of La Quinta
City of La Verne
City of Laguna Niguel
City of Lancaster
City of Lawndale
City of Lincoln
City of Livermore
City of Lodi
City of Long Beach
City of Los Alamitos
Town of Los Altos Hills
City of Los Angeles
County of Los Angeles
City of Los Banos
City of Lynwood
City of Manhattan Beach
County of Marin
County of Mendocino
City of Mill Valley
City of Millbrae
City of Milpitas
City of Modesto
City of Monrovia
City of Monterey Park

City of Mountain View
City of Murrieta
City of Napa
City of Newark
City of Newport Beach
City of Norwalk
City of Oakland Public Works Agency
City of Oceanside
Town of Old Sacramento
City of Orange
City of Oroville
City of Oxnard
City of Pacifica
City of Palm Desert
City of Palm Springs
City of Palmdale
City of Palo Alto
City of Palos Verdes Estates
Town of Paradise
City of Paramount
City of Paso Robles
City of Petaluma
City of Pico Rivera
City of Pinole
City of Pittsburg
City of Placentia
City of Pleasanton
City of Pomona
City of Poway
City of Rancho Palos Verdes
City of Rancho Santa Margarita
City of Redondo Beach
City of Redwood City
City of Reedley
City of Ridgecrest
City of Riverside
County of Riverside
City of Sacramento
County of Sacramento
City of Saginaw
County of San Bernardino
Town of San Anselmo
City of San Bruno
City of San Carlos
City of San Clemente
City of San Diego
City of San Francisco
City of San Jose
City of San Juan Capistrano
County of San Joaquin
City of San Leandro
City of San Mateo
County of San Mateo
City of San Pablo
City of San Rafael
City of Santa Ana
City of Santa Barbara
City of Santa Clarita
City of Santa Cruz
County of Santa Cruz
County of Santa Barbara
City of Santa Monica
City of Stockton
City of Stockton
City of Sunnyvale
City of Temecula
City of Thousand Oaks
Town of Tiburon
City of Torrance
City of Tracy
County of Tulare
City of Ukiah
City of Union City
City of Upland
County of Ventura
City of Victorville
City of Walnut Creek
City of Watsonville
City of West Hollywood
City of Whittier
City of Willits
City of Winters
City of Woodland
City of Woodland
County of Yolo
City of Yorba Linda
Town of Yucca Valley
Coachella Valley Association of Governments
Costa Mesa Sanitary District
DERWA (DSRSD-EBMUD Recycled Water Authority)
East Bay Municipal Utilities District
Golden Hills Community Services District
Humboldt Waste Management Authority
Kensington Police Protection
Lake County / City Area Planning Council

Las Gallinas Valley Sanitary District
Los Angeles Department of Water & Power
Marin County Community Development Agency
Natural Resources Defense Council
North Coast County Water District
Orange County
Placer County Water Agency
Riverside County Waste Resource Management District
Ross Valley Sanitary District
Sanitary District No. 5 of Marin County
Santa Clara Valley Water District
Sausalito-Marin City Sanitary District
Scotts Valley Water District
Marin Municipal Water District
Monterey Regional Waste Management District

Sonoma County
Sonoma County Water Agency
South Bayside Waste Mgmt. Authority
Stanislaus County
Tamalpais Community Services District
The Presidio Trust
The State Bar of California
United Water Conservation District
West Bay Sanitary District
West Contra Costa Integrated Waste Mgmt.
West Valley Solid Waste Mgmt. Authority

ATTACHMENT “B”

Qualifications for Compliance Auditing Services for the City's Trash Hauling Services

DECEMBER 11, 2017

Submitted to:

City of Huntington Park
6550 Miles Avenue
Huntington Park, California, 90255

Submitted by:

WasteSavers

WasteSavers
5280 EAST BEVERLY BOULEVARD, SUITE C-100 | LOS ANGELES, CALIFORNIA 90022 | (916) 737-9785
www.waste-savers.com

Printed on recycled paper

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Letter of Transmittal

December 11, 2017

City of Huntington Park
Office of the City Clerk
6550 Miles Avenue
Huntington Park, California 90255

RE: RFQ for Compliance Auditing Services for the City's Trash Hauling Services

Dear Mr. Ornelas,

WasteSavers is pleased to submit our qualifications in response to the Request for Qualifications for Compliance Auditing Services for the City of Huntington Park's Trash Hauling Services. Based on the WasteSavers team review of the RFQ, information and experience gathered on comparative practices in the public and private sectors, WasteSavers has provided qualifications for a dynamic group who can meet and exceed the City's expectations.

WasteSavers is committed to providing a fair and impartial audit, to assist the City in its understanding of the first 2 years of activity and contract compliance by the contractor, United Pacific Waste (UPW). We understand the importance of this audit and will ensure that the City is informed of every step during its process.

Our team is excited to work with the City of Huntington Park to help ensure the successful completion of the first compliance audit since the commencement of franchised service with UPW. If you have any questions regarding this document or would like any additional information, please do not hesitate to contact me directly. We appreciate your time in evaluating our submission, and we thank you very much for your consideration.

Sincerely,

Josie Kalbaklian
Founder & CEO
WasteSavers
josie@waste-savers.com

About the WasteSavers

Firm Information & Experience

WasteSavers is a management consulting firm specializing in the waste and recycling industry. Our services offer solutions in recycling, diversion and waste management programs for federal and local municipalities, trade associations, and private sector clients. Our team has over 14 years of experience in the field representing both private and public entities on various projects. Based in Los Angeles County, WasteSavers has been intimately involved in various local projects and understands the challenges and needs related to solid waste in the region. Thus, we focus our efforts particularly to local clients interested in programs and services that will improve the quality of life and sustainability of its community. Our firm specializes in the following areas:

- CONTRACT COMPLIANCE – Monitoring of contract requirements on an ongoing basis to ensure programs and services are being met.

- COMPLIANCE AUDITS – Comprehensive review of contractor's adherence to service agreement, including but not limited to:
  - Financial analysis
  - Diversion reporting
  - Quality of Service
  - Program Implementation

- WASTE CHARACTERIZATIONS - Waste characterizations are conducted to determine the types and measurements of materials being discarded in a waste stream.

- PROGRAM DEVELOPMENT - Waste characterization information is used to develop a recycling and/or waste reduction program catered for your specific business and/or property. This includes:
  - Green purchasing policy
  - User-friendly facilities
  - Business conduction practices
  - Coordination of product donation

- LEED CERTIFICATION/GREEN BUILDING - We will provide leadership and monitoring of your LEED Certification/Green Building process.

- WASTE AUDITS - Waste audits are required to ensure that program is being followed and to identify areas of improvement.

- REPORTING - Reporting and/or documentation of waste diversion and reduction efforts provided in a clear and concise format that is approved by regulatory agencies.

- GREEN EVENT PLANNING - Let us help you design your next event - GREENED! We will ensure that there is the least amount of waste taken away from your event. This includes:
    - Setting up containers
    - Providing outreach/marketing material
    - Consultation with vendors to ensure compliance

MISSION & COMMITMENT

MISSION

WasteSavers was founded to save businesses from waste!

We are on a mission to building a greener future for local businesses and property managers. The lack of interface with day-to-day operators in this sector has presented an opportunity for the WasteSavers to fill this void.

COMMITMENT

WasteSavers has core values it abides by and we uphold our commitment to our clients with the highest regard:

- We will work honestly and diligently for you.
- We will document our work and show you the difference of having WasteSavers on your side.
- We will assist you on compliance with local and State requirements.

CONTACT INFORMATION

WasteSavers
5280 East Beverly Boulevard
Suite C100
Los Angeles, California 90022
josie@waste-savers.com
(916) 737-9785

Project Understanding

Wastesavers understands that the need for an audit is necessary with UPW, the City's franchised waste hauler. Since contract commencement on August 18, 2014, a compliance audit was not conducted. Section 27.4 of the service agreement states that the first discretionary audit shall be performed in 2017, and the period of the audit shall be based on UPW's reports and records through calendar year 2016. The audit review will include, but not limited to, customer service levels and billing, fee payments, gross receipts, tonnage, and verification of diversion. In addition, there are submittals required by the contract, including a route audit, that shall be performed by UPW and require verification. We will ensure that all items required for review will be met through our work plan.

Work Plan

WasteSavers will adhere to the Scope of Services described in Attachment I of the RFQ. We have summarized a list of tasks below as our work plan.

Task 1 – Project Kick-Off

WasteSavers' goal is to keep the City informed of our audit activity and promote communication by both parties throughout the project. We will start the project with a kick-off meeting with City Staff to get an understanding of the goals and objectives of this project. At the kick-off, we will present our draft work plan and review each item with City Staff. We will ensure that the project and timeline are in accordance with the City's expectations.

Task 2- Request for Information

We will prepare a request for information on the City's behalf. This will include, but not limited to:

1. Monthly reports from commencement of the contract in 2014 through 2016 and its supporting documentation, such as tonnage reports from disposal sites and processing facilities and tonnage allocation information.
2. UPW billing system reports to include customer information, services levels, container sizes, billed rates, etc.

Task 3 – Audit of Information

We will conduct a review of data provided by the City, UPW, disposal sites and processing facilities to ensure mathematical accuracy and reasonableness of the monthly reports. We will compare

the data from month-to-month and request clarification of any inconsistencies with the reporting provided by UPW.

Task 4 – Field Audit

A field audit will be performed to ensure one, that the data provided is consistent with UPW's internal, original records, and to review contract requirements that require verification in the field. The following, but not limited to, will be reviewed:

1. With the City's approval, we will select test months and review gross receipts, tonnage reports, and customer billing information through UPW's internal systems to ensure accuracy of reporting.
2. We will make a random selection of customers to conduct field testing of container size, quantity, billing, and AB341 requirements.

Task 5 – Communication of Findings

We will prepare a draft report of the audit for review of UPW and the City. We will:

1. Present it to UPW for initial review. While these findings will be discussed with them on a task-by-task basis, we want to ensure that the final report represents all findings correctly and accurately. UPW will be allowed to review and provide feedback on any information misrepresented.
2. Prepare and meet with the City to discuss the draft report summarizing our findings. We will make recommendations to City Staff and prepare revisions to the report, if necessary.
3. WasteSavers will prepare a presentation of our findings and recommendations to the City.

Key Personnel

Organization Chart

PROJECT STAFF RESUMES

PROJECT MANAGER – JOSIE KALBAKLIAN

Josie Kalbaklian has over 17 years of experience with local government, the solid waste industry, and solid waste consulting services. Her efforts include developing, promoting, and implementing various recycling programs in specific markets, contract compliance and auditing, data analysis and reporting, rate increase analysis, and public affairs.

Ms. Kalbaklian developed and implemented outreach programs in various California cities to assist in compliance with State regulations. She has successfully built partnerships with various community organizations, special interest groups, and stakeholders within the communities she has served. Her active membership in Chambers of Commerce allowed her to personally network with leaders of local organizations, businesses, and schools to increase grassroots participation in programs she developed. Ms. Kalbaklian attended community organization meetings to educate members on change in laws and/or services offered to them.

Ms. Kalbaklian most recently served as a manager in a waste hauling company, where she oversaw compliance with state and local regulations, audit preparation and oversight, business development, public affairs, and marketing. In her role, she represented the company in various speaking engagements and received accolades on behalf of the company. She served on the Board of the Valley Industry Commerce Association (VICA) as a voting member.

Experience

Josie Kalbaklian is a bilingual (English/Armenian) community outreach and government affairs professional with 17 years of experience working with a variety of different stakeholder groups including homeowners' associations, business groups, schools, and faith-based organizations. Her experience includes working with and on behalf of elected officials and public agencies, and creating and implementing successful media and public awareness campaigns. She has overseen the creation of informational and collateral materials including fact sheets, newsletters, and public meeting notices. Ms. Kalbaklian is adept at effectively managing staff and budgets to ensure the successful and timely completion of projects.

Education

BS, Political Science: University of California, Irvine

AUDIT SPECIALIST – GENE LIM, CPA

Gene Lim is the Managing Partner at a Los Angeles-based accounting firm. He specializes in income tax and business planning for closely held companies and high net worth individuals.

Mr. Lim assists with entity structure and formations, mergers and acquisitions and works closely with clients to keep accurate books and records to help them make better informed decisions on running their business.

In addition, Gene works with high net worth individuals and their families on estate, trust, and planning issues. Gene is involved in all facets of our clients' financial lives, from consulting on the selection of outside advisors, to business, personal and tax planning.

Industry Focus

Gene's industry focus includes manufacturing and distribution, professional services (medical and legal) and real estate.

Education

- Master in Business Taxation, Golden Gate University
- Bachelor of Arts, University of California, Los Angeles

PROJECT ANALYST – CHRIS KALBAKLIAN

Chris Kalbaklian has 5 years of experience assisting municipalities with environmental and planning solutions. He has worked for 2 municipalities and interning for a municipality while a student. Mr. Kalbaklian assist the public, including contractors, with technical information related to City, State, and County code compliance. Mr. Kalbaklian has experience advising public on environmental and building concerns and solutions. His level of understanding allows him to communicate the municipality's requirements to all levels of the public.

Mr. Kalbaklian has completed the following coursework:

- California Environmental Quality Act for Urban Planners,
- Policymaking for Urban Planners,
- The General Plan & Zoning,
- Multi-Ethnic City Planning,
- Growth & Development of Cities, Urban Research Methods, and
- Community Based Urban Design, Transportation Planning.

Education

B.A., Urban Studies and Planning, Housing Community and Economic Development, California State University, Northridge

A.A., General Education, Pasadena City College

Fee Schedule

Fees will be billed on an hourly basis, or in accordance with the terms agreed by the City and WasteSavers upon project award.

Staff	Title	Hourly Rate
Josie Kalbaklian	Project Manager	$165
Gene Lim	Audit Specialist	$145
Chris Kalbaklian	Project Analyst	$105

References

City of Beverly Hills – Biennial Audit

Prior to forming WasteSavers, Ms. Kalbaklian, representing Recology, the City's solid waste hauler, managed the biennial audit. Ms. Kalbaklian coordinated a third party to collect field data and provide her information to complete the audit. The biennial audit consisted of the following, but not limited to:

- Review of diversion reporting and customer billing in relation to franchise fee payments,
- Comparison of field activity to customer billing,
- Verifying container placement in compliance with AB 341, and
- Testing quality and condition of containers.

Contact: Colonel James Burnley, Solid Waste Manager
Phone: (310) 285-2475
Email: jburnley@beverlyhills.org

City of Santa Paula – Audit of Services

Prior to forming WasteSavers, Ms. Kalbaklian, representing Recology, the City's solid waste hauler, managed the City's audit. Ms. Kalbaklian coordinated a third party to collect field data and provide her information to complete the audit. The audit consisted of the following, but not limited to:

- Review of diversion reporting and customer billing in relation to franchise fee payments,
- Comparison of field activity to customer billing,

- Verifying container placement in compliance with AB 341, and
- Testing quality and condition of containers.

Contact: John L. Ilasin, P.E., Interim Public Works Director
Phone: (805) 933-4212
Email: jilasin@spcity.org

Authorization

This document is valid for ninety (90) days from the date of submission. The authorized representative has provided a statement in the cover letter to bind this document from the firm, WasteSavers.

Addenda

No addenda were issued for this RFQ.

Sub-Consultants

WasteSavers intends to utilize the expertise of Gene Lim, CPA, to validate data analysis and findings from the audit. Mr. Lim's qualifications are included in Key Personnel on page 3.

Acceptance of Conditions

WasteSavers accepts all conditions listed in the RFQ document. Additionally, we will work with the City to ensure that an agreement is met for items that are not included, but found to be necessary.

ATTACHMENT “C”

PROFESSIONAL SERVICES AGREEMENT
(Trash Hauling Compliance Audit Services)

1. IDENTIFICATION

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is entered into by and between the City of Huntington Park, a California municipal corporation ("City") and _____ ("Consultant"). City and Consultant are sometimes hereinafter individually referred to as a "Party" and collectively referred to as "Parties."

2. RECITALS

2.1 City has determined that it requires professional services from a consultant to provide audit services to evaluate compliance by the City's waste hauler, United Pacific Waste & Recycling Services (UPW).

2.2 Consultant represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees. Consultant further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for and in consideration of the performance by the Parties of the mutual covenants and conditions herein contained, the Parties hereto agree as follows:

3. DEFINITIONS

3.1 "Scope of Services": Such professional services as are set forth in the Consultant's _____, 2017, proposal to City attached hereto as Exhibit "A" and incorporated herein by this reference.

3.2 "Approved Fee Schedule": The City shall pay Consultant at a rate of _____ dollars ($_____),unless specifically approved in advance, in writing, by City.

3.3 "Commencement Date":_____

3.4 "Expiration Date":_____

4. TERM

The term of this Agreement shall commence at 12:00 a.m. on the Commencement Date and shall expire at 11:59 p.m. on the Expiration Date unless extended by written agreement of the Parties or terminated in accordance with Section 22 below.

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5. CONSULTANT'S SERVICES

5.1 Consultant shall perform the services identified in the Scope of Services. City shall have the right to request, in writing, changes in the Scope of Services. Any such changes mutually agreed upon by the Parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement. In no event shall the total compensation and costs payable to Consultant under this Agreement exceed the sum of _____ dollars ($_____) unless specifically approved in advance, in writing, by City.

5.2 Consultant shall perform all work to the highest professional standards of Consultant's profession and in a manner reasonably satisfactory to City.

6. COMPENSATION

6.1 City agrees to compensate Consultant for the services provided under this Agreement, and Consultant agrees to accept in full satisfaction for such services, payment in accordance with the Approved Fee Schedule.

6.2 Consultant shall submit to City an invoice, on a monthly basis or less frequently, for the services performed pursuant to this Agreement. Each invoice shall itemize the services rendered during the billing period and the amount due. Within ten (10) business days of receipt of each invoice, City shall notify Consultant in writing of any disputed amounts included on the invoice. Within thirty (30) calendar days of receipt of each invoice, City shall pay all undisputed amounts included on the invoice. City shall not withhold applicable taxes or other authorized deductions from payments made to Consultant.

7. BUSINESS LICENSE

Consultant shall obtain a City business license prior to commencing performance under this Agreement.

8. COMPLIANCE WITH LAWS

Consultant shall keep informed of State, Federal and Local laws, ordinances, codes and regulations that in any manner affect those employed by it or in any way affect the performance of its services pursuant to this Agreement. The Consultant shall at all times comply with such laws, ordinances, codes and regulations. Without limiting the generality of the foregoing, if Consultant is an out-of-state corporation or LLC, it must be qualified or registered to do business in the State of California pursuant to sections 2105 and 17451 of the California Corporations Code. The City, its officers and employees shall not be liable at law or in equity occasioned by failure of Consultant to comply with this Section.

9. CONFLICT OF INTEREST

Consultant covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by

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Consultant under this Agreement, or which would conflict in any manner with the performance of its services hereunder. During the term of this Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working at the Commencement Date if both (i) such work would require Consultant to abstain from a decision under this Agreement pursuant to a conflict of interest statute; and (ii) City has not consented in writing prior to Consultant's performance of such work.

10. PERSONNEL

Consultant represents that it has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Services. All such services shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. Consultant reserves the right to determine the assignment of its own employees to the performance of Consultant's services under this Agreement, but City reserves the right, for good cause, to require Consultant to exclude any employee from performing services on City's premises. Pedro Carrillo, shall be Consultant's project administrator and shall have direct responsibility for management of Consultant's performance under this Agreement. No change shall be made in Consultant's project administrator without City's prior written consent.

11. OWNERSHIP OF WRITTEN PRODUCTS

All reports, documents or other written material ("written products") developed by Consultant in the performance of this Agreement shall be and remain the property of City without restriction or limitation upon its use or dissemination by City. Consultant may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by Consultant.

12. INDEPENDENT CONTRACTOR

12.1 Consultant is, and shall at all times remain as to City, a wholly independent contractor. Consultant shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise to act on behalf of City as an agent. Neither City nor any of its officers, employees or agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not at any time represent that it is, or that any of its agents or employees are, in any manner employees of City.

12.2 The Parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this Agreement.

12.3 City shall not deduct from the Compensation paid to Consultant any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to Consultant. City shall have no responsibility to provide Consultant, its employees or

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subcontractors with workers' compensation insurance or any other insurance.

13. CONFIDENTIALITY

All data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without prior written consent by City. City shall grant such consent if disclosure is legally required. Upon request, all City data and any copies thereof shall be returned to City upon the termination or expiration of this Agreement.

14 NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES

No official or employee of the City shall be personally liable to Consultant in the event of any default or breach by City, or for any amount which may become due to Consultant.

15. INDEMNIFICATION

15.1 The Parties agree that City, its officers, agents, elected and appointed officials, employees, affiliated public agencies and volunteers should, to the extent permitted by law, be fully protected from any loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, or any other cost arising out of or in any way related to the performance of this Agreement. Accordingly, the provisions of this indemnity provision are intended by the Parties to be interpreted and construed to provide the fullest protection possible under the law to City. Consultant acknowledges that City would not enter into this Agreement in the absence of Consultant's commitment to indemnify and protect City as set forth herein.

15.2 To the full extent permitted by law, Consultant shall indemnify, hold harmless and defend City, its officers, agents, elected and appointed officials, employees, affiliated public agencies and volunteers from and against any and all claims, demands, lawsuits, causes of action, losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from or arising out of any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant or any of its officers, employees, servants, agents, or subcontractors in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of City's choice.

15.3 City shall have the right to offset against the amount of any compensation due Consultant under this Agreement any amount due City from Consultant as a result of Consultant's failure to pay City promptly any indemnification arising under this Section 15 and related to Consultant's failure to either (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.

15.4 The obligations of Consultant under this Section 15 will not be limited by the provisions of any workers' compensation act or similar act. Consultant expressly

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waives its statutory immunity under such statutes or laws as to City, its officers, agents, employees and volunteers.

15.5 Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Section 15 from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. In the event Consultant fails to obtain such indemnity obligations from others as required herein, Consultant agrees to be fully responsible and indemnify, hold harmless and defend City, its officers, agents, elected and appointed officials, employees, affiliated public agencies and volunteers from and against any and all claims, demands, lawsuits, causes of action, losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from or arising out of any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant's subcontractors or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of City's choice.

15.6 City does not, and shall not, waive any rights that it may possess against Consultant because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

15.7 **PERS ELIGIBILITY INDEMNITY.** In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

16. INSURANCE

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16.1 During the term of this Agreement, Consultant shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with Consultant's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

16.1.1 Comprehensive General Liability Insurance with coverage limits of not less than One Million Dollars ($1,000,000) per occurrence / Two Million Dollars ($2,000,000) in the annual aggregate, including products and Completed operations hazard, contractual insurance, broad form property damage, independent Consultants, personal injury.

16.1.2 Automobile Liability Insurance for vehicles used in connection with the performance of this Agreement with minimum limits of One Million Dollars ($1,000,000) per claimant and One Million dollars ($1,000,000) per incident.

16.1.3 Worker's Compensation insurance as required by the laws of the State of California.

16.1.4 Professional Liability insurance against errors and omissions in the performance of the work under this Agreement with coverage limits of not less than One Million Dollars ($1,000,000).

16.2 Consultant shall require each of its subcontractors, if any, to maintain insurance coverage that meets all of the requirements of this Agreement.

16.3 The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least A:VII in the latest edition of Best's Insurance Guide.

16.4 Consultant agrees that if it does not keep the aforesaid insurance in full force and effect City may either (i) immediately terminate this Agreement; or (ii) take out the necessary insurance and pay, at Consultant's expense, the premium thereon.

16.5 At all times during the term of this Agreement, Consultant shall maintain on file with City a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and, for the general liability and automobile liability policies, naming the City as an additional insured. Consultant shall, prior to commencement of work under this Agreement, file with City such certificate(s).

16.6 Consultant shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Consultant shall provide such proof to City at least two weeks prior to the expiration of the coverages.

16.7 The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming City, its officers, employees, agents

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and volunteers as additional insureds. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to City. Consultant agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

16.8 The general liability and automobile policies of insurance provided by Consultant shall be primary to any coverage available to City. Any insurance or self-insurance maintained by City, its officers, employees, agents or volunteers, shall be in excess of Consultant's insurance and shall not contribute with it.

16.9 All insurance coverage provided pursuant to this Agreement shall not prohibit Consultant, and Consultant's employees, agents or subcontractors, from waiving the right of subrogation prior to a loss. Consultant hereby waives all rights of subrogation against the City.

16.10 Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of City, Consultant shall either reduce or eliminate the deductibles or self-insured retentions with respect to City, or Consultant shall procure a bond guaranteeing payment of losses and expenses.

16.11 Procurement of insurance by Consultant shall not be construed as a limitation of Consultant's liability or as full performance of Consultant's duties to indemnify, hold harmless and defend under Section 15 of this Agreement.

17. MUTUAL COOPERATION

17.1 City shall provide Consultant with all pertinent data, documents and other requested information as is reasonably available for the proper performance of Consultant's services under this Agreement.

17.2 In the event any claim or action is brought against City relating to Consultant's performance in connection with this Agreement, Consultant shall render any reasonable assistance that City may require.

18. RECORDS AND INSPECTIONS

Consultant shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three years after the expiration or termination of this Agreement. City shall have the right to access and examine such records, without charge, during normal business hours. City shall further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.

19. PERMITS AND APPROVALS

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Consultant shall obtain, at its sole cost and expense, all permits and regulatory approvals necessary in the performance of this Agreement.

20. NOTICES

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile or overnight courier service during Consultant's and City's regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the Parties may, from time to time, designate in writing).

If to City:

City Manager
City of Huntington Park
6550 Miles Avenue
Huntington Park, California 9025
Facsimile: (323) 584-6313

If to Consultant:

With a courtesy copy to:

Arnold M. Alvarez-Glasman, City Attorney
13181 Crossroads Parkway North
Suite 400 - West Tower
City of Industry, CA 91746
Facsimile: (562) 692-2244

21. SURVIVING COVENANTS

The Parties agree that the covenants contained in Sections 13, 15 and Paragraph 17.2 of Section 17, of this Agreement shall survive the expiration or termination of this Agreement.

22. TERMINATION

22.1. City shall have the right to terminate this Agreement with or without any reason on five (5) calendar days' written notice to Consultant. Consultant shall have the right to terminate this Agreement for any reason on sixty (60) calendar days' written notice to City. The effective date of termination shall be upon the date specified in the notice of termination. Consultant agrees that in the event of such termination, City's obligation to pay Consultant shall be limited to payment only for those services satisfactorily rendered prior to the effective date of termination. Consultant agrees to cease all work under this Agreement on or before the effective date of any notice of termination. All City data, documents, objects, materials or other tangible things shall be returned to City upon the termination or expiration of this Agreement.

22.2 If City terminates this Agreement due to no fault or failure of performance

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by Consultant, then Consultant shall be paid based on the work satisfactorily performed at the time of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement.

23. ASSIGNMENT

Consultant shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without City's prior written consent, and any attempt to do so shall be void and of no effect. City shall not be obligated or liable under this Agreement to any Party other than Consultant.

24. NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY

24.1 In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation. Consultant will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

24.2 Consultant will, in all solicitations or advertisements for employees placed by or on behalf of Consultant state either that it is an equal opportunity employer or that all qualified applicants will receive consideration for employment without regard to race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

24.3 Consultant will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement except contracts or subcontracts for standard commercial supplies or raw materials.

25. WARRANTIES

25.1 Each party has received independent legal advice from its attorneys with respect to the advisability of entering into and executing this Agreement, or been provided with an opportunity to receive independent legal advice and has freely and voluntarily waived and relinquished the right to do so. Each party who has not obtained independent counsel acknowledges that the failure to have independent legal counsel will not excuse such party's failure to perform under this Agreement.

25.2 In executing this Agreement, each party has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of any matter

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whatsoever.

25.3 It is agreed that each party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this Agreement.

26. CAPTIONS

The captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between such heading, and the section or paragraph thereof at the head of which it appears, the section or paragraph thereof, as the case may be, and not such heading, shall control and govern in the construction of this Agreement. Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution(s).

27. NON-WAIVER

27.1 The waiver by City or Consultant of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. In no event shall the making by City of any payment to Consultant constitute or be construed as a waiver by City of any breach of covenant, or any default which may then exist on the part of Consultant, and the making of any such payment by City shall in no way impair or prejudice any right or remedy available to City with regard to such breach or default. No term, covenant or condition of this Agreement shall be deemed to have been waived by City or Consultant unless in writing.

27.2 Consultant shall not be liable for any failure to perform if Consultant presents acceptable evidence, in City's sole judgment that such failure was due to causes beyond the control and without the fault or negligence of Consultant.

28. COURT COSTS

Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance of the exercise by any Party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such Party of any of all of such other rights, powers or remedies. In the event legal action shall be necessary to enforce any term, covenant or condition herein contained, the Party prevailing in such action, whether reduced to judgment or not, shall be entitled to its reasonable court costs, including accountants' fees, if any, and attorneys' fees expended in such action. The venue for any litigation shall be Los Angeles County, California.

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29. SEVERABILITY

If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to, the extent necessary to cure such invalidity or unenforceability, and in its amended form shall be enforceable. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

30. GOVERNING LAW

This Agreement shall be governed and construed in accordance with the laws of the State of California.

31. COUNTERPARTS

This Agreement may be signed in any one or more counterparts all of which taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the party whose signature appears in the facsimile and shall be binding upon such party in the same manner as though an originally signed copy had been delivered.

32. ENTIRE AGREEMENT

All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail. This instrument contains the entire Agreement between City and Consultant with respect to the transactions contemplated herein. No other prior oral or written agreements are binding upon the Parties. Amendments hereto or deviations herefrom shall be effective and binding only if made in writing and executed by City and Consultant.

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TO EFFECTUATE THIS AGREEMENT, the Parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

"CITY" CITY OF HUNTINGTON PARK	"CONTRACTOR"
_____ Ricardo Reyes, Interim City Manager	_____ Name
Dated: _____	Dated: _____
ATTEST:	**APPROVED AS TO FORM:**
_____ Donna G. Schwartz, City Clerk	_____ Arnold M. Alvarez-Glasman, City Attorney

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CITY OF HUNTINGTON PARK

Department of Parks and Recreation
City Council Agenda Report

December 12, 2017

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Mayor and Members of the City Council:

CONSIDERATION AND APPROVAL OF AUTHORIZATION AND RATIFICATION OF CERTAIN EXPENDITURES FOR PARADE PRODUCTION SERVICES

IT IS RECOMMENDED THAT THE CITY COUNCIL:

1. Approve authorization of Pageantry Productions as a sole source, in a not-to-exceed amount of $25,000 for the 67th Annual Holiday Parade Production.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Each year, the City of Huntington Park staff and residents alike, look forward to the Annual Holiday Parade as it brings together the community and provides enjoyment to all. The Holiday Committee worked diligently to ensure that all elements were completed with mindfulness of the costs and expenses associated with it. Pageantry Productions has extensive experience in parades and provided the City with wonderful service and coordination in 2016; so much so that it was deemed necessary to secure them early for our 2017 parade. On February 8, 2017, the City's former City Manager, Edgar Cisneros, signed a contract with Pageantry Productions for the 2017 parade. The total final cost to produce the parade is $25, 000.

FISCAL IMPACT/FINANCING

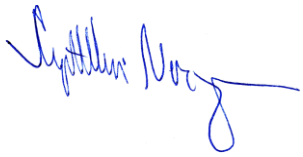
Funding for the 2017 Holiday Parade Production services was approved in the City's FY 17-18 Adopted Budget in account number 111-6010-466.55-35.

CONCLUSION

Upon Council approval, staff will proceed with the recommended actions.

Respectfully submitted,

RICARDO REYES
Acting City Manager



CYNTHIA NORZAGARAY
Director of Parks and Recreation

CITY OF HUNTINGTON PARK

Public Works Department
City Council Agenda Report

December 12, 2017

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Mayor and Members of the City Council:

CONSIDERATION AND APPROVAL OF AN AWARD OF A CONTRACT AGREEMENT FOR THE PACIFIC BOULEVARD PEDESTRIAN AND TRANSPORTATION IMPROVEMENT PROJECT

IT IS RECOMMENDED THAT THE CITY COUNCIL:

1. Award contract to the lowest responsible, responsive bidder, FS Contractor, Inc. which will accept this project and proceed with the work in accordance with the bid;

2. Authorize staff, under the currently approved augmentation contract, to proceed with necessary work (Project Management, Construction Management, Construction Inspection and Administration) in compliance with the terms and conditions of the contract in an amount not to exceed of $52,000;

3. Authorize additional budget appropriation of $181,763 from Measure R account #222-8010-431.73-10; and

4. Authorize the Interim City Manager or designee to execute the contract.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On October 3 and 5, 2017 staff presented the remaining Metro Call for Projects grant requirements in order to close out the awarded project. The following are the final remaining items as presented to the City Council:

- Bus Shelters with Lighting
    - Benches
- Directional Signs
    - Pedestrian and Wayfinding Signs
    - Monument Sign
- Street Pavement Marking
- Trash Receptacles

At the request of staff and per the direction of the City Council, the street pavement marking and trash receptacles were completed during the week of December 4th. The remaining items were packaged into a Notice Inviting Bids (NIB) which opened on November 2, 2017 and closed on December 5, 2017. Addendum 1 was issued on November 14, 2017. 34 NIBs were requested and 3 bids were received from the following companies:

Bidders (Alphabetical Order)
Alfaro Communications Construction, Inc.
FS Contractors Inc.
PTM General Engineering Services

Staff's fair construction cost estimate listed in the Notice Inviting Bid was $850,000. Below were the bids received and shown from lowest to highest.

Bidders (lowest bid first)	Total Bid Shown on Bidder's Proposal
FS Contractors Inc.	$753,390.00
Alfaro Communications Construction, Inc.	$871,707.22
PTM General Engineering Services	$989,090.00

Per Public Contract Code Section 10180 a public contract shall be awarded to the lowest responsible bidder.

After the bids are opened, an analysis and evaluation of the apparent low bidder is conducted, including checking the bid calculations/amounts and total, licensing, DIR, debarment, references, bonds, and other requirements project specific requirements. Based upon this review and analysis, the lowest responsible bidder is established, to whom the contract would be awarded.

While the staff was in the process of finalizing its review of the bid submitted by the apparent low bidder, on December 7, 2014, the apparent low bidder, FS Construction, sent a letter (letter is attached to the staff report) to the City requesting to be relieved of the bid. The letter states that they have inadvertently made a clerical error in their bid, which made their bid materially different than they intended it to be. They indicate that the mistake was made on filling out the bid and not due to an error in judgment or to carelessness in inspecting the site of work or in reading the plans and specifications. Based on this, the apparent low bidder has requested to be relieved of the bid pursuant to Public Contract Code Section 5100-5013.

Staff is evaluating the bid relieve request by the apparent low bidder. Additional information is required from the apparent low bidder to evaluate and determine if the bid relief request can be granted pursuant to applicable Public Contract Code requirements. Following is the summary of Public Contract Code sections regarding bid relieve:

- A bidder shall not be relieved of the bid unless by consent of the awarding authority nor shall any change be made in the bid because of mistake.
- But the bidder may bring an action against the public entity in a court of competent jurisdiction in the county in which the bids were opened for the recovery of the amount forfeited, without interest or costs.
- If the plaintiff fails to recover judgment, the plaintiff shall pay all costs incurred by the public entity in the suit, including a reasonable attorney's fee to be fixed by the court.
- If an awarding authority for the state consents to relieve a bidder of a bid because of mistake, the authority shall prepare a report in writing to document the facts establishing the existence of each element in compliance with applicable PCC Section (5103), and such report shall be available for inspection as a public record.

In order to grant a bid relief, the bidder shall establish to the satisfaction of the court that:

- A mistake was made.
- The bidder gave the public entity written notice within five working days, excluding Saturdays, Sundays, and state holidays, after the opening of the bids of the mistake, specifying in the notice in detail how the mistake occurred.
- The mistake made the bid materially different than he or she intended it to be.
- The mistake was made in filling out the bid and not due to error in judgment or to carelessness in inspecting the site of the work, or in reading the plans or specifications.

In order for City to determine if the bid relieve can be granted or not, additional information is needed from the bidder showing in detail and with backup the inadvertent clerical error they claim to have made in their bid.

This evaluation process may take few weeks. Because of project and funding deadlines and to avoid further delays, the staff is respectfully requesting that the City Council authorize the City Manager, upon conclusion of the evaluation and selection of the lowest responsible bidder, to sign the contract, and then report back to the City Council with the final outcome.

This will allow staff to conduct the additional evaluations to determine if the apparent low bidder can be relieved or its bid bond would be forfeited, establish the lowest responsible bidder, finalize the contract accordingly, and be ready to start the construction in late January or early February 2018, and complete the construction by approximately May 2018.

If City Council decides to wait for the final contract award until the evaluation is completed, staff will then bring back the item to the City Council at the first or second Council meeting in January, depending upon how fast staff can get the info and details from the contractor, at which time, the City Council can direct the award of the contract to the corresponding contractor. In this option, staff will then be able to finalize the contract accordingly, and be ready to start the construction in late February or early March 2018, and complete the construction by approximately June 2018.

Based on the information above, staff recommends that the City Council authorize the City Manager, upon conclusion of the evaluation and selection of the lowest responsible bidder, to sign the contract, and then report back to the City Council with the final outcome.
In addition to the contractor selection, staff is recommending Infrastructure Engineers to perform Project Management, Construction Management/Construction Inspection (CMCI) and Administration for the project under the currently approved Engineering and Building and Safety contract in a not to exceed amount of $52,000.

FISCAL IMPACT/FINANCING

The current budget has funds allocated for this project in the following accounts and dollar amounts:

Fund Number	Fund Name	Allocated Amount
205-8010-431.73-10	Metro Grant	$ 330,383
221-4010-431.73-10	Gas Tax	$ 30,163
222-8010-431.73-10	Measure R	$ 128,718
239-8010-431.73-10	CDBG	$ 50,000
334-8010-431.73-10	TDA	$ 146,373
535-8010-431.73-10	Measure L	$ 114,529
	Total	**$ 800,166**

An additional budget appropriation of $181,763 to Measure R account #222-8010-431.73-10 is requested at this time. Funding for this expense will come from prior year revenue received.

With Council approval, staff will move forward with amending the Measure R budget by submitting “Form 1” notifying L.A. Metro of increased expenditures. Upon receiving approval from L.A. Metro of amended budget, staff will forward copies to the Finance Manager.

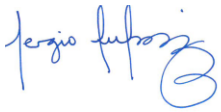
CONCLUSION

Upon Council approval, staff will proceed with recommended actions.

Respectfully submitted,

RICARDO REYES
Interim City Manager

DANIEL HERNANDEZ
Director of Public Works



SERGIO INFANZON
Director of Community Development

ATTACHMENT(S)

A. Draft Contract Agreement
B. Letter from FS Contractors

ATTACHMENT “A”

CONTRACT AGREEMENT

PACIFIC BOULEVARD PEDESTRIAN AND TRANSPORTATION IMPROVEMENT PROJECT

THIS AGREEMENT "Agreement" is made and entered into this____ day of _____, by and between the CITY OF HUNTINGTON PARK, a Municipal Corporation located in the County of Los Angeles, State of California hereinafter called CITY, and _____, [a corporation/partnership/limited liability company corporation], located at _____ hereinafter called CONTRACTOR, collectively referred to as the Parties.

RECITALS

CITY, by its Notice Inviting Bids, duly advertised for written bids to be submitted on or before _____, for the following:

PACIFIC BOULEVARD PEDESTRIAN AND TRANSPORTATION IMPROVEMENT PROJECT

in the City of HUNTINGTON PARK, California, hereinafter called PROJECT.

At _____ on said date, in the HUNTINGTON PARK Council Chambers, said bids were duly opened.

At its regular meeting held on _____, the CITY Council duly accepted the bid of CONTRACTOR for said PROJECT as being the lowest reasonable bid received and directed that a written contract be entered into with CONTRACTOR.

NOW, THEREFORE, in consideration of the promises and of the mutual covenants and agreements herein contained, said parties do hereby agree as follows:

ARTICLE I - CONTRACT DOCUMENTS

The CONTRACT DOCUMENTS for the PROJECT shall consist of the Notice Inviting Bids, Instructions to Bidders, General Specifications, Standard Specifications, Special Provisions, Plans, CONTRACTOR's Proposal, and all referenced specifications, details, standard drawings, and appendices, together with this contract and all required bonds, insurance certificates, permits, notices and affidavits, and also including any and all addenda or supplemental agreements clarifying, amending, or extending the work contemplated as may be required to insure its completion in an acceptable manner.

All of the rights and obligations of the CITY and CONTRACTOR are fully set forth and described in the CONTRACT DOCUMENTS.

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All of the above-mentioned documents are intended to complement the other documents so that any work called for in one, and not mentioned in the others, or vice versa, is to be executed the same as if mentioned in all of said documents. The document comprising the complete contract are hereinafter referred to as the CONTRACT DOCUMENTS and are incorporated herein by this reference and made and part hereof as though they were fully set forth herein.

In the event there is a conflict between the terms of the Contract Documents, the more specific or stringent provision shall govern. City shall decide which option is the more specific or stringent provision.

ARTICLE II - AGREEMENT

For and in consideration of the payments and agreements to be made and performed by CITY, CONTRACTOR hereby agrees to furnish all materials and perform all work required for the PROJECT and to fulfill all other obligations as set forth in the CONTRACT DOCUMENTS.

ARTICLE III - COMPENSATION

CONTRACTOR hereby agrees to receive and accept the total amount _____ DOLLARS ($_____), based upon those certain unit prices set forth in CONTRACTOR's Bid Schedule, a copy of which is attached hereto as Exhibit "A" and by this reference incorporated herein and made a part hereof, as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the CONTRACT DOCUMENTS, and also including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work. CITY shall retain five percent (5%) of said contract price until said time as the provisions of Article XIV herein have been met.

Progress payments shall be made in accordance with Section 9 of the Standard Specifications for Public Works as amended by the General Provisions and Special Provisions.

Upon receipt of a properly presented payment request, the Contract Officer shall process the payment request in accordance with Public Contracts Code Section 20104.50. The Contract Officer shall review the payment request as soon as possible. If the Contract Officer rejects the payment request, it shall be returned to the Contractor within seven days of its receipt by the City with an explanation for the reasons of its rejection. If the payment request is approved in writing by the Contract Officer, payment shall be made within thirty (30) days of receipt of an undisputed and properly presented payment request. Late payments shall bear interest at the legal rate of interest in accordance with Code of Civil Procedure 685.010. City shall pay Contractor a sum based upon ninety-five percent (95%) of the contract price apportionment of the labor and materials incorporated into the work under the contract during the period covered by said statement. The remaining five percent (5%) thereof shall be retained as performance security.

Substitution of Securities for Retention. The contractor may deposit securities in lieu of the 5% progress

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payment retentions in accordance with California Public Contracts Code 22300.

ARTICLE IV - CONTRACTOR REPRESENTATIONS

CITY hereby promises and agrees to employ, and does hereby employ, CONTRACTOR to provide the materials, do the work, and fulfill the obligations according to the terms and conditions herein contained and referred to, for the said amounts set forth in Article III hereof, and hereby agrees to pay the same at the time, in the manner, and upon the conditions set forth in the CONTRACT DOCUMENTS.

In addition, CONTRACTOR hereby promises and agrees to comply with all of the provisions of both State and Federal law with respect to the employment of unauthorized aliens.

Should CONTRACTOR so employ unauthorized aliens for the performance of work and/or services covered by this Contract, and should the Federal Government impose sanctions against the CITY for such use of unauthorized aliens, CONTRACTOR hereby agrees to, and shall, reimburse CITY for the cost of all such sanctions imposed, together with any and all costs, including attorney's fees, incurred by the CITY in connection therewith.

Furthermore, CONTRACTOR hereby represents and warrants that it is not currently, and has not at any time within the past five (5) calendar years been, suspended, debarred, or excluded from participating in, bidding on, contracting for, or completed any project funded in whole or in part by any federally funded program, grant or loan, or any project funded in whole or in part by a program, loan or grant from the State of California, and that CONTRACTOR currently has and for the past five (5) calendar years has maintained in good standing, a valid California contractor's license. CONTRACTOR agrees to complete and execute any statement or certificate to this effect as may be required by the City or by any federal or State of California program, loan or grant utilized on this project.

ARTICLE V - COMMENCEMENT DATE

CONTRACTOR shall commence work on the date specified in the Notice to Proceed to be issued to CONTRACTOR by the Director of Community Development and Public Works of CITY and shall complete work on the PROJECT within __ working days after City's Notice to Proceed with Construction.

ARTICLE VI - NO DISCRIMINATION

CONTRACTOR shall not discriminate in its recruiting, hiring, promotion, demotion or termination practices on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, or sexual orientation in the performance of this CONTRACT and shall comply with the provisions of the California Fair Employment and Housing Act as set forth in Part 2.8 of Division 3, Title 2 of the California Government Code; the Federal Civil Rights Act of 1964, as set forth in Public Law 88-352, and all amendments thereto; Executive Order 11246; and all administrative rules and regulations issued pursuant to such acts and order.

CONTRACTOR hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act (8 USCA 1101, *et seq.*), as amended; and, in connection therewith, shall not employ

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unauthorized aliens as defined therein. Should CONTRACTOR so employ such unauthorized aliens for the performance of work and/or services covered by this Contract, and should the Federal Government impose sanctions against the CITY for such use of unauthorized aliens, CONTRACTOR hereby agrees to, and shall, reimburse CITY for the cost of all such sanctions imposed, together with any and all costs, including attorney's fees, incurred by the CITY in connection therewith.

ARTICLE VII - LABOR CODE REQUIREMENTS

Compliance with SB 854 Registration: This Work is subject to compliance monitoring and enforcement by the Department of Industrial Relations. No prime contractor or subcontractor may be listed on a bid proposal for a public works project (submitted on or after March 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5. No prime contractor or subcontractor may be awarded a contract for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5. The Contractor will be required to post job site notices as described in 8 California Code of Regulation section 16451(d).

Contractor acknowledges that under California Labor Code sections 1810 and following, 8 hours of labor constitutes a legal day's work. Contractor will forfeit as a penalty to City the sum of $25.00 for each worker employed in the execution of this Agreement by Contractor or any subcontractor for each calendar day during which such worker is required or permitted to work more than 8 hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of Labor Code section 1810. (Labor Code § 1813).

Copies of the determination of the Director of the Department of Industrial Relations of the prevailing rate of per diem wages for each craft, classification or type of worker needed to execute this Agreement will be made available upon request from the City Engineer's Office.

Contractor must post at the work site, or if there is no regular work site then at its principal office, for the duration of the Contract, a copy of the determination by the Director of the Department of Industrial Relations of the specified prevailing rate of per diem wages. (Labor Code § 1773.2). The Contractor shall post WH-1321 ENGLISH and WH-1321 SPANISH at the work site.

Contractor, and any subcontractor engaged by Contractor, must pay not less than the specified prevailing rate of per diem wages to all workers employed in the execution of the contract. (Labor Code § 1774.) Contractor is responsible for compliance with Labor Code section 1776 relative to the retention and inspection of payroll records.

Contractor must comply with all provisions of Labor Code section 1775. Under Section 1775, Contractor may forfeit as a penalty to City up to $50.00 for each worker employed in the execution of the Contract by Contractor or any subcontractor for each calendar day, or portion thereof, in which the worker is paid less than the prevailing rates. Contractor may also be liable to pay the difference between the prevailing wage rates and the amount paid to each worker for each calendar day, or portion thereof, for which each worker was paid less than the prevailing wage rate.

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Nothing in this Contract prevents Contractor or any subcontractor from employing properly registered apprentices in the execution of the Contract. Contractor is responsible for compliance with Labor Code section 1777.5 for all apprenticeable occupations. This statute requires that contractors and subcontractors must submit contract award information to the applicable joint apprenticeship committee, must employ apprentices in apprenticeable occupations in a ratio of not less than one hour of apprentice's work for every five hours of labor performed by a journeyman (unless an exception is granted under §1777.5), must contribute to the fund or funds in each craft or trade or a like amount to the California Apprenticeship Council, and that contractors and subcontractors must not discriminate among otherwise qualified employees as apprentices solely on the ground of sex, race, religion, creed, national origin, ancestry or color. Only apprentices defined in Labor Code section 3077, who are in training under apprenticeship standards and who have written apprentice contracts, may be employed on public works in apprenticeable occupations.

This is a federally-assisted CONSTRUCTION CONTRACT. Federal Labor Standards Provisions, including prevailing wage requirements of the Davis-Bacon and Related Acts will be enforced. In the event of a conflict between Federal and State wages rates, the higher of the two will prevail. Modification of Federal Wage Rates published within ten (10) days prior to the scheduled Bid Opening date shall apply to the contract.

The Contractor shall submit payroll records to the City weekly for each week in which any contract work is performed. The Contractor is also responsible for the submission of payroll records by all its Subcontractors performing any contract work on this Project.

The payroll records submitted shall set out accurately and completely all of the information required to be maintained under Section 5.5(a) (3) (i) of 29 C.F.R. Part 5. Each payroll submitted shall be accompanied by a Statement of Compliance signed by the Contractor or Subcontractor or his or her agent who pays or supervises the payment of the persons employed under the Contract, and shall certify the following:

- The payroll records for the payroll period contains the information required to be maintained under Section 5.5(a)(3)(i) of 29 C.F.R. Part 5, and that such information is correct and complete;
- Each employee employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 C.F.R. Part 3;
- Each employee has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the Contract.

This information may be submitted in any form desired, however, Form WH-347 is provided as an optional template. The Contractor shall submit a Statement of Non-Performance for each week of work for which craft work was not performed.

The falsification of any of the above certifications may subject the Contractor or Subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.

The Contractor shall submit copies of apprentice certification(s) for each apprentice performing work on the Contract to accompany the first payroll record in which that apprentice appears. The City will recognize apprentice certifications from the U.S. Department of Labor and the California Division of Apprenticeship Standards. Any worker listed on a payroll at an apprentice wage rate, who is not registered

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or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed.

The CONTRACTOR's duty to pay State prevailing wages can be found under Labor Code Section 1770 et q. and Labor Code Sections 1775 and 1777.7 outline the penalties for failure to pay prevailing wages and employ apprentices including forfeitures and debarment.

The Contractor agrees that the City, through its authorized representatives, has the right, at all reasonable times, to make site visits to review Project accomplishments and for other reasons, such as employee interviews. If any site visit is made by the City on the premises of the Contractor or any of its Subcontractors under this Contract, the Contractor shall provide and shall require its Subcontractors to provide, all reasonable facilities and assistance for the safety and convenience of City representatives in the performance of their duties. All site visits and evaluations shall be performed in such a manner as will not unduly delay work being conducted by the Contractor or Subcontractor(s).

If the work involves excavation of any trench five feet or more in depth the contractor shall submit a detailed plan of shoring, bracing, sloping or other provisions to be made for worker protection. Such plan shall be approved by a qualified representative of the City. (LC 6705).

ARTICLE VIII - PROVISIONS REQUIRED BY LAW

Each and every provision of law required to be included in these Contract Documents shall be deemed to be included in these Contract Documents. The Contractor shall comply with all requirements of applicable federal, state and local laws, rules and regulations, including, but not limited to, the provisions of the California Labor Code and California Public Contract Code which are applicable to this Project. Such laws, rules and regulations shall include, but not be limited to the following.

Contractor's License.

The Contractor shall possess a type _____ California Contractor's license at the time of award of the Contract.

Ineligible Contractor Prohibited.

Any contractor or subcontractor who is ineligible to perform work on a public works project pursuant to Section 1777.1 or 1777.7 of the Labor Code is prohibited from performing work under this Contract.

Unfair Business Practices Claims.

The Contractor or subcontractor offers and agrees to assign to the City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2, (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time the City renders final payment to the Contractor without further acknowledgment by the parties. (Section 7103.5, California Public Contract Code.).

Hazardous Materials and Unknown Conditions:

DRAFT

A. CONTRACTOR shall, without disturbing the condition, notify CITY in writing as soon as CONTRACTOR, or any of CONTRACTOR's subcontractors, agents or employees have knowledge and reporting is possible, of the discovery of any of the following conditions:

1. The presence of any material that the CONTRACTOR believes is hazardous waste, as defined in Section 25117 of the Health and Safety Code;

2. Subsurface or latent physical conditions at the site differing from those indicated in the specifications; or,

3. Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of this character provided for in this Contract.

B. Pending a determination by CITY of appropriate action to be taken, CONTRACTOR shall provide security measures (e.g., fences) adequate to prevent the hazardous waste or physical conditions from causing bodily injury to any person.

C. CITY shall promptly investigate the reported conditions. If CITY, through its Director of Community Development and Public Works, or her designee, and in the exercise of its sole discretion, determines that the conditions do materially differ, or do involve hazardous waste, and will cause a decrease or increase in the CONTRACTOR's cost of, or time required for, performance of any part of the work, then CITY shall issue a change order.

D. In the event of a dispute between CITY and CONTRACTOR as to whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in the CONTRACTOR's cost of, or time required for, performance of any part of the work, CONTRACTOR shall not be excused from any scheduled completion date, and shall proceed with all work to be performed under the Contract. CONTRACTOR shall retain any and all rights which pertain to the resolution of disputes and protests between the parties.

ARTICLE IX - INDEMNITY

CONTRACTOR shall assume the defense of and indemnify and save harmless the CITY, its elective and appointive boards, officers, agents and employees from any and all claims, loss, damage, injury and liability of every kind, nature and description, directly or indirectly arising from the performance of the CONTRACTOR's work pursuant to this Contract, regardless of responsibility of negligence; and from any and all claims, loss, damage, injury and liability, howsoever the same may be caused, resulting directly or indirectly from the nature of the work covered by the Contract, regardless of responsibility of negligence; provided

A. That CITY does not, and shall not, waive any rights against CONTRACTOR which it may have by reason for the aforesaid hold-harmless AGREEMENT because of the acceptance by CITY or the deposit with CITY by CONTRACTOR, of any of the insurance policies hereinafter described in this AGREEMENT.

B. That the aforesaid hold-harmless AGREEMENT by CONTRACTOR shall apply to all damages and claims for damages of every kind suffered, or alleged to have been suffered, by reason of any of the aforesaid

DRAFT

operations of CONTRACTOR, or any subcontractor, regardless of whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

C. This hold harmless provision shall not apply to claims, loss, damage, injury or liability caused by the active negligence of City (Civil Code 2782).

ARTICLE X - BONDS

CONTRACTOR, before commencing said PROJECT, shall furnish and file with CITY a bond, or bonds, in a form satisfactory to the CITY, in the sum of one hundred percent (100%) of the Contract price thereof conditioned upon the faithful performance of this Contract and upon the payment of all labor and materials furnished in connection with this Contract.

ARTICLE XI - INSURANCE

CONTRACTOR shall not commence work under this Contract until CONTRACTOR has obtained all insurance required by the CONTRACT DOCUMENTS and such insurance shall have been approved by CITY as to form, amount and carrier, nor shall CONTRACTOR allow any subcontractor to commence work on any subcontract until all similar insurance required of the subcontractor shall have been so obtained and approved.

A. COMPENSATION INSURANCE - CONTRACTOR shall take out and maintain, during the life of this Contract, Worker's Compensation Insurance for all of CONTRACTOR's employees employed at the site of improvement; and, if any work is sublet, CONTRACTOR shall require the subcontractor similarly to provide Worker's Compensation Insurance for all of the subcontractor's employees, unless such employees are covered by the protection afforded by CONTRACTOR. If any class of employees engaged in work under this Contract at the site of the PROJECT is not protected under any Workers' Compensation law, CONTRACTOR shall provide and shall cause each subcontractor to provide adequate insurance for the protection of employees not otherwise protected. CONTRACTOR shall indemnify CITY and Construction Manager (Transtech Engineers, Inc.) for any damage resulting to the CITY from failure of either CONTRACTOR or any subcontractor to take out or maintain such insurance.

B. COMPREHENSIVE GENERAL LIABILITY, PRODUCTS/ COMPLETED OPERATIONS HAZARD, COMPREHENSIVE AUTOMOBILE LIABILITY AND CONTRACTUAL GENERAL LIABILITY INSURANCE. CONTRACTOR shall take out and maintain during the life of this Contract such comprehensive general liability, products/completed operations hazard, comprehensive automobile liability and contractual general liability insurance as shall protect CITY, its elective and appointive boards, officers, agents and employees, CONTRACTOR, and any subcontractor performing work covered by this Contract, from claims for damage for personal injury, including death, as well as from claims for property damage which may arise from CONTRACTOR's or any subcontractor's operations under this contract, whether such operations be by CONTRACTOR or by any subcontractor, or by anyone directly or indirectly employed by either CONTRACTOR or any subcontractor, and the amounts of such insurance shall be as follows:

   1. Public Liability Insurance in an amount of not less than TWO MILLION DOLLARS ($2,000,000);

DRAFT

2. Products/Completed Operations Hazard Insurance in an amount of not less than TWO MILLION DOLLARS ($2,000,000);

3. Comprehensive Automobile Liability Insurance in an amount of not less than TWO MILLION DOLLARS ($2,000,000);

4. Contractual General Liability Insurance in an amount of not less than TWO MILLION DOLLARS ($2,000,000).

   A combined single limit policy with aggregate limits in an amount of not less than TWO MILLION DOLLARS ($2,000,000) shall be considered equivalent to the said required minimum limits set forth hereinabove.

C. PROOF OF INSURANCE. The insurance required by this Contract shall be with insurers which are Best A rated, and California Admitted or better. The CITY shall be named as "additional insured" on all policies required hereunder, and CONTRACTOR shall furnish CITY, concurrently with the execution hereof, with satisfactory proof of carriage of the insurance required, and adequate legal assurance that each carrier will give CITY at least thirty (30) days' prior notice of the cancellation of any policy during the effective period of the contract.

D. NOTICE TO COMMENCE WORK. The CITY will not issue any notice authorizing CONTRACTOR or any subcontractor to commence work under this Contact until CONTRACTOR has provided to the CITY the proof of insurance as required by subparagraph (C) of this article.

ARTICLE XII - ATTORNEY FEES

If either party to this Contract is required to initiate or defend, or is made a party to, any action or proceeding in any way connected with this Contract, the party prevailing in the final judgment in such action or proceeding, in addition to any other relief which may be granted, shall be entitled to reasonable attorney's fees and costs. Attorney's fees shall include reasonable costs for investigating such action.

ARTICLE XIII - LIQUIDATED DAMAGES

The parties agree that it would be impractical and extremely difficult to fix the actual damages to the CITY in the event the PROJECT is not commenced and/or completed on or before the dates specified for commencement and completion of the PROJECT in the CONTRACT DOCUMENTS. The parties have considered the facts of a breach of this contract and have agreed that the liquidated damages sum hereinafter set forth is reasonable as liquidated damages in the event of a breach, and that said sum shall be presumed to be the amount of the damages sustained by the CITY in the event such work is not begun and/or completed and accepted by the times so specified in the CONTRACT DOCUMENTS, the sum of _____ DOLLARS ($_____) shall be presumed to be the amount of damages suffered by the CITY for each calendar day's delay in the starting and/or completion and acceptance of said PROJECT after the dates specified in the CONTRACT DOCUMENTS for the start and/or completion thereof, and CONTRACTOR hereby agrees to pay said sum _____ DOLLARS ($_____) as liquidated damages for each calendar day of delay in the starting and/or completing and acceptance of said PROJECT beyond the dates specified in the CONTRACT DOCUMENTS. Any and all such liquidated damages assessed

DRAFT

shall be done so in accordance with that certain edition of the *Standard Specification for Public Works Construction* currently in effect on the execution date of this Contract. The payment of such liquidated damages is not intended as a forfeiture or penalty within the meaning of California Civil Code § 3275 or § 3369.

CONTRACTOR: _____
a California Corporation

by:_____
President

CITY OF HUNTINGTON PARK
a Municipal Corporation

by:_____
Mayor

ARTICLE XIV - NOTICE OF COMPLETION

Upon completion of PROJECT and acceptance of same by the CITY, the CITY Administrator shall have cause to be recorded a Notice of Completion with the office of the Los Angeles County Recorder; and, after thirty-five (35) days from the date said Notice of Completion is recorded, the Director of Finance of CITY shall release the funds retained pursuant to Article III hereof; provided there have been no mechanics' liens or stop notices filed against said work which have not been paid, withdrawn or eliminated as liens against said work.

ARTICLE XV - NO ASSIGNMENT

This Contract shall not be assignable, either in whole or in part, by the CONTRACTOR without first obtaining the written consent of the CITY thereto. Such consent shall be within the CITY's sole discretion.

ARTICLE XVI - CUMULATIVE RIGHTS

The provisions of this CONTRACT are cumulative and in addition to and not in limitation of any rights or remedies available to CITY.

ARTICLE XVII - TERMINATION

A. Termination for Convenience. The CITY may terminate this contract, in whole or in part, with 30 days written notice to the CONTRACTOR when it is in the CITY's best interest. The CONTRACTOR shall be paid its costs, including contract close-out costs, and profit on work performed up to the time of termination. The CONTRACTOR shall promptly submit its termination claim to CITY to be paid the CONTRACTOR. If the CONTRACTOR has any property in its possession belonging to the CITY, the CONTRACTOR will account for the same, and dispose of it in the manner the CITY directs. The CONTRACTOR may terminate this contract, in whole, with 90 days written notice to the CITY.

B. Termination for Default. If at any time the CONTRACTOR is determined to be in material breach of the Contract, a Notice of Potential Breach of Contract shall be prepared by the CITY, and will be served

DRAFT

upon the CONTRACTOR and its sureties. If the CONTRACTOR continues to neglect or refuses to comply with the Contract or with the Notice of Potential Breach of Contract to the satisfaction of the CITY within the time specified in such Notice, the CITY shall have the authority to terminate the Contract for this Project.

C. Waiver of Remedies for any Breach. In the event that CITY elects to waive its remedies for any breach by CONTRACTOR of any covenant, term or condition of this Contract, such waiver by CITY shall not limit CITY's remedies for any succeeding breach of that or of any other term, covenant, or condition of the Contract.

CONTRACTOR: _____
a California Corporation

by:_____
President

CITY OF HUNTINGTON PARK
a Municipal Corporation

by:_____
Mayor

ARTICLE XVIII – FEDERAL REQUIREMENTS

Notwithstanding any other provision of this Agreement, if the construction work covered under this Agreement is financed in whole or in part with assistance provided under a program of the U.S. Department of Housing and Urban Development or some other source of Federal funding, Contractor shall also comply with and cause its subcontractors to comply with the requirements of the Davis-Bacon Act (40 U.S.C. 276 et seq.). The Davis-Bacon Act requires the payment of wages to all laborers and mechanics at a rate not less than the minimum wage specified by the Secretary of Labor in the periodic wage rate determinations as described in the Federal Labor Standards Provisions (HUD-4010) available from the Agency's Compliance Division. If Contractor is required to comply with the Davis-Bacon Act, Contractor shall pay the higher of Davis-Bacon Act or state prevailing wages, on a trade-by-trade basis.
By entering into this Agreement, Contractor certifies that it is not a person or firm ineligible to be awarded Government contracts by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or if HUD funds are involved, to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24. Contractor agrees to include, or cause to be included, the above provision, to be applicable to contractors and subcontractors, in each contract and subcontract for work covered under this Agreement.

Contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

The City, the federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any books, documents papers and records of the Contractor and any subcontractors which are directly pertinent to this Agreement, for the purpose of making audit, examination, excerpts and transcriptions. Contractor shall maintain all required records for three years after City makes final payments and all other pending matters are closed.
Contractor shall comply with the Copeland "Anti-Kick Back" Act, 18 U.S.C. §874, as supplemented in Department of Labor regulations. (29 C.F.R. part 3.)

DRAFT

Contractor shall ensure compliance with sections 103 and 107 of the Contract Work Hours and Safety Standards Act, 40 U.S.C. §§ 327 – 33, as supplemented by Department of Labor regulations. *See* 29 C.F.R. part 5.

Contractor and any subcontractors must comply with Executive Order 11246 as amended by Executive Order 11375 and as supplemented in Department of Labor regulations. (41 C.F.R. part 3.)

If the Compensation exceeds $100,000, Contractor shall comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act, Section 508 of the Clean Water Act, Executive Order 11738, and Environmental Protection Agency (EPA) regulations, which prohibit the use under non-exempt federal contracts, grants or loans of facilities included on the EPA List of Violating Facilities. (*See e.g.* 47 C.F.R. §18.36(i)(12).)

If the Compensation exceeds $100,000 for construction or facility improvements, Contractor must observe the building requirements contained in Attachment B of OMB Circular A-110.

--------SIGNATURES ON FOLLOWING PAGE--------

DRAFT

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed on the _____ day of _____, 20__, by their respective officers duly authorized in that behalf.

CITY OF HUNTINGTON PARK
a Municipal Corporation

by:_____
Marilyn Sanabria, Mayor

ATTEST:

by:_____
Donna G. Schwartz, City Clerk

APPROVED AS TO FORM

by: _____
City Attorney

CONTRACTOR_____
a California Corporation

by:_____
President

by:_____
Secretary

DRAFT

GUARANTEE
TO THE CITY OF _____
PACIFIC BOULEVARD PEDESTRIAN AND TRANSPORTATION IMPROVEMENT PROJECT

As a material inducement to the City to award the contract for Project No. _____ to _____, the undersigned ("Guarantor") has agreed to enter into this guarantee. The Guarantor hereby unconditionally guarantees to the fullest extent allowed by law the following work included in this project:
_____
_____
_____
____("the work").

Guarantor guarantees that the materials and equipment used by itself and its subcontractors will be free from defects and that the work will conform to the plans and specifications. Should any of the materials or equipment prove defective or should the work as a whole, or any part thereof, prove defective for any reason whatsoever (except due to intentional torts by the City), or should the work as a whole or any part thereof fail to operate properly or fail to comply with the plans and specifications, Guarantor will, at the City's sole election: 1) reimburse the City, upon written demand, for all of the City's expenses incurred replacing or restoring any such equipment or materials, including the cost of any work necessary to make such replacement or repairs; or 2) replace any such defective material or equipment and repair said work completely, all without any cost to the City. Guarantor further guarantees that any such repair work will conform to the plans and specifications for the project. This guarantee will remain in effect for one year from the date on which a notice of completion for the work is recorded.

Guarantor understands and agrees that the City shall have the unqualified option to make any replacements or repairs itself or to have such replacement or repairs performed by the undersigned. The City shall have no obligation to consult with Guarantor before the City proceeds to perform any repair, replacement, or work itself. If the City elects to have Guarantor perform said repair, replacement, or work, Guarantor agrees that the repair, replacement, or work shall be performed within 15 days after receipt of a written demand from the City.

If the City elects to perform the replacement or repairs itself, Guarantor agrees to make reimbursement payment within 15 days after receipt of a written demand for payment from the City.

If the Guarantor fails or refuses to comply with this guarantee, the City shall be entitled to all costs and expenses, including attorney's and expert fees, reasonably incurred by reason of Guarantor's failure or refusal.

(Signatures on next page)

DRAFT

Guarantor

_____
Date

_____

Contractor

_____

By

_____

Title

[NOTARY REQUIRED]

DRAFT

FAITHFUL PERFORMANCE BOND
PACIFIC BOULEVARD PEDESTRIAN AND TRANSPORTATION IMPROVEMENT PROJECT

KNOW ALL MEN BY THESE PRESENTS that _____, as CONTRACTOR and_____, as SURETY, are held and firmly bound unto the City of HUNTINGTON PARK, in the penal sum of _____dollars ($), which is 100 percent of the total contract amount for the above stated project, for the payment of which sum, CONTRACTOR and SURETY agree to be bound, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH that, whereas CONTRACTOR has been awarded and is about to enter into the annexed Contract with the City for the above stated project, if CONTRACTOR faithfully performs and fulfills all obligations under the contract documents in the manner and time specified therein, then this obligation shall be null and void, otherwise it shall remain in full force and effect in favor of the City; provided that any alternations in the obligations or time for completion made pursuant to the terms of the contract documents shall not in any way release either CONTRACTOR or SURETY, and notice of such alternations are hereby waived by SURETY.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this ____day of _____, 20___.

CONTRACTOR* _____

_____

SURETY*
_____

_____
* Provide CONTRACTOR/SURETY name, address and telephone number and the name, title, address and telephone number for authorized representative.

Subscribed and sworn to this _____ day of _____, 20__.

NOTARY PUBLIC:_____

DRAFT

LABOR AND MATERIAL PAYMENT BOND
PACIFIC BOULEVARD PEDESTRIAN AND TRANSPORTATION IMPROVEMENT PROJECT

WHEREAS, _____, as Principal, has entered into a contract dated _____, _____, (the "Contract") with the City of _____ (Obligee) referred to and made a part hereof to perform the following work of public improvement, to wit:

_____
_____
_____and all appurtenant work in accordance with the plans and specifications for Project No._____, which requires Principal to file this bond to secure claims made under Civil Code Section 9100 et seq.

NOW THEREFORE, we, _____, as Principal, and _____, a corporation organized under the laws of _____ and duly authorized to transact business in the State of California, as Surety, are held firmly bound unto the City of _____, as Obligee, and all subcontractors, laborers, materialpersons and other persons employed in the performance of the referenced Contract, in the sum of _____ Dollars ($_____), lawful money of the United States of America, which is 100% of the amount of the Contract, for the payment whereof well and truly to be made the Principal and Surety bind themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

The address at which the Surety may be served with notices, papers and other documents is:
_____
_____
_____

The address at which the Principal may be served with notices, papers and other documents is:
_____
_____
_____

If the above bounden Principal, his or its heirs, executors, administrators, successors, assigns, or any of his or its subcontractors, fails to pay for any materials, provisions, provender, or other supplies, or teams, implements or machinery, used in, upon, for or about the performance of the work contracted to be done, or for any work or labor to persons named in Section 9100 of the Civil Code, or for amounts due under the Unemployment Insurance Code with respect to such work or labor performed under the Contract, or for any amounts required to be deducted, withheld and paid over to the Employment Development Department from the wages of employees of the contractor and subcontractors pursuant to Section 13020 of the Unemployment Insurance Code, then the Surety on this bond will pay the same, in an amount not exceeding the sum specified in this bond, and also, in case suit is brought upon this bond, a reasonable attorney's fee, which shall be awarded by the court to the prevailing party in said suit, said attorney's fee to be taxed as costs in said suit and to be included in the judgment herein rendered.

DRAFT

As part of the obligation secured hereby, the Surety shall not be exonerated or released from the obligation of the bond by any change, alteration, or modification in or of any contract, plans, specifications, or agreement pertaining or relating to any scheme or work of improvement or pertaining or relating to the furnishing of labor, materials, or equipment therefor, nor by any change or modification of any terms of payment or extension of the time for any payment pertaining or relating to any scheme of work of improvement, nor by any rescission or attempted rescission of the contract, agreement or bond, nor by any conditions precedent or subsequent in the bond attempting to limit the right of recovery of claimants otherwise entitled to recover under any such contract or agreement, or under the bond, nor, where the bond is given for the benefit of claimants, by any fraud practiced by any person other than the claimant seeking to recover on the bond.

This bond is executed for the purpose of complying with the laws of the State of California designated as Title 3, Chapter 5, Payment Bond, commencing with Section 9550 of the Civil Code of the State of California and all amendments thereto, and shall inure to the benefit of any of the persons named in Section 9100 of the Civil Code of the State of California.

This document is signed by the respective parties on the dates next to their names.

Principal

By: _____ Date: _____

Title: _____

Surety

By: _____ Date: _____

Title: _____

I declare under penalty of perjury under the laws of the State of California that the contents of the above Labor and Materials Payment Bond are true and correct, and that I have been duly authorized to sign this Labor and Materials Payment Bond on behalf of Surety. This Declaration is signed on _____, in the City of _____, State of California.

--OR--

State of California)
County of Los Angeles)

DRAFT

On _____, before me, _____ (here insert name and title of the officer), personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

-- AND –

(Proof of signature authorization or power of attorney must be attached)

DRAFT

ATTACHMENT “B”

FS CONTRACTORS, INC

14838 BLEDSOE STREET • SYLMAR, CA 91342 PHONE: (818) 838-6040 • FAX: (818) 838-6171
CONTRACTOR'S LICENSE #1005940 CLASS A-C8-C27 • DIR #1000033438

December 7, 2017

Mr. Daniel Hernandez
Director of Public Works
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255
dhernandez@hpca.gov

Attention: Mr. Ali Cayir, P.E., City Engineer, ali.cayir@transtech.org

RE: Pacific Boulevard Pedestrian and Transportation Improvement Project

Dear Mr. Hernandez:

Pursuant to Public Contract Code 5100-5013, we inadvertently made a clerical error in our bid for the subject project which made our bid materially different than we intended it to be. The mistake was made on filling out the bid and not due to an error in judgment or to carelessness in inspecting the site of work or in reading the plans and specifications.

We respectfully request to be relieved of the bid. We apologize for any inconvenience this may have caused you.

Sincerely,

J. Angel Fierros

Jose Angel Fierros
President

CITY OF HUNTINGTON PARK

Department of Public Works
City Council Agenda Report

December 12, 2017

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Mayor and Members of the City Council:

APPROVE PACIFIC BOULEVARD PEDESTRIAN IMPROVEMENTS PROJECT CONTRACT CHANGE ORDERS (CCOs) NUMBERS 11 THROUGH 21

IT IS RECOMMENDED THAT THE CITY COUNCIL:

1. Approve Contract Change Orders (CCOs) Nos. 11 through 21 in the amount of $261,783.46; and

2. Authorize Interim City Manager to execute the Contract Change Orders.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

To date, Council has approved and authorized the City Manager to execute the following Contract Change Orders:

CCO #	Amount	Date Approved
1-1	($2,750,885.08)	11/01/16
1-2	$1,503,492.32	11/01/16
2	$4,940.04	11/01/16
3	$12,236.00	04/04/17
4	$14,078.00	04/04/17
5	$13,452.01	04/04/17
6	$12,267.52	04/04/17
7	$14,083.08	04/04/17
8	Not covered by Grant Funds*	06/20/17
9	$13,913.90	04/04/17
10	$134,814.35	06/20/17

* Note- This changed order was approved on June 20, 2017 for the deposit of $60,117.06 provided by HYM Engineering/Interlog for purchase of the two Seth Thomas Street Clocks.

In order to close out HYM Engineering/Interlog's contract agreement, Contract Change Order Requests were submitted by General Contractor to staff for review and approval in the amount of **$603,969.68.** Based on review of each respective CCO Request with HYM Engineering/Interlog, the Engineer of Record, and staff, the following CCOs were negotiated and approved in the amounts as shown below:

CCO #	Amount
11	$ 22,247.10
12	$71,252,90
13	$43,004.59
14	$18,000.00
15	$22,059.00
16	$2,000.00
17	$28,274.00
18	$8,186.00
19	$933.64
20	$5,826.23
21	$40,000.00
Total	**$261,783.46**

FISCAL IMPACT/FINANCING

Funding for the Pacific Boulevard Pedestrian Improvements Project is part of the City's FY 17-18 Amended Budget in the following accounts and dollar amounts:

Fund Number	Fund Name	Allocated Amount
205-8010-431.73-10	Metro Grant	$ 2,000
221-4010-431.73-10	Gas Tax	$ 77,079
222-8010-431.73-10	Measure R	$ 18,000
535-8010-431.73-10	Measure L	$ 113,438
681-8010-431.73-10	Water	$ 51,267
	Total	**$261,784.00**

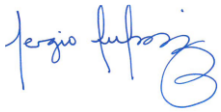
CONCLUSION

Upon Council approval, staff will proceed with the recommended actions.

Respectfully submitted,

RICARDO REYES
Interim City Manager

DANIEL HERNANDEZ
Director of Public Works



SERGIO INFANZON
Director of Community Development

ATTACHMENT(S)

A. Contract Change Orders Nos. 11-21.

ATTACHMENT “A”

Pacific Blvd. Improvements Project, Huntington Park

Contract Change Order

Date	12/07/17	Change Order No.	11	Account/Contract No..	F3609

Contractor **Interlog HYM Engineering** Account Code -

Contract Date **05/03/16** Account Code -

Plan Reference Pacific Blvd Improvement Project from Florence to Slauson

Change Order Amount **$ 22,247.10** Extension of Contract, if warranted **22.5** working days

Reason for Change

The existing trolly lighting pole footing was on the way of new electric and irrigation line.

Description of Change

Chipping Out 10" the concrete footing of existing Trolly lighting Poles. Total 90 EA

Reference CCOR # 3.2

Original Contract Amount	**$ 3,730,511.29**
Total of previous authorized Change Orders	**$ (1,102,305.15)**
New Change Order Amount	**$ 22,247.10**
New Contract Amount	**$ 2,650,453.24**

The Changes described above are hereby authorized.

Approved: _____, 20____.

Project Engineer

Contractor

Director of Public Works/City Engineer

By Authorized Agent

Construction Manager

Original - Project File
CC: - Contractor
- Department

Pacific Blvd. Improvements Project, Huntington Park

Contract Change Order

Date	12/07/17	Change Order No.	12	Account/Contract No..	F3609

Contractor **Interlog HYM Engineering** Account Code -

Contract Date **05/03/16** Account Code -

Plan Reference Pacific Blvd Improvement Project from Florence to Slauson

Change Order Amount **$ 71,252.90** Extension of Contract, if warranted **18** working days

Reason for Change

The existing parkway drain culvert was designed by engineer because the sidewalk items was changed to paver instead of pouring concrete. Total 9 locations

Description of Change

Existing parkway drain culvert @ bus station total 9 location.

RFI #76's reponse.

Reference CCOR #4.1

Original Contract Amount	**$ 3,730,511.29**
Total of previous authorized Change Orders	**$ (1,080,058.05)**
New Change Order Amount	**$ 71,252.90**
New Contract Amount	**$ 2,721,706.14**

The Changes described above are hereby authorized.

Approved: _____, 20____.

Project Engineer

Contractor

Director of Public Works/City Engineer

By Authorized Agent

Construction Manager

Original - Project File
CC: - Contractor
- Department

Pacific Blvd. Improvements Project, Huntington Park

Contract Change Order

Date	12/07/17	Change Order No.	13	Account/Contract No..	F3609

Contractor **Interlog HYM Engineering** Account Code -

Contract Date **05/03/16** Account Code -

Plan Reference Pacific Blvd Improvement Project from Florence to Slauson

Change Order Amount **$ 43,004.59** Extension of Contract, if warranted **26.8** working days

Reason for Change

The city requested replace all electric pull box because existing pull box is too small.

Description of Change

Utilities Pull Boxes (N09B & N09R) on Pacific Boulevard | TOTAL: 24 EA (RFI #42.1 & 79)

Utilities Pull Boxes (N30B & N30R) on Pacific Boulevard | TOTAL: 96 EA (RFI #42.1 & 79)

Utilities Pull Boxes (N36B & N36R) on Pacific Boulevard | TOTAL: 14 EA (RFI #42.1 & 79)

Reference CCOR# 5.1, 5.2 and 5.3

Original Contract Amount	**$ 3,730,511.29**
Total of previous authorized Change Orders	**$ (1,008,805.15)**
New Change Order Amount	**$ 43,004.59**
New Contract Amount	**$ 2,764,710.73**

The Changes described above are hereby authorized.

Approved: _____, 20____.

Project Engineer

Contractor

Director of Public Works/City Engineer

By Authorized Agent

Construction Manager

Original - Project File
CC: - Contractor
- Department

Pacific Blvd. Improvements Project, Huntington Park

Contract Change Order

Date	12/07/17	Change Order No.	14	Account/Contract No..	F3609

Contractor **Interlog HYM Engineering** Account Code -

Contract Date **05/03/16** Account Code -

Plan Reference Pacific Blvd Improvement Project from Florence to Slauson

Change Order Amount **$ 18,000.00** Extension of Contract, if warranted **26.8** working days

Reason for Change

The existing field condition was conflict with plan so, the contractor should redo the work.

Description of Change

The Modification of Elevation, RE-forming and Re-Sawcut at All Bull out area Total 10 Location

Reference CCOR#10.1

Original Contract Amount	**$ 3,730,511.29**
Total of previous authorized Change Orders	**$ (965,800.56)**
New Change Order Amount	**$ 18,000.00**
New Contract Amount	**$ 2,782,710.73**

The Changes described above are hereby authorized.

Approved: _____, 20____.

Project Engineer

Contractor

Director of Public Works/City Engineer

By Authorized Agent

Construction Manager

Original - Project File
CC: - Contractor
- Department

Pacific Blvd. Improvements Project, Huntington Park

Contract Change Order

Date	12/07/17	Change Order No.	15	Account/Contract No..	F3609

Contractor **Interlog HYM Engineering** Account Code -

Contract Date **05/03/16** Account Code -

Plan Reference Pacific Blvd Improvement Project from Florence to Slauson

Change Order Amount **$ 22,059.00** Extension of Contract, if warranted **15** working days

Reason for Change

The underneath existing drain pipe from the building was broken during the demo because the drain pipe was unforeseen condition.

Description of Change

the replacement of broken drain pipe

Reference CCOR#11.1

Original Contract Amount	**$ 3,730,511.29**
Total of previous authorized Change Orders	**$ (947,800.56)**
New Change Order Amount	**$ 22,059.00**
New Contract Amount	**$ 2,804,769.73**

The Changes described above are hereby authorized.

Approved: _____, 20____.

Project Engineer

Contractor

Director of Public Works/City Engineer

By Authorized Agent

Construction Manager

Original - Project File
CC: - Contractor
- Department

Pacific Blvd. Improvements Project, Huntington Park

Contract Change Order

Date	12/07/17	Change Order No.	16	Account/Contract No..	F3609

Contractor **Interlog HYM Engineering** Account Code -

Contract Date **05/03/16** Account Code -

Plan Reference Pacific Blvd Improvement Project from Florence to Slauson

Change Order Amount **$ 2,000.00** Extension of Contract, if warranted **4** working days

Reason for Change

The city requested footing design for the gateway monument sign

Description of Change

Gateway monumnet footing and structure design

Reference CCOR#32

Original Contract Amount	**$ 3,730,511.29**
Total of previous authorized Change Orders	**$ (925,741.56)**
New Change Order Amount	**$ 2,000.00**
New Contract Amount	**$ 2,806,769.73**

The Changes described above are hereby authorized.

Approved: _____, 20____.

Project Engineer

Contractor

Director of Public Works/City Engineer

By Authorized Agent

Construction Manager

Original - Project File
CC: - Contractor
- Department

Pacific Blvd. Improvements Project, Huntington Park

Contract Change Order

Date	12/07/17	Change Order No.	17	Account/Contract No..	F3609

Contractor **Interlog HYM Engineering** Account Code -

Contract Date **05/03/16** Account Code -

Plan Reference Pacific Blvd Improvement Project from Florence to Slauson

Change Order Amount **$ 28,274.00** Extension of Contract, if warranted **15** working days

Reason for Change

The city requested upgrade irrigation sleeves from 2" to 3" SCH.40 PVC Pipe.

Description of Change

upgrade irrigation sleeves from 2" to 3" SCH 40 PVC Pipe.

Reference CCOR#39

Original Contract Amount	**$ 3,730,511.29**
Total of previous authorized Change Orders	**$ (923,741.56)**
New Change Order Amount	**$ 28,274.00**
New Contract Amount	**$ 2,835,043.73**

The Changes described above are hereby authorized.

Approved: _____, 20____.

Project Engineer

Contractor

Director of Public Works/City Engineer

By Authorized Agent

Construction Manager

Original - Project File
CC: - Contractor
- Department

Pacific Blvd. Improvements Project, Huntington Park

Contract Change Order

Date	12/07/17	Change Order No.	18	Account/Contract No..	F3609

Contractor **Interlog HYM Engineering** Account Code -

Contract Date **05/03/16** Account Code -

Plan Reference Pacific Blvd Improvement Project from Florence to Slauson

Change Order Amount **$ 8,186.00** Extension of Contract, if warranted **15** working days

Reason for Change

Install back of curb at corner of landscaping area because existing landscape elevation was higher than new sidewalk

Description of Change

Install back of curb at Slauson Ave. (NE, SE), Belgrave Ave. (NE, SE, SW) and Randolph St. (NW, SE)

Reference CCOR#42

Original Contract Amount	**$ 3,730,511.29**
Total of previous authorized Change Orders	**$ (895,467.56)**
New Change Order Amount	**$ 8,186.00**
New Contract Amount	**$ 2,843,229.73**

The Changes described above are hereby authorized.

Approved: _____, 20____.

Project Engineer

Contractor

Director of Public Works/City Engineer

By Authorized Agent

Construction Manager

Original - Project File
CC: - Contractor
- Department

Pacific Blvd. Improvements Project, Huntington Park

Contract Change Order

Date	12/07/17	Change Order No.	19	Account/Contract No..	F3609

Contractor **Interlog HYM Engineering** Account Code -

Contract Date **05/03/16** Account Code -

Plan Reference Pacific Blvd Improvement Project from Florence to Slauson

Change Order Amount **$ 933.64** Extension of Contract, if warranted **0.5** working days

Reason for Change

unforeseen existing fire sprinkler line at front of building was cut by sawcutting.

Description of Change

Repair unforeseen fire sprinkler elbow at 7138 Pacific blvd.

Reference CCOR #43

Original Contract Amount	**$ 3,730,511.29**
Total of previous authorized Change Orders	**$ (887,281.56)**
New Change Order Amount	**$ 933.64**
New Contract Amount	**$ 2,844,163.37**

The Changes described above are hereby authorized.

Approved: _____, 20____.

Project Engineer

Contractor

Director of Public Works/City Engineer

By Authorized Agent

Construction Manager

Original - Project File
CC: - Contractor
- Department

Pacific Blvd. Improvements Project, Huntington Park

Contract Change Order

Date	12/07/17	Change Order No.	20	Account/Contract No..	F3609

Contractor **Interlog HYM Engineering** Account Code -

Contract Date **05/03/16** Account Code -

Plan Reference Pacific Blvd Improvement Project from Florence to Slauson

Change Order Amount **$ 5,826.23** Extension of Contract, if warranted **2** working days

Reason for Change

the city requested repair to existing broken top of catch basin 2 location

Description of Change

Replace the concrete top of existing broken catch basin at Florence Ave and Slauson Ave.

Reference CCOR#44 and 45

Original Contract Amount	**$ 3,730,511.29**
Total of previous authorized Change Orders	**$ (886,347.92)**
New Change Order Amount	**$ 5,826.23**
New Contract Amount	**$ 2,849,989.60**

The Changes described above are hereby authorized.

Approved: _____, 20____.

Project Engineer

Contractor

Director of Public Works/City Engineer

By Authorized Agent

Construction Manager

Original - Project File
CC: - Contractor
- Department

Pacific Blvd. Improvements Project, Huntington Park

Contract Change Order

Date	12/07/17	Change Order No.	21	Account/Contract No..	F3609

Contractor **Interlog HYM Engineering** Account Code -

Contract Date **05/03/16** Account Code -

Plan Reference Pacific Blvd Improvement Project from Florence to Slauson

Change Order Amount **$ 40,000.00** Extension of Contract, if warranted **38** working days

Reason for Change

The existing Trolley pole lighting footing and Existing concrete around existing drain pipe should be demo because of new irrigation and electric conduit

Description of Change

Chipping out the E. concrete footing of trolley poles and existing drain pipe of building for new irrigation and electric line from Florence Ave. to Slauson Ave.

Reference CCOR#52

Original Contract Amount	**$ 3,730,511.29**
Total of previous authorized Change Orders	**$ (880,521.69)**
New Change Order Amount	**$ 40,000.00**
New Contract Amount	**$ 2,889,989.60**

The Changes described above are hereby authorized.

Approved: _____, 20____.

Project Engineer

Contractor

Director of Public Works/City Engineer

By Authorized Agent

Construction Manager

Original - Project File
CC: - Contractor
- Department

CITY OF HUNTINGTON PARK

Department of Public Works
City Council Agenda Report

December 12, 2017

Honorable Mayor and Members of the City Council
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Mayor and Members of the City Council:

CONSIDERATION AND APPROVAL TO SUBMIT A LETTER OF INTEREST TO THE LOS ANGELES METROPOLITAN TRANSPORTATION AUTHORITY TO APPLY FOR THE STATE ACTIVE TRANSPORTATION PROGRAM (ATP) CYCLE IV

IT IS RECOMMENDED THAT THE CITY COUNCIL:

1. Direct staff to prepare letter of interest to submit to the Los Angeles Metropolitan Transportation Authority; and

2. Authorize the Interim City Manager to sign and submit the Letter of Interest.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The submittal of the letter will provide the City with the opportunity to compete for funding available for transportation related projects.

FISCAL IMPACT/FINANCING

The submittal of the letter will have no fiscal impact:

CONCLUSION

Upon Council approval, staff will proceed with recommended action.

Respectfully submitted,

RICARDO REYES

Interim City Manager

SERGIO INFANZON
Director of Community Development