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February 11, 2010

**ADVICE 2440-E**  
**(U 338-E)**

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA  
ENERGY DIVISION

**SUBJECT:** Establishment of Participation Instructions and Standard Power Purchase Agreement (PPA) for use in Request for Offers (RFO) from Independent Power Producers (IPPs) for Southern California Edison Company's (SCE) Solar Photovoltaic (PV) Program

**PURPOSE**

In compliance with the California Public Utilities Commission's (Commission) Resolution E-4299 (Resolution) effective January 21, 2010,<sup>1</sup> SCE hereby submits this advice letter requesting approval of the RFO Participation Instructions and Standard PPA to be used "in the competitive independent power producer portion of [SCE's] Solar [PV] Program adopted by Decision 09-06-049 and implemented by [the] [R]esolution."<sup>2</sup>

As required by the Resolution, SCE attaches the following appendices for final approval by the Commission:

- **Appendix 1:** RFO Participation Instructions.<sup>3</sup> The RFO Participation Instructions delineate the process and criteria for evaluating offers received

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<sup>1</sup> The date of issuance is January 26, 2010. (Resolution, p. 1.)

<sup>2</sup> Resolution, Ordering Paragraph No. 2, p. 31.

<sup>3</sup> Following a telephone conversation with Energy Division staff on February 8, 2010, SCE has modified the RFO eligibility requirements to require that a Generating Facility (as the term is defined in the PPA attached to this advice letter as Appendix 2) be scheduled to begin initial operation within 18 months of PPA approval by the Commission. SCE's Advice Letter 2364-E requested that the eligibility requirements provide for a Generating Facility to begin initial operation within 18 months of execution of the PPA. Advice Letter 2364-E, p. 7. The Resolution notes SCE's proposal (p. 14), but the Findings and Conclusions section does not specify the date from which the 18 month deadline runs, i.e., "[T]he requirement for IPP Program projects to begin operation within 18 months appropriately addresses the Program objective to target projects that can be quickly deployed. . . ."

pursuant to competitive solicitations. The following four appendices are attached to and part of the RFO Participation Instructions:<sup>4</sup>

*Appendix A: Form of Solar Photovoltaic Program Power Purchase and Sale Agreement*

*Appendix B: Offer Template*

*Appendix C: Form of Site Owner's Acknowledgement Letter*

*Appendix D: Form of Summary of Developer Experience*

- **Appendix 2:** Standard PPA.<sup>5</sup>
- **Appendix 3:** For the Commission and parties' convenience, SCE attaches a redline comparison of the PPA filed on August 17, 2009<sup>6</sup> against the PPA submitted as Appendix 2 to this advice letter.

## **BACKGROUND**

In Application (A.) 08-03-015, SCE requested Commission authority to own, install, operate and maintain 250 megawatts (MW) of distributed solar PV projects primarily in the one to two MW range to be located within SCE's service territory. The Commission in Decision 09-06-049 ordered SCE to implement a 500 MW Solar PV Program, with 250 MW designated as utility-owned generation and 250 MW owned, operated, and maintained by IPPs.

On July 20, 2009, SCE submitted Advice Letter 2364-E, requesting that the Commission 1) approve the process and criteria for evaluating offers received pursuant to competitive solicitations for the 250 MW portion of the Solar PV Program designated to IPPs; and 2) approve SCE's proposed standard 20-year PPA for accepted offers.

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(Findings and Conclusions No. 25, p. 30.) The Energy Division clarified that the intention was to adopt the term in the PPA submitted as Appendix B-revised, which required that the Term Start Date occur *within 18 months of CPUC approval* of the PPA. SCE has thus revised the eligibility requirements to conform to the PPA requirement. See RFO Participation Instructions, Appendix 1, § 2.03, p.3.

<sup>4</sup> The appendices attached to the RFO Participation Instructions are provided in hard copy form in this advice letter for purposes of review and approval by Energy Division staff. Upon approval, the appendices will be available for download on the Solar PV Program website at <http://www.SCE.com/spvp-ipp>.

<sup>5</sup> Note that the Standard PPA attached to this advice letter is identical to the the PPA included as Appendix A to the RFO Participation Instructions. SCE submits them separately for the Energy Division staff's ease of reference and approval. In compliance with the Resolution, "[t]he adopted standard [PPA] is the [PPA] submitted in Appendix-B revised of [SCE's] Reply to Responses and Protests to Advice Letter 2364-E, subject to the modifications adopted by [the] resolution . . . . [including] other non-material changes[.]" See Resolution, Ordering Paragraph No. 3, p. 32.

<sup>6</sup> See Appendix B-revised attached to SCE's Reply dated August 17, 2009.

SCE submitted a Reply to Advice Letter 2364-E Responses and Protests (Reply) on August 17, 2009. SCE's proposed Standard PPA was attached to the Reply as Appendix B-revised.

The Resolution approves with modifications SCE's Advice Letter 2364-E and requires a Tier 1 Advice Letter outlining the process for evaluating offers received pursuant to competitive solicitations and incorporating the Resolution's modifications to the PPA submitted as Appendix B-revised to the Reply. In addition to the modifications delineated, the Resolution permits "other non-material changes" to the PPA.<sup>7</sup>

SCE hereby submits the instant advice letter requesting approval of the RFO Participation Instructions<sup>8</sup> and Standard PPA to be used for the 250 MW IPP portion of the Solar PV Program.

### **TIER DESIGNATION**

Pursuant to D.07-01-024, Energy Industry Rule 5.1, SCE submits this advice letter with a Tier 1 designation (effective pending disposition).

### **EFFECTIVE DATE**

Pursuant to General Order (GO) 96-B, Energy Industry Rule 5.1, this advice letter is submitted with a Tier 1 designation. Thus, SCE requests that the tariffs proposed herein be approved effective February 11, 2010, the date filed.

### **NOTICE**

Anyone wishing to protest this advice filing may do so by letter via U.S. Mail, facsimile, or electronically, any of which must be received no later than 20 days after the date of this advice filing. Protests should be mailed to:

CPUC, Energy Division  
Attention: Tariff Unit  
505 Van Ness Avenue  
San Francisco, California 94102  
E-mail: [ijn@cpuc.ca.gov](mailto:ijn@cpuc.ca.gov) and [mas@cpuc.ca.gov](mailto:mas@cpuc.ca.gov)

Copies should also be mailed to the attention of the Director, Energy Division, Room 4004 (same address above).

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<sup>7</sup> Resolution, Ordering Paragraph No. 3, p. 32.

<sup>8</sup> The RFO Participation Instructions delineate the process and criteria for evaluating offers received pursuant to competitive solicitations.

In addition, protests and all other correspondence regarding this advice letter should also be sent by letter and transmitted via facsimile or electronically to the attention of:

Akbar Jazayeri  
Vice President of Regulatory Operations  
Southern California Edison Company  
2244 Walnut Grove Avenue  
Rosemead, California 91770  
Facsimile: (626) 302-4829  
E-mail: [AdviceTariffManager@sce.com](mailto:AdviceTariffManager@sce.com)

Bruce Foster  
Senior Vice President, Regulatory Affairs  
c/o Karyn Gansecki  
Southern California Edison Company  
601 Van Ness Avenue, Suite 2040  
San Francisco, California 94102  
Facsimile: (415) 929-5540  
E-mail: [Karyn.Gansecki@sce.com](mailto:Karyn.Gansecki@sce.com)

There are no restrictions on who may file a protest, but the protest shall set forth specifically the grounds upon which it is based and shall be submitted expeditiously.

In accordance with Section 4 of GO 96-B, SCE is serving copies of this advice filing to the interested parties shown on the attached GO 96-B and A.08-03-015 service lists. Address change requests to the GO 96-B service list should be directed by electronic mail to [AdviceTariffManager@sce.com](mailto:AdviceTariffManager@sce.com) or at (626) 302-4039. For changes to all other service lists, please contact the Commission's Process Office at (415) 703-2021 or by electronic mail at [Process\\_Office@cpuc.ca.gov](mailto:Process_Office@cpuc.ca.gov).

Further, in accordance with Public Utilities Code Section 491, notice to the public is hereby given by filing and keeping the advice filing at SCE's corporate headquarters. To view other SCE advice letters filed with the Commission, log on to SCE's web site at <http://www.sce.com/AboutSCE/Regulatory/adviceletters>.

For questions, please contact Angelica Morales at (626) 302-6160 or by electronic mail at [angelica.morales@sce.com](mailto:angelica.morales@sce.com).

**Southern California Edison Company**

Akbar Jazayeri

AJ:am:jm  
Enclosures

# CALIFORNIA PUBLIC UTILITIES COMMISSION

## ADVICE LETTER FILING SUMMARY ENERGY UTILITY

**MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)**

Company name/CPUC Utility No.: Southern California Edison Company (U 338-E)

Utility type:

ELC       GAS  
 PLC       HEAT       WATER

Contact Person: James Yee

Phone #: (626) 302-2509

E-mail: [James.Yee@sce.com](mailto:James.Yee@sce.com)

E-mail Disposition Notice to: [AdviceTariffManager@sce.com](mailto:AdviceTariffManager@sce.com)

EXPLANATION OF UTILITY TYPE

ELC = Electric      GAS = Gas  
 PLC = Pipeline      HEAT = Heat      WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 2440-E      Tier Designation: 1

Subject of AL: Establishment of Participation Instructions and Standard Power Purchase Agreement (PPA) for use in Request for Offers (RFO) from Independent Power Producers (IPPs) for Southern California Edison Company's (SCE) Solar Photovoltaic (PV) Program

Keywords (choose from CPUC listing): Compliance

AL filing type:  Monthly  Quarterly  Annual  One-Time  Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

Resolution E-4299

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: \_\_\_\_\_

Summarize differences between the AL and the prior withdrawn or rejected AL<sup>1</sup>: \_\_\_\_\_

Confidential treatment requested?  Yes  No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement.

Name and contact information to request nondisclosure agreement/access to confidential information:

Resolution Required?  Yes  No

Requested effective date: 2/11/10      No. of tariff sheets: -0-

Estimated system annual revenue effect: (%): \_\_\_\_\_

Estimated system average rate effect (%): \_\_\_\_\_

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

Tariff schedules affected: None

Service affected and changes proposed<sup>1</sup>: \_\_\_\_\_

Pending advice letters that revise the same tariff sheets: \_\_\_\_\_

<sup>1</sup> Discuss in AL if more space is needed.

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

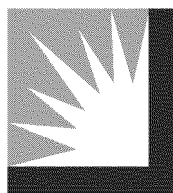
CPUC, Energy Division  
Attention: Tariff Unit  
505 Van Ness Ave.,  
San Francisco, CA 94102  
[ijnj@cpuc.ca.gov](mailto:ijnj@cpuc.ca.gov) and [mas@cpuc.ca.gov](mailto:mas@cpuc.ca.gov)

Akbar Jazayeri  
Vice President of Regulatory Operations  
Southern California Edison Company  
2244 Walnut Grove Avenue  
Rosemead, California 91770  
Facsimile: (626) 302-4829  
E-mail: [AdviceTariffManager@sce.com](mailto:AdviceTariffManager@sce.com)

Bruce Foster  
Senior Vice President, Regulatory Affairs  
c/o Karyn Gansecki  
Southern California Edison Company  
601 Van Ness Avenue, Suite 2040  
San Francisco, California 94102  
Facsimile: (415) 673-1116  
E-mail: [Karyn.Gansecki@sce.com](mailto:Karyn.Gansecki@sce.com)

# Appendix 1





SOUTHERN CALIFORNIA  
**EDISON**<sup>®</sup>

An *EDISON INTERNATIONAL*<sup>®</sup> Company

2010  
Request for Offers  
from  
Independent Power Producers  
for the  
Solar Photovoltaic Program

*RFO Participation Instructions*

*Version 1  
Posted [TBD], 2010*

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## **LIST OF APPENDICES**

- A. Form of Solar Photovoltaic Program Power Purchase and Sale Agreement
- B. Offer Template
- C. Form of Site Owner's Acknowledgement Letter
- D. Form of Summary of Developer Experience

*SCE Comment:* Each of the above Appendices may be downloaded from  
<http://www.SCE.com/spvp-ipp>

## ARTICLE ONE. GENERAL INFORMATION

### 1.01 Introduction.

Southern California Edison Company (“SCE”), in its 2010 request for offers from independent power producers (“RFO”) for SCE’s Solar Photovoltaic Program (“Solar PV Program”), is soliciting offers (“Offers”) from owners of eligible solar photovoltaic Generating Facilities to supply the Product<sup>1</sup> in accordance with these RFO Participation Instructions (“RFO Instructions”) and one or more Solar PV Program Power Purchase and Sale Agreements (“PPA”), the form of which is attached hereto as Appendix A.

Unless the context specifies or requires, (i) capitalized terms used but not otherwise defined in these RFO Instructions have the meanings set forth in the PPA, (ii) the term “Offers” includes both “Non-Binding Offers” (as defined in Section 3.03) and “Binding Offers” (as defined in Section 3.07), and (iii) references to any “Article”, “Section” or “Appendix” corresponds to the Article, Section or Appendix of these RFO Instructions.

SCE’s goal with respect to the Solar PV Program is to procure, over a five (5) year period, the Product from solar photovoltaic Generating Facilities using a standard PPA with a 20-year term. The total of the Gross Power Ratings of the Generating Facilities will be 250 MW expressed in units of direct current (“DC”). The Generating Facilities will be primarily in the range of 1 to 2 MW DC and built on rooftops. However, SCE will procure the Product from ground-mounted Generating Facilities so long as the total of the Gross Power Ratings of all such ground-mounted Generating Facilities does not exceed ten percent (10%) of the total Solar PV Program goal of 250 MW DC.<sup>2</sup>

Additionally, subject to the restrictions set forth in these RFO Instructions, SCE will also procure the Product from Generating Facilities with Gross Power Ratings of less than 1 MW DC and greater than 2 MW DC, provided that in no instance will SCE accept any Offer(s) for Generating Facilities with Gross Power Ratings of less than 500 kW DC or greater than 10 MW DC.

Offerors wishing to submit an Offer to SCE for one or more Generating Facilities with a combined Gross Power Rating of greater than 5 MW DC (but not greater than 10 MW DC) are not eligible to enter into the PPA attached hereto as Appendix A, but must execute a different power purchase and sale agreement (“>5 MW DC PPA”), which contains additional terms and conditions, including, without limitation, additional credit, collateral, operational, performance and regulatory obligations. Offeror should promptly

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<sup>1</sup> “Product” means (i) all solar photovoltaic electric energy produced by the Generating Facility, net of Station Use, and (ii) all Green Attributes, Capacity Attributes, and Resource Adequacy Benefits (as each additional term is defined in the PPA).

<sup>2</sup> The CPUC stated that it “expect[s] the bulk of the SPVP projects to be in the range of one to two MW and also on rooftops with some limited exception for ground-mounted projects. However, in no event should ground-mounted projects be more than 10% of the overall program capacity.” (D.09-06-049, p.40, fn. 48.)

contact SCE and the Independent Evaluator in accordance with Article Ten if it intends to execute the >5 MW DC PPA.

The purpose of these RFO Instructions is to:

- (a) Set forth the requirements for the submission of each Offer, including, without limitation, waivers, representations, warranties and covenants deemed made for all purposes as part of each Offer submission, as well as the treatment of Confidential Information (as defined in Section 8.03(a));
- (b) Set forth the time-frame of the RFO;
- (c) Describe the methods that SCE uses to evaluate each Offer; and
- (d) Document the rights that SCE reserves for itself in the RFO.

These RFO Instructions, including its Appendices, are available on SCE's website at [www.sce.com/spvp-ipp](http://www.sce.com/spvp-ipp).

#### 1.02 SCE's Rights.

In its sole discretion and upon consideration of a variety of factors, as discussed in these RFO Instructions, SCE may enter into PPAs with one or more entities that submit Offers (each, an "Offeror") providing the greatest value to SCE's customers. SCE reserves the right to reject any Offer at any time on the grounds that it does not conform to the terms and conditions of these RFO Instructions. SCE may also, in its sole discretion modify these RFO Instructions, including any of its Appendices, as it deems necessary or reasonable in order to implement the RFO and to comply with Applicable Law.

#### 1.03 Document Conflicts.

If there is a conflict or inconsistency between the terms contained in these RFO Instructions (including Appendices B through D) and the form of PPA attached hereto as Appendix A, the terms contained in the PPA will prevail. Notwithstanding the foregoing, the terms of any PPA executed by SCE and Offeror as part of the RFO ("Final Agreement") will prevail over these RFO Instructions and each of the Appendices attached hereto, including the PPA.

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

## ARTICLE TWO. ELIGIBILITY REQUIREMENTS

### 2.01 Energy Resource Type and Eligibility.

SCE will consider all timely Offers, submitted pursuant to these RFO Instructions, from any Offeror that proposes to sell the Product to SCE from a Generating Facility.

SCE encourages Offeror to seek “pre-certification” as an Eligible Renewable Resource, as such term is defined in California Public Utilities Code Section 399.12 and 399.16 (“ERR”), before the date that the Binding Offer (as defined in Section 3.07) must be submitted to SCE.<sup>3</sup>

### 2.02 Generating Facility.

- (a) The Generating Facility must be a photovoltaic electric energy generating facility.
- (b) The Site on which Offeror’s Generating Facility is located must be within SCE’s service territory.
- (c) The Generating Facility must be located on a rooftop, provided that SCE may accept Offers from Offerors with solar photovoltaic ground-mounted Generating Facilities, subject to the ten percent (10%) maximum limitation on the total capacity of ground-mounted projects.
- (d) The Generating Facility must have a Gross Power Rating of no less than 500 kW DC and no more than 10 MW DC.
- (e) Subject to Section 2.02(c), a single Offer may be comprised of the aggregation of multiple Generating Facilities delivering the Product to the same PNode (as defined in the CAISO Tariff), provided that each Generating Facility has a Gross Power Rating of at least 500 kW DC.
- (f) The Offeror of a Generating Facility with a Gross Power Rating of more than 5 MW DC must execute the >5 MW DC PPA (Offeror should promptly contact SCE and the Independent Evaluator in accordance with Article Ten if it intends to execute the >5 MW DC PPA).

### 2.03 Term.

The Term of any final PPA will be twenty (20) years. The Generating Facility must be scheduled to commence Operation on the Term Start Date, which must occur within 18 months of CPUC Approval.

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<sup>3</sup> For details on ERR qualifications, see the California Energy Commission’s “Renewables Portfolio Standard (RPS) Eligibility Guidebook” (January 2008, Publication #CEC-300-2007-006-ED3-CMF), which is available at <http://www.energy.ca.gov/renewables/documents/>.

2.04 Interconnection; Network Upgrades.

All Generating Facilities must be interconnected to SCE's electric system. The Delivery Point for a Generating Facility will be the PNode for the Generating Facility. In no instance will SCE accept any Offer that proposes a Generating Facility whose interconnection would require any Network Upgrades (as defined in the CAISO Tariff).

2.05 SCE Affiliates.

SCE affiliates are permitted to participate in the RFO. Using the Offer Template, as further described in Appendix B, Offeror must disclose whether or not it is an SCE affiliate.

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



## ARTICLE THREE. RFO PROCESS

### 3.01 Summary of the RFO Schedule.

<i>Date</i>	<i>Event</i>
Thursday, March 18	Expected launch of the RFO (see §3.02).
(Week of March 29; exact date to be determined)	RFO Conference (see §3.02).
By Monday, April 19 (by 11:00 a.m. Los Angeles time)	Offerors submit Non-Binding Offers (see §3.03).
Monday, May 10	SCE advises all Offerors as to the status of their Non-Binding Offers relative to SCE's short-list (see §3.04).
By Monday, May 24	Offerors with short-listed Offers submit proof that interconnection applications have been submitted (see §3.05 and Article Five).
Monday, July 12	Offerors with short-listed Offers (i) submit proof that interconnection screens have been passed or studies completed (see §3.06), and (ii) deliver a fully completed, executable form of the PPA (see §3.06).
Monday, July 19 (by 11:00 a.m. Los Angeles time)	Offerors with short-listed Offers submit Binding Offers (see §3.07).
Monday, July 26	SCE executes Final Agreements (see §3.08).
By Friday, September 24	SCE submits Tier 2 Advice Letter seeking CPUC Approval for Final Agreements (see §3.08(d) and Article VII).

### 3.02 RFO Conference.

In the week of March 29, 2010, SCE will host an RFO conference to discuss the RFO with potential Offerors. The RFO website and these RFO Instructions will be updated once a date and location for the RFO conference is determined.

Potential Offerors should visit SCE's web site at <http://www.SCE.com/spvp-ipp> for further information with respect to the RFO. Questions related to the RFO should be submitted to SCE in accordance with Article Ten, provided that questions related to the WDAT application, interconnection procedures or wholesale distribution service should be directed to SCE's Grid Interconnection and Contract Development Department in accordance with Section 5.02.

### 3.03 Offeror's Non-Binding Offer Submission.

SCE must receive each complete non-binding indicative Offer ("Non-Binding Offer") conforming to these RFO Instructions by 11:00 a.m. Los Angeles time on Monday, April 19, 2010. Offeror must submit its Non-Binding Offer(s) to SCE and the Independent Evaluator in accordance with Article Ten. SCE is not responsible for Offers received

after the submittal deadline due to unsuccessful delivery or otherwise. SCE will only consider submissions that, as of the submittal deadline, constitute a complete Non-Binding Offer.

A complete “Non Binding Offer” is an Offer that is submitted in accordance with these RFO Instructions and must include all of the following documents, which each Offeror must submit electronically in the specified format:

<i>Document</i>	<i>Format</i>
Offer Template, the form of which is attached hereto as <u>Appendix B</u> , including, without limitation, (i) details regarding the Generating Facility, and (ii) a single non-binding indicative Product price (“ <u>Indicative Product Price</u> ”), expressed in United States dollars per MWh alternating current (“ <u>AC</u> ”) before application of the Energy Payment Allocation Factor multiplier, to be applied to the Product over the full 20-year Term of the PPA. See Section 4.01(f), which sets a ceiling for the Indicative Product Price, which also applies to the Binding Product Price.	Microsoft Excel
Photograph of the roof or site.	Adobe Acrobat
Interconnection status (including a copy of the interconnection application and any studies, if available).	Adobe Acrobat
Demonstration of Site Control, in accordance with Section 4.01(b).	Adobe Acrobat
An acknowledgment letter, the form of which is attached hereto as <u>Appendix C</u> , executed by the owner of the Site, regarding the California Solar Initiative program and net energy metering tariff.	Adobe Acrobat
Summary of Developer Experience, the form of which is attached hereto as <u>Appendix D</u> .	Adobe Acrobat
Redline of the PPA (e.g., blank spaces and appendices filled in, etc.), the form of which is attached hereto as <u>Appendix A</u> . Except for completing the information requested in the PPA, Offeror should not make any substantive modifications to terms of the PPA, other than modifications that are Generating Facility- or Offeror-specific.	Microsoft Word

### 3.04 Evaluation of Non-Binding Offers and Notification of Short-Listed Offers.

SCE will evaluate each Non-Binding Offer in accordance with and subject to these RFO Instructions, including, without limitation, Sections 4.01 and 4.03. SCE will notify each Offeror by e-mail no later than close of business May 10, 2010 of whether or not such Offeror’s Non-Binding Offer has been short-listed.

### 3.05 Offeror’s Submission of Interconnection Application.

- (a) If SCE notifies Offeror that its Non-Binding Offer has been short-listed, and Offeror wants to continue to participate in the RFO, then Offeror must, within ten (10) Business Days after such notification, (i) file an interconnection application

and a distribution service application with SCE's Grid Interconnection and Contract Development Department at the e-mail address set forth in Section 5.02, or (ii) file an interconnection application with the California Independent System Operator ("CAISO"), as applicable, and, in either case, must also submit an additional copy of such interconnection application (and distribution service application, if applicable) to SCE and the Independent Evaluator in accordance with Article Ten.

If Offeror filed an interconnection application (and distribution service application, if applicable) with either SCE's Grid Interconnection and Contract Development Department, at the e-mail address set forth in Section 5.02, or the CAISO, as applicable, before submitting its Non-Binding Offer(s) to SCE, Offeror must provide a copy of the filed interconnection application (and distribution service application, if applicable) to SCE and the Independent Evaluator in accordance with Article Ten within ten (10) Business Days after short-list notification by SCE. If Offeror does not provide a copy of the filed interconnection application (and distribution service application, if applicable) as set forth in the previous sentence, SCE may deem the Non-Binding Offer to have been withdrawn by Offeror.

For interconnection to points on SCE's electric system that are not controlled by the CAISO, Offeror must file both an interconnection application and a distribution service application with SCE pursuant to SCE's Wholesale Distribution Access Tariff ("WDAT") Small Generator Interconnection Procedure ("SGIP"). For interconnection to points on SCE's electric system that are controlled by the CAISO, Offeror must apply to the CAISO for interconnection pursuant to CAISO's Small Generator Interconnection Procedure tariff. See Article Five for additional information with respect to the filing an interconnection application with the appropriate entity.

- (b) Upon being notified by SCE that its Non-Binding Offer has been short-listed, if Offeror does not wish to continue in the RFO, Offeror must withdraw from the RFO within ten (10) Business Days after the short-list notification from SCE by notifying SCE and the Independent Evaluator in accordance with Article Ten.

### 3.06 Interconnection Screens Passed or Studies Completed; Form of PPA Finalized.

On or before Monday, July 12, 2010, an Offeror that has had its Offer short-listed must, in accordance with Article Ten, submit documentation to SCE and the Independent Evaluator evidencing that it has passed the first nine (9) screens in the Fast Track Process (as described in the WDAT SGIP), or received a completed system impact study or phase one interconnection study identifying that no Network Upgrades (as defined in the CAISO Tariff) are required to interconnect the Generating Facility.

On or before Monday, July 12, 2010, an Offeror that has had its Offer short-listed must, in accordance with Article Ten, submit a fully completed, executable final form of PPA to SCE and the Independent Evaluator.

3.07 Submittal of Binding Offer.

By 11:00 a.m. Los Angeles time on Monday, July 19, 2010, Offerors eligible to submit one or more Binding Offers must submit such Binding Offer(s) to SCE and the Independent Evaluator in accordance with Article Ten. For purposes of these RFO Instructions, a “Binding Offer” is an Offer that is submitted in accordance with these RFO Instructions and contains the following documents, which each Offeror must submit in the specified format:

<i>Document</i>	<i>Format</i>
A final, executable form of the PPA, <i>executed by Offeror</i> , which includes a binding Product price (“ <u>Binding Product Price</u> ”), expressed in United States dollars per MWh AC before application of the Energy Payment Allocation Factor multipliers, to be applied to the Product over the full 20-year Term of the PPA.	Microsoft Word, but executed signature page should be sent as an Adobe Acrobat file.
In accordance with California Commercial Code §2205(a), Buyer’s written assurance that its Binding Offer will be held open until at least through July 26, 2010.	E-mail.

In addition, by 11:00 a.m. Los Angeles time on Monday, July 19, 2010, SCE must receive two (2) *originals* of the PPA(s), *executed by Offeror*, at the following address:

Southern California Edison Company  
 Attn: George Wiltsee, Renewable & Alternative Power  
 2244 Walnut Grove Ave.  
 Rosemead, CA 91770  
 (626) 302-4945

3.08 Acceptance of Binding Offers and Submission of the Final Agreement to the CPUC.

- (a) SCE will evaluate each Binding Offer in accordance with and subject to the RFO Instructions, including, without limitation, Sections 4.02 and 4.03.
- (b) SCE will notify by e-mail those Offerors whose Binding Offers are accepted for execution by SCE.
- (c) On or before July 26, 2010, SCE will countersign the two (2) originals of the PPA(s) executed by Offeror. SCE will then send one original version of the Final Agreement to Offeror.

- (d) Within sixty (60) days of the execution by the Parties of the Final Agreement(s), SCE will submit such Final Agreement(s) to the CPUC for CPUC Approval. See Article Eight for additional information.

3.09 Independent Evaluator.

In accordance with the requirements set forth in D.09-06-049, SCE has engaged an Independent Evaluator to evaluate and report on the RFO (“Independent Evaluator”), including the evaluation, selection, and negotiation process for the RFO. The Independent Evaluator will review all Offers and will have the opportunity to be present at meetings and conference calls between SCE and Offerors.

In accordance with Article Ten, Offeror must include the Independent Evaluator in all e-mail communications with SCE related to the RFO.

None of the activities of the portion of the Solar PV Program (commonly called utility-owned generation) whereby SCE will own, install, operate and maintain 250 MW DC of distributed solar PV projects in SCE’s service territory will fall within the scope of the Independent Evaluator.

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

## ARTICLE FOUR. EVALUATION OF OFFERS

### 4.01 Conforming Criteria for Evaluation of Non-Binding Offers.

Following its receipt of Offeror's Non-Binding Offer(s), SCE will evaluate such Non-Binding Offer(s) against a set of conforming criteria, including, without limitation, the following:

- (a) The Offeror must meet the eligibility requirements set forth in Article Two and must have submitted its Non-Binding Offer(s) in accordance with these RFO Instructions, including, without limitation, Section 3.03;
- (b) The Offeror must demonstrate Site Control by owning the Site, leasing the Site under a lease, or holding a right-of-way grant or similar instrument with respect to the Site, and must adhere to the Site Control requirements under Offeror's interconnection application;<sup>4</sup>
- (c) Neither the Offeror nor the owner of the Site may participate in the California Solar Initiative program ("CSI") or net energy metering tariff ("NEM"), and the owner of the Site will be required to sign the letter, the form of which is attached hereto as Appendix C, acknowledging familiarity with CSI and NEM, and a commitment not to apply for either program with respect to the subject Generating Facility from the date that the Final Agreement is executed by the Parties until the Term End Date;
- (d) The Offeror must have a "minimum level of developer experience" with large commercial and industrial roof-mounted solar photovoltaic installations;<sup>5</sup>
- (e) The Generating Facility must be a commercially proven solar photovoltaic Generating Facility and use Underwriters Laboratory (UL) rated components; and
- (f) The Indicative Product Price is not greater than \$192.50/MWh AC.<sup>6</sup>

### 4.02 Criteria for Evaluation of Binding Offers.

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<sup>4</sup> A change in Site location during the RFO process will not disqualify an otherwise qualified Offer, provided that the Offeror demonstrates Site Control for the new Site, the change in Site does not impact the scheduled Term Start Date, and the new Site uses the same interconnection point.

<sup>5</sup> The CPUC has defined "minimum level of developer experience" to mean that "the company and/or the development team has completed two or more projects of similar technology and has developed projects of cumulative capacity equal to one megawatt." (Resolution E-4299, p.15)

<sup>6</sup> Average annual costs to SCE, including Energy Payment Allocation Factors for the TOU Periods, are not to exceed \$260/MWh AC, which is the levelized cost of electricity for SCE's utility-owned solar photovoltaic program's generation. SCE estimates that, over the Term of the PPA, and including the Energy Payment Allocation Factors for the TOU Periods, a \$192.50 MWh AC Binding Product Price will result in annual average costs equal to \$260/MWh AC (i.e., \$192.50 x 1.35). The estimated difference between the average annual costs of \$260/MWh AC and the \$192.50/MWh AC is a result of photovoltaic projects delivering the majority of their energy during peak periods).

SCE will evaluate and select Binding Offers from eligible Offerors based on the following factors:

- (a) The five-year 250 MW DC capacity goal, as further described in Section 1.01;
- (b) The limitation that no more than 10% of the overall program capacity will be ground-mounted; and
- (c) Binding Product Price (i.e., Binding Offers will be ranked and selected based on the Binding Product Price (\$/MWh AC). Binding Offers with a lower Binding Product Price will be accepted before Binding Offers with a higher Binding Product Price. Under no circumstances will SCE accept a Binding Offer with a Binding Product Price greater than \$192.50/MWh AC.

#### 4.03 Product Price.

Each of the Indicative Product Price and the Binding Product Price submitted by Offeror to SCE in each Offer must include, without limitation:

- (a) All awards, subsidies, tax credits (including, without limitation, production tax credits and investment tax credits) with respect to the Generating Facility;
- (b) All other benefits that Offeror reasonably expects to apply to either the Indicative Product Price or the Binding Product Price;
- (c) Direct Assignment Costs (as defined in Section 5.01(c)(i));
- (d) The assumption that:
  - (i) Offeror is required to post Development Security equal to Twenty Dollars (\$20.00) per kW DC of the Gross Power Rating;
  - (ii) Each of the Indicative Product Price and the Binding Product Price will be adjusted in each hour of delivery by the Energy Payment Allocation Factors set forth in Appendix E to the PPA.

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

## ARTICLE FIVE. INTERCONNECTION TO SCE'S ELECTRIC SYSTEM

### 5.01 Introduction.

- (a) Areas with Potential Generating Capacity. A list of areas where generating capacity appears to be available in SCE's service territory is posted at [www.sce.com/spvp-ipp](http://www.sce.com/spvp-ipp). This list of areas is intended to assist Offerors in identifying Sites that may require minimal upgrades in order to interconnect to SCE's electric system. These areas have experienced, or are expected to experience growth in demand. SCE does not guarantee that conditions in these areas will remain the same or that property suitable for the Solar PV Program is available in these areas.
- (b) Interconnection Application Information Needed to Prepare Offers. Any application for interconnection to SCE's *distribution system* must be directed to SCE's Grid Interconnection and Contract Development Department, at the e-mail address set forth in Section 5.02, to request both interconnection service and distribution service under the WDAT. All of SCE's electric circuits that are not in the CAISO-Controlled Grid (as defined in the CAISO Tariff), which are generally those that are 66 kV or lower, are considered to be part of the distribution system.

Any application for interconnection to SCE's *transmission system* in the CAISO-Controlled Grid must be directed to the CAISO in accordance with the CAISO Tariff. SCE's electric circuits that are 220 kV or greater are generally considered to be part of SCE's transmission system and are in the CAISO-Controlled Grid. SCE has some 115 kV electric circuits (and some 66 kV electric circuits in the Tehachapi area) that are considered to be part of SCE's transmission system and in the CAISO-Controlled Grid as well.

Offerors must contact SCE's Grid Interconnection and Contract Development Department at the email address set forth in Section 5.02 to determine whether the SCE electric circuit to which Offeror intends to interconnect its Generating Facility is part of SCE's distribution system or SCE's transmission system. See Sections 5.02 and 5.03 for further information.

- (c) Responsibility for Interconnection Costs.
- (i) Direct Assignment Costs. An Offeror is responsible for all Direct Assignment Costs for interconnecting to SCE's electric system. Offeror's Indicative Product Price and Binding Product Price must be based on the assumption that Offeror will bear the Direct Assignment Costs because there is no reimbursement of these costs to Offeror. For purposes of this Section 5.01(c)(i), "Direct Assignment Costs" means, generally, the costs for interconnection facilities and upgrades to SCE's distribution system



that are necessary to physically and electrically interconnect a Generating Facility to SCE's electric system.

- (ii) Network Upgrades Not Permitted Under the Solar PV Program. SCE will not consider Offers in response to this RFO that require Network Upgrades (as defined in the CAISO Tariff) to interconnect the Generating Facility to the CAISO-Controlled Grid.
  
- (d) Applicable Tariffs. Offeror should review the following documents (links are provided on the Solar PV Program website at [www.sce.com/spvp-ipp](http://www.sce.com/spvp-ipp)):
  - (i) SCE's WDAT for requirements to interconnect to SCE's distribution system;
  - (ii) The CAISO Tariff for requirements to interconnect to SCE's transmission system located in the CAISO-Controlled Grid; and
  - (iii) SCE's Interconnection Handbook for the technical requirements to interconnect its Generating Facility with SCE's electric system.
  
- (e) Interconnection Application and Process.
  - (i) Offeror must provide to SCE and the Independent Evaluator, in accordance with Article Ten:
    - 1) A copy of any correspondence from the CAISO or SCE's Grid Interconnection and Contract Development Department, which deems Offeror's interconnection application complete, no later than three (3) Business Days after Offeror's receipt thereof; and
    - 2) Any agreement, study or analysis provided to Offeror by the CAISO or SCE's Grid Interconnection and Contract Development Department no later than three (3) Business Days after Offeror's receipt thereof.
  - (ii) Offeror's interconnection application and distribution service application must contain a request for interconnection of, and distribution service for the entire Gross Power Rating that Offeror proposes to sell to SCE.

A complete interconnection application and distribution service application, if applicable, must be filed with the SCE's Grid Interconnection and Contract Development Department at the e-mail address set forth in Section 5.02, or the CAISO, as applicable, within ten (10) Business Days of SCE notifying Offeror that it has been short-listed. See Section 3.05 for additional details.

- (f) Interconnection Procedure. Subject to Applicable Law, including, without limitation, the rules and regulations of the Federal Energy Regulatory Commission (“FERC”), SCE will have no liability to Offeror for the time taken to complete interconnection studies or facilities upgrades that are necessary for Offeror’s Generating Facility to commence the Term of the Final Agreement. Timelines for conducting interconnection studies are included in the applicable tariffs and interconnection study agreements as part of the interconnection process. SCE’s Renewable and Alternative Power Department makes no representations or warranties as to when any required interconnection studies or facilities upgrades will be completed. That information will be provided by SCE’s Grid Interconnection and Contract Development Department in the course of completing the interconnection studies.

SCE will not be liable to Offeror for any reduction in Offeror’s payments or reduction of the Term of the Final Agreement in the event the Term Start Date is delayed or not achieved as a result of any interconnection studies performed by SCE or the CAISO.

Agreements executed between Offeror and SCE or the CAISO, as applicable, with respect to the interconnection process only provide interconnection service to SCE’s electric system and do not guarantee a Final Agreement with SCE. Similarly, a Final Agreement between Offeror and SCE does not guarantee an agreement between Offeror and SCE or the CAISO, as applicable, with respect to the interconnection process.

If requested, the CAISO will, pursuant to the CAISO Tariff, perform a deliverability study that identifies congestion concerns on SCE’s electric system that may limit the full output of the Generating Facility as well as the facility upgrades required to relieve the congestion.

In preparing Offers, Offerors are encouraged to review SCE’s Transmission Ranking Cost Reports; a link is provided on the SCE Solar PV Program website at [www.sce.com/spvp-ipp](http://www.sce.com/spvp-ipp).

## 5.02 Interconnection to SCE’s Distribution System.

In order to connect to SCE’s distribution system, Offeror must file the following with SCE:

- (a) An interconnection application to SCE pursuant to the WDAT SGIP, available at [http://www.sce.com/NR/sc3/tm2/RPA/Reg\\_Info\\_Ctr/OpenAccess/wholesale distribution access tariff.pdf](http://www.sce.com/NR/sc3/tm2/RPA/Reg_Info_Ctr/OpenAccess/wholesale_distribution_access_tariff.pdf); and

- (b) An application for wholesale distribution service (pursuant to Section 15.2 of the WDAT) to transmit the Generating Facility's output from the point of interconnection on SCE's distribution system to the CAISO-Controlled Grid, along with a separate deposit in the amount of \$2.00/kW DC of the Gross Power Rating.

A Generating Facility with a Gross Power Rating of 2 MW DC or less may be eligible for expedited treatment pursuant to the Fast Track Process (as described in the WDAT SGIP).

Questions related to the WDAT application, interconnection procedures or wholesale distribution service should be directed to SCE's Grid Interconnection and Contract Development Department at [InterconnectQA@sce.com](mailto:InterconnectQA@sce.com). Please include "SPVP-IPP RFO 2010" in the subject field.

#### 5.03 Interconnection to SCE's Transmission System in the CAISO-Controlled Grid.

In order to connect to SCE's transmission system in the CAISO-Controlled Grid, Offeror's interconnection application must be sent directly to the CAISO in accordance with the CAISO Tariff. The CAISO's interconnection procedures and application form can be found in the CAISO Tariff under Section 25, "Interconnection of Generating Units and Generation Facilities to the CAISO Controlled Grid", and Appendix S, "Small Generator Interconnection Procedure", which are available at: <http://www.caiso.com/pubinfo/tariffs/index.html>.

#### 5.04 System Impacts.

In order to transmit the full output of the Generating Facility from the interconnection point to the CAISO-Controlled Grid reliably, electric system upgrades may be required. Electric system upgrades may include, without limitation, distribution lines, transmission lines, transformer banks, special protection systems, substation breakers, capacitors and/or other equipment required to reliably transfer the output of the Generating Facility to SCE's consumers.

As part of the interconnection process, the CAISO or SCE, as applicable, typically performs interconnection studies in order to determine if electric system upgrades are required. If the interconnection studies identify a potential need for electric system upgrades, estimates of the cost and time to construct such upgrades are provided as part of the studies. Later stage interconnection studies provide for more detailed cost and time-to-construct information associated with the interconnection facilities and electric system upgrades.

5.05 References.

Offeror is encouraged to review the following websites and documents included therein to obtain additional information related to the interconnection process:

NERC Planning Standards and Operating Policies:

<http://www.nerc.com>

WECC Reliability Standards:

<http://www.wecc.biz/Standards/Pages/default.aspx>

WECC Regional Reliability Organization (“RRO”) Documents related to NERC Standards:

<http://www.wecc.biz/library/rro/default.aspx>

CAISO New Generator Interconnection:

<http://www2.caiso.com/docs/2002/06/11/2002061110300427214.html>

CAISO Generation Requirements:

[www2.caiso.com/thegrid/generation/index.html](http://www2.caiso.com/thegrid/generation/index.html)

CAISO Grid Planning Standards:

<http://www.caiso.com/docs/09003a6080/14/37/09003a608014374a.pdf>

CPUC General Order 167:

[http://www.cpuc.ca.gov/PUC/emrep/go167\\_excerpt.htm](http://www.cpuc.ca.gov/PUC/emrep/go167_excerpt.htm)

SCE Wholesale Generation Interconnection Technical Requirements:

[http://www.sce.com/NR/rdonlyres/851128D1-6820-43DD-BAD4-B30DE27B0F35/0/InterconnectionHandbookWG\\_081805.pdf](http://www.sce.com/NR/rdonlyres/851128D1-6820-43DD-BAD4-B30DE27B0F35/0/InterconnectionHandbookWG_081805.pdf)

SCE Wholesale Distribution Access Tariff Generator Interconnections:

<http://www.sce.com/AboutSCE/Regulatory/openaccess/>

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

## ARTICLE SIX. DEVELOPMENT SECURITY AND COLLATERAL

### 6.01 Development Security.

On or before the thirtieth (30<sup>th</sup>) day following the date of execution of the Final Agreement by the Parties, Offeror must post and thereafter maintain Development Security in the amount of twenty dollars (\$20.00) for each kW DC of the Gross Power Rating. The Development Security will be held as security by SCE to ensure that Offeror installs and demonstrates the Gross Power Rating by the Term Start Date. The Development Security must be in the form of either a cash deposit or a Letter of Credit, the form of which is attached to the PPA as Appendix C.

Offerors should review the additional terms that address posting of Development Security during the development of the Generating Facility which are set forth in Section 4 of the PPA attached to hereto as Appendix A.

### 6.02 Credit and Collateral for Generating Facilities with a Gross Power Rating of Greater than 5 MW DC.

Offerors wishing to submit a single Offer to SCE for one or more Generating Facilities with combined Gross Power Ratings of greater than 5 MW DC must execute the >5 MW DC PPA, which contains additional terms and conditions, including, without limitation, additional credit and collateral obligations of Offeror. Offeror should promptly contact SCE and the Independent Evaluator in accordance with Article Ten if it intends to execute the >5 MW DC PPA.

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

## ARTICLE SEVEN. REGULATORY APPROVAL

### 7.01 CPUC and FERC Approvals.

SCE's obligations to purchase power under a Final Agreement will only become effective upon CPUC Approval (as defined in the PPA) of the Final Agreement.

If a Final Agreement is entered into between SCE and any of its affiliates, such Final Agreement may also require an approval by the FERC. In such an instance, SCE's obligations under the Final Agreement will only become effective upon approval by both the CPUC and the FERC.

### 7.02 Support for Regulatory Purposes.

Offeror may be requested, and shall work with SCE to provide any information requested in the RFO for purposes of filing applications or advice letters with the CPUC for CPUC Approval of any Final Agreement.

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

## ARTICLE EIGHT. CONFIDENTIALITY

### 8.01 Treatment of Confidential Information.

Each of SCE and Offeror (individually, a “Party” and collectively, the “Parties”) acknowledges and agrees that, as of the date of Offeror’s submission of a Non-Binding Offer to SCE (the “Non-Binding Offer Submission Date”), each Party shall be bound by this Article Eight, including each of the following provisions:

- (a) Each Party agrees to treat Confidential Information (as defined in Section 8.03(a)) as confidential with respect to third parties and must not disclose Confidential Information except as specifically authorized in this Article Eight or as specifically agreed to by each Party in writing. Accordingly, each Party must take all necessary precautions and implement all requisite procedures and practices to protect Confidential Information provided by the other Party; and
- (b) Notwithstanding anything to the contrary set forth herein, SCE agrees that SCE employees and contractors responsible for or otherwise materially involved in all or part of the independent power producer or competitive portion of the Solar PV Program or the related interconnection process must not disclose Confidential Information to any SCE employee or contractor working in the Project Development Division (as defined in Section 8.03(b)).

### 8.02 Permitted Disclosures.

Subject to the limitations set forth in Section 8.01(b), each Party may disclose Confidential Information only to its employees, directors, advisors, attorneys, consultants or accountants who have a strict need to know solely for the purpose of directly assisting such disclosing Party in evaluating any Offer (“Permitted Disclosee”), or in subsequent discussions or negotiations regarding such Offer and so long as such disclosing Party advises each Permitted Disclosee of the confidential nature of the Confidential Information and uses reasonable efforts to prevent or limit the disclosure of Confidential Information by such Permitted Disclosee. In addition, the Independent Evaluator for the RFO (as described in Section 3.09) is and must be deemed to be a Permitted Disclosee. Each Party may also disclose Confidential Information to representatives of its rating agencies who have a strict need to know solely for the purpose of directly assisting such disclosing Party in evaluating an Offer, so long as such disclosing Party advises the rating agency of the confidential nature of the Confidential Information and uses reasonable efforts to prevent or limit the disclosure of Confidential Information by any such rating agency.

SCE and the Independent Evaluator for the RFO may also disclose Confidential Information to the CPUC, the PRG, the California Energy Commission (“CEC”), and the CAISO and each of their staff and divisions thereof in furtherance of the RFO. Although SCE will seek confidential treatment of any Confidential Information submitted by it to the CPUC, by means of a motion for protective order under Public Utilities Code section

583 and General Order 66-C, or by appropriate application to or agreement with the PRG, the CAISO and the CEC, SCE may disclose Confidential Information under this paragraph even if no protective order is issued and no confidentiality or non-disclosure agreements are entered into. Neither SCE nor the Independent Evaluator for the RFO shall have any liability whatsoever to any party in the event of any unauthorized use or disclosure by a governmental or regulatory agency or entity, including, without limitation, the CPUC and all divisions thereof, the CEC, the FERC, the PRG, or the CAISO, of any Confidential Information or other information disclosed to any of them by SCE or its representatives.

### 8.03 Certain Defined Terms.

For purposes of these RFO Instructions:

- (a) “Confidential Information” means all oral or written (including electronic) communications exchanged between the Parties related to an Offer or interconnection request, including, without limitation, the fact that an Offeror has submitted an Offer, and if applicable the facts (1) that SCE has short-listed the Offer, and (2) the Parties are negotiating the Offer.

Notwithstanding anything to the contrary set forth herein, the obligations set forth in this Article Eight do not apply to, and the term “Confidential Information” does not include:

- (i) Information that is in the public domain as of the Non-Binding Offer Submission Date or that later comes into the public domain from a source other than from the Party obligated to treat the Confidential Information as confidential, as well as such Party’s Permitted Disclosee or representatives of such Party’s rating agencies;
- (ii) Information that SCE or Offeror can demonstrate in writing was already known to SCE or Offeror, as applicable, before the Non-Binding Offer Submission Date;
- (iii) Information which comes to SCE or Offeror from a bona fide third party not under an obligation of confidentiality; or
- (iv) Information which is independently developed by SCE or Offeror without use of or reference to Confidential Information or information containing Confidential Information.
- (b) “Project Development Division” means the organization at SCE responsible for, among other things, the implementation of the portion of the Solar PV Program (commonly called utility-owned generation) whereby SCE will own, install, operate and maintain 250 MW DC of distributed solar photovoltaic projects in SCE’s service territory, as further described in CPUC Decision 09-06-049.



8.04 Miscellaneous.

- (a) The Parties agree that irreparable damage would occur if the terms and conditions set forth in this Article Eight were not performed in accordance with its terms or were otherwise breached. Accordingly, a Party may be entitled to seek an injunction or injunctions to prevent breach of the terms and conditions set forth in this Article Eight and to enforce specifically its provisions in any court of competent jurisdiction, in addition to any other remedy to which such Party may be entitled by law or equity.
- (b) The Parties agree not to introduce into evidence or otherwise voluntarily disclose in any administrative or judicial proceeding, any Confidential Information, except as required by Applicable Law or with the written consent of the Party providing the Confidential Information or as SCE or Offeror may be required to disclose to duly authorized governmental or regulatory agencies, including the CPUC or any division thereof, in order to demonstrate the reasonableness of its actions.
- (c) All written Confidential Information supplied by a Party, and all copies or translations thereof made by the Party or Permitted Disclosee who received the Confidential Information, shall, upon written request of the Party who initially provided the Confidential Information, be returned to that Party, destroyed, or held and maintained subject to the terms of this Article Eight, provided that a Party or Permitted Disclosee is not be obligated to return or destroy any Confidential Information contained in its archive computer back-up system and, provided further, that a Party may retain copies of Confidential Information to the extent that retention is required by Applicable Law.
- (d) Nothing in this Article Eight is intended to waive any attorney-client, work-product or other privilege applicable to any statement, document, communication, or other material of any Party.
- (e) The terms of this Article Eight shall be effective as of the Non-Binding Offer Submission Date and shall terminate five (5) calendar years thereafter, or earlier upon the mutual written consent of the Parties or as required by Applicable Law.
- (f) This Article Eight shall be interpreted, governed and construed under the laws of the State of California (without giving effect to its conflict of laws provisions that could apply to the law of another jurisdiction) as if executed in and to be wholly performed within the State of California.
- (g) If any provision of this Article Eight is unenforceable or invalid, it shall be given effect to the extent it may be enforceable or valid, and such enforceability or invalidity will not affect the enforceability or invalidity of any other provision of this Article Eight.

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\*\*\* End of ARTICLE EIGHT \*\*\*

**ARTICLE NINE. WAIVERS AND RESERVATION OF RIGHTS;  
REPRESENTATIONS, WARRANTIES AND COVENANTS**

9.01 Modification or Termination of the RFO.

SCE reserves the right at any time to modify any dates specified in the RFO or abandon the RFO without notice, without assigning any reasons, and without liability of Edison International, SCE or any of their subsidiaries, affiliates or representatives to any Offeror.

SCE will not be deemed to have accepted any Offer, and will not be bound by any term thereof, unless and until authorized representatives of SCE and Offeror execute a Final Agreement.

If the RFO is terminated by SCE, Offeror shall be responsible for any expenses incurred by Offeror as a result of the RFO.

9.02 Release of SCE for any Delays.

Offeror acknowledges that except for SCE's obligation to submit a fully executed Final Agreement to the CPUC for CPUC Approval, Offeror bears sole responsibility for submitting all applications and obtaining all permits, leases or mortgages, and interconnection, financing and other agreements necessary for Offeror to perform under a Final Agreement. Offeror further acknowledges and agrees that, subject to Applicable Law (including, without limitation FERC rules and regulations), SCE shall have no liability for the:

- (a) Time required to complete any studies, obtain any required permits for Generating Facility operation, or enter into any agreements discussed or contemplated under the RFO (including, without limitation, interconnection studies, leases, mortgages, financing or permits);
- (b) Time required to perform construction for interconnection facilities or distribution upgrades necessary to meet any Term Start Date;
- (c) Time to construct the Generating Facility;
- (d) Direct Assignment Costs; or
- (e) Time required to acquire any environmental permits to construct or operate, including, without limitation, acquisition of any emission credits required by law or regulation.

9.03 Waived Claims.

By submitting an Offer, Offeror knowingly, voluntarily, and completely waives any rights under statute, regulation, state or federal constitution or common law to assert any claim, complaint or other challenge in any regulatory, judicial or other forum, including

without limitation, the CPUC (except as expressly provided below), the FERC, the Superior Court of the State of California (“State Court”) or any United States District Court (“Federal Court”) concerning or related in any way to the RFO or these RFO Instructions, including all Appendices hereto (“Waived Claims”). Offeror further expressly acknowledges and agrees that if it asserts any Waived Claim at the CPUC, FERC, State Court or Federal Court, or otherwise in any forum, to the extent that Offeror’s Offer has not already been disqualified, SCE is entitled to disqualify this Offer automatically from further consideration in the RFO or otherwise, and further, SCE may elect to terminate the RFO.

By submitting an Offer, Offeror further agrees that the sole forum in which Offeror may assert any challenge with respect to the conduct or results of the RFO is at the CPUC. Offeror further agrees that: (a) the sole means of challenging the conduct or results of the RFO is a complaint filed under Article 3, Complaints and Commission Investigations, of Title 20, Public Utilities and Energy, of the California Code of Regulations; (b) the sole basis for any such protest shall be that SCE allegedly failed in a material respect to conduct the RFO in accordance with these RFO Instructions, as may be revised from time to time; and (c) the exclusive remedy available to Offeror in the case of such a protest shall be an order of the CPUC that SCE again conduct any portion of the RFO that the CPUC determines was not previously conducted in accordance with these RFO Instructions, as may be amended from time to time (including the Appendices attached hereto). Offeror expressly waives any and all other remedies, including, without limitation, compensatory and/or exemplary damages, restitution, injunctive relief, interest, costs and/or attorneys’ fees. Unless SCE elects to do otherwise in its sole discretion, during the pendency of such a protest, the RFO and any related regulatory proceedings related to the RFO will continue as if the protest had not been filed, unless the CPUC issues an order suspending the RFO or SCE has elected to terminate the RFO.

Offeror further acknowledges and agrees that if Offeror asserts any Waived Claim, SCE shall be entitled to seek immediate dismissal of Offeror’s claim, complaint or other challenge, with prejudice, by filing a motion to dismiss (or similar procedural device) supported by the language in this Article Nine and that Offeror will not challenge or oppose such a request for dismissal. Offeror further acknowledges and agrees that if it asserts any Waived Claim, and if SCE successfully has that Waived Claim dismissed or transferred to the CPUC, Offeror shall pay SCE’s full costs and expenses incurred in seeking such dismissal or transfer, including reasonable attorneys’ fees.

Offeror agrees to indemnify and hold SCE harmless from any and all claims by any other Offeror asserted in response to the assertion of any Waived Claim by Offeror or as a result of an Offeror’s protest to a filing at the CPUC resulting from the RFO.

Except as expressly provided in these RFO Instructions, nothing in these RFO Instructions, including Offeror’s waiver of any Waived Claims as set forth above, shall in any way limit or otherwise affect the rights and remedies of SCE.

9.04 Offeror's Representations, Warranties and Covenants.

- (a) By submitting an Offer, Offeror agrees to be bound by the conditions of the RFO, and makes the following representations, warranties, and covenants to SCE, which representations, warranties, and covenants shall be deemed to be incorporated in their entirety into each of Offeror's Offers:
- (i) Offeror has read, understands and agrees to be bound by all terms, conditions and other provisions of these RFO Instructions;
  - (ii) Offeror has had the opportunity to seek independent legal and financial advice of its own choosing with respect to the RFO and these RFO Instructions, including the Appendices attached hereto;
  - (iii) Offeror has obtained all necessary authorizations, approvals and waivers, if any, required by Offeror to submit its Non-Binding Offer and, if Offeror submits a Binding Offer pursuant to the terms of these RFO Instructions, to enter into a Final Agreement with SCE;
  - (iv) Offeror's Offer complies with all Applicable Laws;
  - (v) Offeror has not engaged, and covenants that it will not engage, in any communications with any other actual or potential Offeror in the RFO concerning this solicitation, price terms in Offeror's Offer, or related matters and has not engaged in collusion or other unlawful or unfair business practices in connection with the RFO;
  - (vi) If Offeror is deemed eligible by SCE to submit a Binding Offer, any Binding Offer submitted by Offeror is subject only to SCE's acceptance, in SCE's sole discretion; and
  - (vii) The information submitted by Offeror to SCE in connection with the RFO and all information submitted as part of any Offer is true and accurate as of the date of Offeror's submission. Offeror also covenants that it will promptly update such information upon any material change thereto.
- (b) By submitting an Offer, Offeror acknowledges and agrees that:
- (i) SCE may rely on any or all of Offeror's representations, warranties, and covenants in the RFO (including any Offer submitted by Offeror);
  - (ii) SCE may disclose information as set forth in Article Eight of these RFO Instructions; and
  - (iii) In SCE's evaluation of Offers pursuant to the RFO, SCE has the right to disqualify an Offeror that is unwilling or unable to meet any other requirement of the RFO, as determined by SCE in its sole discretion.

- (c) BY SUBMITTING AN OFFER, OFFEROR HEREBY ACKNOWLEDGES AND AGREES THAT ANY BREACH BY OFFEROR OF ANY OF THE REPRESENTATIONS, WARRANTIES AND COVENANTS IN THESE RFO INSTRUCTIONS SHALL CONSTITUTE GROUNDS FOR IMMEDIATE DISQUALIFICATION OF SUCH OFFEROR, IN ADDITION TO ANY OTHER REMEDIES THAT MAY BE AVAILABLE TO SCE UNDER APPLICABLE LAW, AND DEPENDING ON THE NATURE OF THE BREACH, MAY ALSO BE GROUNDS FOR TERMINATING THE RFO IN ITS ENTIRETY.

9.05 Good Faith Dealings.

It is expected that the Parties will act in good faith in their dealings with each other with respect to this RFO.

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\*\*\* *End of ARTICLE NINE* \*\*\*

## ARTICLE TEN. COMMUNICATIONS

Unless otherwise stated in these RFO Instructions, any exchange of any material information by electronic, written, oral or other means concerning the RFO, including any such exchange concerning the preparation of Offers or other submissions to SCE related to the RFO, must be submitted to both SCE and the Independent Evaluator for the RFO in the form of an e-mail at the following e-mail addresses:

(a) To SCE:

spvp-ipp@sce.com; and

(b) To SCE's Independent Evaluator at Merrimack Energy:

Wayne Oliver, waynejoliver@aol.com

The website address for the RFO is <http://www.sce.com/spvp-ipp>.

SCE may, in its sole discretion, decline to respond to any e-mail or other inquiry without liability or responsibility.

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\*\*\* End of ARTICLE TEN \*\*\*

## **APPENDIX A**

### *Form of Solar Photovoltaic Program Power Purchase and Sale Agreement*

*SCE Comment: The PPA can be downloaded from <http://www.SCE.com/spvp-ipp>. Offerors wishing to submit a single Offer to SCE for one or more Generating Facilities with combined Gross Power Ratings of greater than 5 MW DC (but no greater than 10 MW DC) are not eligible to enter into the PPA attached hereto as Appendix A, but must execute the >5 MW DC PPA, which contains additional terms and conditions, including, without limitation, additional credit, collateral, operational, performance and regulatory obligations of Offeror. Offeror should promptly contact SCE and the Independent Evaluator in accordance with Article Ten if it intends to execute the >5 MW DC PPA.*

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*\*\*\*End of Appendix A\*\*\**

**APPENDIX B**  
*Offer Template*

*SCE Comment: The Offer Template can be downloaded from <http://www.SCE.com/spvp-ipp>.*

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**\*\*\*End of APPENDIX B\*\*\***



**APPENDIX C**

*Form of Site Owner's Acknowledgement Letter*

*SCE Comment: The Site Owner's Acknowledgement Letter can be downloaded from <http://www.SCE.com/spvp-ipp>.*

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*\*\*\*End of APPENDIX C\*\*\**

## **APPENDIX D**

### *Form of Summary of Developer Experience*

*SCE Comment: The Form of Summary of Developer Experience can be downloaded from <http://www.SCE.com/spvp-ipp>.*

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*\*\*\*End of APPENDIX D\*\*\**

**SOLAR PHOTOVOLTAIC PROGRAM  
POWER PURCHASE AND SALE AGREEMENT**  
*between*  
**SOUTHERN CALIFORNIA EDISON COMPANY**  
*and*  
**[PRODUCER'S NAME]**

This Solar Photovoltaic Program Power Purchase and Sale Agreement (this "Agreement") by and between Southern California Edison Company, a California corporation ("SCE"), and [Producer's name], a [Producer's form of business entity and state of registration] ("Producer"), is made, entered into and effective as of [Date of execution] (the "Effective Date"). Producer and SCE are sometimes referred to in this Agreement jointly as the "Parties" and individually as a "Party." Unless the context otherwise specifies or requires, initially capitalized terms used in this Agreement have the meanings set forth in Appendix A.

1. RECITALS.

- 1.1. Producer is willing to construct, own and Operate the Generating Facility, and to sell the Product to SCE; and
- 1.2. SCE is willing to purchase the Product from Producer in accordance with the terms and conditions set forth in this Agreement.

The Parties, intending to be legally bound, agree as follows:

2. GENERATING FACILITY AND SITE; DELIVERY POINT; PRODUCT PRICE; SCHEDULING COORDINATOR.

*[SCE Note: If this Agreement is for more than one Generating Facility, Sections 2.2-2.5 must be completed for each Generating Facility.]*

- 2.1. The Generating Facility and the Site are described in Appendix B.
- 2.2. The name and address used by SCE to locate the Service Account(s) and Premises used to interconnect the Generating Facility to SCE's electric system are as follows: [\_\_\_\_\_].
- 2.3. The Gross Power Rating of the Generating Facility equals [\_\_\_\_\_] kW DC. *[SCE Note: If this Agreement is for more than one Generating Facility, each Generating Facility must have a Gross Power Rating of at least 500kw DC. In order to use this form of the Agreement, the Gross Power Rating must be less than 5 MW DC. A Producer that wants to offer a Generating Facility with a Gross Power Rating of 5 MW DC or greater should contact SCE to determine which form of power purchase agreement should be utilized. In no event, will SCE consider offers for a Generating Facility with a Gross Power Rating of greater than 10 MW DC.]*
- 2.4. The Net Power Rating of the Generating Facility equals [\_\_\_\_\_] kW AC.
- 2.5. The annual energy production of the Generating Facility, net of Station Use, as measured by the CAISO-Approved Meter or Check Meter, as applicable, is expected to be [\_\_\_\_\_] kWh.
- 2.6. The Delivery Point is [\_\_\_\_\_]. Producer shall provide and convey to SCE the entire Product from the Generating Facility at the Delivery Point. *[SCE Note: Insert the name of the PNode (as defined in the CAISO Tariff). If this Agreement is for more than one Generating Facility, all Generating Facilities must share the same PNode.]*
- 2.7. The price for the Product delivered by Producer to SCE in accordance with this Agreement (the "Product Price") equals \$[\_\_\_\_\_] per MWh.

2.8. SCE is the Scheduling Coordinator under this Agreement. SCE shall take all steps necessary to be authorized as the Scheduling Coordinator throughout the Term. Producer shall cooperate with SCE in good faith to assure that SCE is authorized as the Scheduling Coordinator throughout the Term.

3. TERM; PROGRESS REPORTING.

3.1. The term of this Agreement (the "Term") commences on [Date] (the "Term Start Date") and ends at midnight Los Angeles time on the day following the completion of twenty (20) Term Years from the Term Start Date (the "Term End Date").

3.2. Producer may change the Term Start Date set forth in Section 3.1 by providing Notice to SCE at least three (3) Business Days before such Term Start Date; *provided, however*, that the Term Start Date must occur within eighteen (18) months of CPUC Approval, subject to any extension of the Term Start Date as a result of Force Majeure as to which Producer is the Claiming Party (subject to Section 9.4).

3.3. In addition to the requirements set forth in Section 3.2, on the first day of each calendar month after the Effective Date and before the Term Start Date, Producer shall provide a Notice to SCE describing Producer's progress relative to the development, construction, and startup of the Generating Facility, as well as a Notice of any anticipated change to the Term Start Date.

4. DEVELOPMENT SECURITY.

4.1. On or before the thirtieth (30<sup>th</sup>) day following the Effective Date, Producer shall post and thereafter maintain a development fee (the "Development Security") equal to twenty dollars (\$20) for each kilowatt of the Gross Power Rating. The Development Security will be held by SCE and must be in the form of either a cash deposit or the Letter of Credit. If Producer establishes the Development Security in the form of a cash deposit, SCE shall make monthly Simple Interest Payments to Producer in accordance with the terms of this Agreement.

4.2. If, on or before the Term Start Date, Producer:

4.2.1. Demonstrates to SCE's satisfaction that Producer has installed all of the equipment or devices necessary for the Generating Facility to satisfy the Gross Power Rating of such Generating Facility, SCE shall return the Development Security to Producer within thirty (30) days of the Term Start Date;

4.2.2. Has not installed any of the equipment or devices necessary for any Generating Facility to satisfy any of the Gross Power Rating, Producer shall forfeit, and SCE shall have the right to retain, the entire Development Security and terminate this Agreement; or

4.2.3. Has installed only a portion of the equipment or devices necessary for a Generating Facility to satisfy the Gross Power Rating of such Generating Facility, SCE shall return, within thirty (30) days of the Term Start Date, only the portion of the Development Security equal to the product of twenty dollars (\$20) per kW DC of the portion of the Gross Power Rating available to deliver the Product to SCE at the Delivery Point.

This Section 4.2 is subject to Producer's right to extend the Term Start Date as a result of a Force Majeure as to which Producer is the Claiming Party (subject to Section 9.4).

5. CPUC FILING AND APPROVAL OF THIS AGREEMENT. On or before the sixtieth (60<sup>th</sup>) day following 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. Producer 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 that fails to approve this Agreement or that contains findings required for CPUC Approval with conditions or modifications unacceptable to either Party.

6. TERMINATION; REMEDIES.

- 6.1. SCE may terminate this Agreement on Notice, which termination becomes effective on the date specified by SCE in such Notice, if:
  - 6.1.1. Producer fails to take all corrective actions specified in any SCE Notice, within the time frame set forth in such Notice, that any Generating Facility is out of compliance with any term of this Agreement;
  - 6.1.2. Producer fails to interconnect and Operate a Photovoltaic Module within any Generating Facility, in accordance with the terms of this Agreement, within one hundred twenty (120) days after SCE delivers electric energy to such Generating Facility for Station Use;
  - 6.1.3. Producer abandons any Generating Facility;
  - 6.1.4. Electric output from any Generating Facility ceases for twelve (12) consecutive months;
  - 6.1.5. The Term does not commence within eighteen (18) months of CPUC Approval, subject to any extension of the Term Start Date as a result of Force Majeure as to which Producer is the Claiming Party (subject to Section 9.4);
  - 6.1.6. Producer or the owner of a Site applies for or participates in the California Solar Initiative or any net energy metering tariff with respect to any Generating Facility at such Site, as set forth in Section 7.12.6 and Section 7.16, respectively; or
  - 6.1.7. Producer has not installed any of the equipment or devices necessary for any Generating Facility to satisfy the Gross Power Rating of such Generating Facility, as set forth in Section 4.2.2.
- 6.2. A Party may terminate this Agreement:
  - 6.2.1. If any representation or warranty in this Agreement made by the other Party 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, if such misrepresentation or breach of warranty is not remedied within ten (10) Business Days after Notice thereof from the non-breaching Party to the breaching Party;
  - 6.2.2. Except for an obligation to make payment when due, if there is a failure of the other Party to perform any material covenant or obligation set forth in this Agreement (except to the extent such failure provides a separate termination right for the non-breaching Party or to the extent excused by Force Majeure), if such failure is not remedied within thirty (30) days after Notice thereof from the non-breaching Party to the breaching Party;
  - 6.2.3. If the other Party fails to make any payment due and owing under this Agreement, if such failure is not cured within five (5) Business Days after Notice thereof from the non-breaching Party to the breaching Party; or
  - 6.2.4. In accordance with Section 9.4.
- 6.3. This Agreement automatically terminates on the Term End Date.
- 6.4. If a Party terminates this Agreement in accordance with Section 6, such Party will have the right to immediately suspend performance under this Agreement and pursue all remedies available at law or in equity against the other Party (including seeking monetary damages).

## 7. PRODUCER'S OBLIGATIONS.

- 7.1. Before the Term Start Date, Producer must demonstrate to SCE that Producer has satisfied all of the requirements for Producer to Operate the Generating Facility in accordance with the terms of this Agreement, Applicable Law, the SCE Tariffs and the CAISO Tariff, and any other applicable contractual, tariff, legal and regulatory requirements.
- 7.2. Throughout the Term, Producer shall provide and convey the Product to SCE in accordance with the terms of this Agreement, and SCE shall have the exclusive right to the Product. Producer shall, at its own cost, take all reasonable actions and execute all documents or instruments that are reasonable and necessary to effectuate the use of the Green Attributes, Capacity Attributes and Resource Adequacy Benefits for SCE's benefit throughout the Term.
- 7.3. Producer hereby provides and conveys all Green Attributes associated with all electricity generation from the Generating Facility to SCE as part of the Product being delivered. Producer represents and warrants that Producer holds the rights to all Green Attributes from the Generating Facility, and Producer agrees to convey and hereby conveys all such Green Attributes to SCE as included in the delivery of the Product from the Generating Facility.
- 7.4. Throughout the Term, Producer shall grant, pledge, assign and otherwise commit to SCE the Net Qualifying Capacity of the Generating Facility in order for SCE to use in meeting its resource adequacy obligations under any Resource Adequacy Rulings.
- 7.5. As of the Effective Date and until the Term End Date, Producer may not provide or convey any of the Product to any individual or entity other than SCE.
- 7.6. Producer shall have Site Control as of the earlier of (i) the Term Start Date or (ii) any period before the Term Start Date to the extent necessary for Producer to perform its obligations under this Agreement and, in each case, Producer shall maintain Site Control throughout the Term. Producer shall promptly provide SCE with Notice if there is any change in the status of Producer's Site Control.
- 7.7. Producer shall, at its own cost, obtain and maintain all interconnection rights and interconnection agreements, and any related Governmental Authority approvals required to enable interconnection with SCE's electric system to the Delivery Point.
- 7.8. Producer shall, at its own cost, obtain and maintain all Permits and agreements necessary to Operate the Generating Facility and to deliver the Product from the Generating Facility to the Delivery Point.
- 7.9. Producer shall Operate the Generating Facility in compliance with the SCE Tariffs and the CAISO Tariff, and all Applicable Laws. Producer shall secure and maintain in full force all of the CAISO agreements, certifications and approvals required in order for the Generating Facility to comply with the CAISO Tariff.
- 7.10. Producer shall comply with all rules and regulations regarding PIRP if SCE elects to place any Generating Facility in PIRP. Producer shall install the Telemetry System that is designed to function in accordance with the CAISO's PIRP protocols and SCE's communication system.
- 7.11. Producer shall, at its own cost, install, maintain and test the CAISO-Approved Meter pursuant to the CAISO Tariff, SCE's electric service requirements and Prudent Electrical Practices. SCE may, at its sole cost, furnish and install one Check Meter at the interconnection associated with the Generating Facility at a location provided by Producer that is compliant with SCE's electric service requirements. The 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 through the Telemetry System. SCE shall compare the Check Meter data to the CAISO-Approved Meter data (after adjusting for any compensation factors introduced by the CAISO into the CAISO-Approved Meter). 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 Producer of such deviation and the Parties shall mutually arrange for a meter check or recertification of the Check

Meter or CAISO-Approved Meter, as applicable. Each Party shall bear its own costs for any meter check or recertification. Testing procedures and standards for the Check Meter will be the same as for a comparable SCE-owned meter. Producer shall have the right to have representatives present during all such tests. The Check Meter is intended to be used for back-up purposes in the event of a failure or other malfunction of the CAISO-Approved Meter, and Check Meter data shall only be used to validate the CAISO-Approved Meter data and, in the event of a failure or other malfunction of the CAISO-Approved Meter, in place of the CAISO-Approved Meter until such time that the CAISO-Approved Meter is recertified.

7.12. Producer shall:

7.12.1. Operate the Generating Facility in accordance with Prudent Electrical Practices;

7.12.2. Comply with the requirements set forth in Appendix D;

7.12.3. Use commercially reasonable efforts to Operate the Generating Facility so that the electric energy produced by the Generating Facility, net of Station Use, conforms with the Forecast provided in accordance with Appendix D;

7.12.4. Maintain and provide electronically or in hard copy a copy of all relevant daily Operating records to SCE within twenty (20) days of Notice from SCE, including records showing (i) real and reactive power production, (ii) changes in Operating status, (iii) protective apparatus operations, and (iv) any unusual conditions found during inspections of the Generating Facility or the Site;

7.12.5. At least seventy-five (75) days before the Term End Date or as soon as practicable before the date of an early termination of this Agreement, (i) submit to the CAISO the name of the Scheduling Coordinator that will replace SCE, and (ii) cause the Scheduling Coordinator that will replace SCE to submit a letter to the CAISO accepting the designation as Producer's Scheduling Coordinator;

7.12.6. Take all actions necessary to ensure that the owner of the Site waives all claims for eligibility for, and does not submit any claim for receipt of funds under the California Solar Initiative or any net energy metering tariff for any Generating Facility or any future modifications to any Generating Facility; and

7.12.7. Comply with all NERC reliability standards and requirements applicable to the generator owner and generator operator of the Generating Facility.

7.13. Producer shall provide Notice to SCE within one (1) Business Day if there is a termination of, or cessation of service under, any agreement required in order for any Generating Facility to (i) interconnect with SCE's electric system, (ii) transmit and deliver electric energy to the Delivery Point, or (iii) own and operate any CAISO-Approved Meter.

7.14. Producer agrees, that, in accordance with FERC Order No. 697, upon request of SCE, Producer shall submit a letter of concurrence in support of an affirmative statement by SCE that the contractual arrangement set forth in this Agreement does not transfer "ownership or control of generation capacity" from Producer to SCE, as the term "ownership or control of generation capacity" is used in 18 CFR Section 35.42. Producer also agrees that it will not, in filings, if any, made subject to Order Nos. 652 and 697, claim that the contractual arrangement set forth in this Agreement conveys ownership or control of generation capacity from Producer to SCE.

7.15. With respect to WREGIS, Producer shall cause and allow SCE to be the "Qualified Reporting Entity" and "Account Holder" (as such terms are defined by WREGIS) for the Generating Facility.

7.16. Producer waives all claims for eligibility for, and will not submit any claim for receipt of funds under the California Solar Initiative or any net energy metering tariff for any Generating Facility or any future modifications to any Generating Facility.

7.17. With respect to the construction, alteration, demolition, installation, and repair work of the Generating Facility, Producer shall:

- 7.17.1. Use reasonable efforts to ensure that all Electricians hired by Producer and its contractors and subcontractors are paid wages at rates not less than those prevailing for Electricians performing similar work in the locality provided by Division 2, Part 7, Chapter 1 of the California Labor Code. Nothing herein shall require Producer or its contractors or subcontractors to comply with, or assume liability created by other inapplicable provisions of the California Labor Code;
- 7.17.2. Require that all contractors and subcontractors employed or otherwise utilized be licensed under California's Contractors' State License Board Rules and Regulations;
- 7.17.3. Require that all contractors and subcontractors employed or otherwise utilized to perform electrical work be licensed as class C-10 electrical contractors under California's Contractors' State License Board Rules and Regulations, and all Electricians be certified to perform electrical work under California Labor Code Section 3099 *et seq.*; and
- 7.17.4. Employ or otherwise utilize, and shall cause all of its contractors and subcontractors to employ or otherwise utilize, (to the extent that apprentice Electricians are employed or otherwise utilized) only apprentice Electricians that have enrolled in an apprentice training program that (i) is certified by the State of California, and (ii) has graduated at least one (1) apprentice per year for each of the five (5) years before the date that such apprentice Electrician is employed or otherwise utilized.

8. BILLING AND PAYMENT

- 8.1. The amount of electric energy purchased by SCE from Producer under this Agreement at the Delivery Point is determined by the CAISO-Approved Meter (after adjusting for compensation factors introduced by the CAISO into the CAISO-Approved Meter) or Check Meter, as applicable. Subject to and in accordance with the terms of this Agreement (including Sections 15.3 through 15.5), SCE shall pay the Product Price to Producer for the Product.
- 8.2. For the purpose of calculating monthly payments under this Agreement, the amount measured by the CAISO-Approved Meter or Check Meter, as applicable, will be time-differentiated according to the time period and season of the receipt of the Product by SCE from Producer, as set forth in Appendix E (the "TOU Periods"), and the pricing will be weighted by the Energy Payment Allocation Factors set forth in Appendix E.
- 8.3. As set forth in Appendix E, TOU Periods for the winter season are mid-peak, off-peak and super off-peak and TOU Periods for the summer season are on-peak, mid-peak and off-peak. The monthly payment will equal the sum of the monthly TOU Period payments for all TOU Periods in the month. Each monthly TOU Period payment will be calculated pursuant to the following formula, where "n" is the TOU Period being calculated:

$$\text{TOU PERIOD}_n \text{ PAYMENT} = A \times B \times C$$

Where:

- A = Product Price, in \$/kWh.
- B = Energy Payment Allocation Factor for the TOU Period being calculated.
- C = The sum of electric energy recorded by the CAISO-Approved Meter or Check Meter, as applicable, in all hours for the TOU Period being calculated, in kWh.

- 8.4. On or before the last Business Day of the month immediately following each calendar month, SCE shall determine the amount of electric energy received by SCE pursuant to this Agreement for each monthly period and provide a payment statement to Producer showing the calculation of the payment.



- 8.5. Unless otherwise agreed to in writing by the Parties, any payment due for the Product received under this Agreement will be satisfied by SCE issuing a check to Producer. Alternatively, SCE reserves the right, but is not obligated to apply any amount owed to Producer toward any amounts due to SCE from Producer for any charges incurred under this Agreement or for past due bills for electric service or for SCE services.
- 8.6. In the event adjustments to SCE's payments are required as a result of inaccurate metering equipment, SCE shall determine the correct amount of electric energy received under this Agreement during the period of inaccuracy and recompute the amount due to or from Producer. Any refund due and payable to SCE by Producer or due by SCE to Producer resulting from inaccurate metering will be made within thirty (30) days of SCE's Notice to Producer by SCE of the amount due.
- 8.7. Monthly charges, if any, associated with any interconnection agreement, will be billed and paid pursuant to the applicable agreement, and monthly charges, if any, associated with electric service provided by SCE shall be billed and paid pursuant to the applicable SCE Tariffs.
- 8.8. Notwithstanding anything to the contrary set forth in this Agreement, this Section 8 is subject to any payment adjustment required under Sections 15.3 through 15.5.

## 9. FORCE MAJEURE.

- 9.1. Neither Party shall 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.
- 9.2. If a Party, because of Force Majeure, is rendered wholly or partly unable to perform its obligations when due under this Agreement, such Party (the "Claiming Party") shall be excused from whatever performance is affected by the Force Majeure to the extent so affected. In order to be excused from its performance obligations under this Agreement by reason of Force Majeure:
  - 9.2.1. The Claiming Party, on or before the fourteenth (14<sup>th</sup>) day after the initial occurrence of the claimed Force Majeure, must give the other Party Notice describing the particulars of the occurrence; and
  - 9.2.2. The Claiming Party must provide timely evidence reasonably sufficient to establish that the occurrence constitutes Force Majeure as defined in this Agreement.
- 9.3. The suspension of the Claiming Party's performance due to Force Majeure may not be greater in scope or longer in duration than is required by such Force Majeure. In addition, the Claiming Party shall use diligent efforts to remedy its inability to perform. 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.
- 9.4. The non-Claiming Party may terminate this Agreement on at least five (5) Business Days' prior Notice, in the event of Force Majeure which materially interferes with such Party's ability to perform its obligations under this Agreement and which extends for more than 365 consecutive days, or for more than a total of 365 days in any consecutive 540-day period.

## 10. INSURANCE.

- 10.1. Producer shall, at its own expense, starting on the Effective Date and until the Term End Date, and for such additional periods as may be specified below, provide and maintain in effect the following insurance policies and minimum limits of coverage as specified below, and such additional coverage as may be required by Applicable Law, with insurance companies authorized to do business in the state in which the services are to be performed, with an A.M. Best's Insurance Rating of not less than A-:VII:

- 10.1.1. Workers' compensation insurance with statutory limits, as required by the state having jurisdiction over Producer's employees, and employer's liability insurance with limits of not less than: (i) bodily injury by accident - \$1,000,000 each accident; (ii) bodily injury by disease - \$1,000,000 policy limit; and (iii) bodily injury by disease - \$1,000,000 each employee;
  - 10.1.2. Commercial general liability insurance, written on an occurrence, not claims-made basis, covering all operations by or on behalf of Producer 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 must bear a combined single limit per occurrence and annual aggregate of not less than \$1,000,000, exclusive of defense costs, for all coverages. Such insurance must contain standard cross-liability and severability of interest provisions. If Producer elects, with SCE's written concurrence, to use a "claims made" form of commercial general liability insurance, then the following additional requirements apply: (i) the retroactive date of the policy must be prior to the Effective Date; and (ii) either the coverage must be maintained for a period of not less than four (4) years after this Agreement terminates, or the policy must provide for a supplemental extended reporting period of not less than four (4) years after this Agreement terminates;
  - 10.1.3. Commercial automobile liability insurance covering bodily injury and property damage with a combined single limit of not less than \$1,000,000 per occurrence. Such insurance must cover liability arising out of Producer's use of all owned, non-owned and hired automobiles in the performance of the Agreement; and
  - 10.1.4. Umbrella/excess liability insurance, written on an occurrence, not 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 four million dollars (\$4,000,000) per occurrence and in the annual aggregate.
- 10.2. The insurance requirements set forth in Section 10.1 may be provided by any combination of Producer's primary and excess liability policies.
- 10.3. The insurance requirements set forth in Section 10.1 will 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 Producer's policies to the contrary. To the extent permitted by Applicable Law, Producer 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 insurance required in Section 10.1.2 and the umbrella/excess liability insurance required in Section 10.1.4 must name SCE, its subsidiaries and affiliates, and their respective officers, directors, shareholders, agents and employees, as additional insureds for liability arising out of Producer's construction, use or ownership of the Generating Facility.
- 10.4. On or before the thirtieth (30<sup>th</sup>) day following the Effective Date, and within a reasonable time after coverage is renewed or replaced, Producer shall furnish to SCE certificates of insurance evidencing the coverage required above, written on forms and with deductibles reasonably acceptable to SCE. All deductibles, co-insurance and self-insured retentions applicable to the insurance above must be paid by Producer. All certificates of insurance must note that the insurers issuing coverage must endeavor to 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 in this Section 10.4, or Producer's failure to provide such certificates, do not limit or relieve Producer of the duties and responsibility of maintaining insurance in compliance with the requirements in this Section 10.4 and do not constitute a waiver of any of the requirements in this Section 10.4.

- 10.5. Producer shall remain liable for all acts, omissions or default of any subcontractor or subsupplier and shall indemnify, defend and hold harmless SCE for any and all loss or damages, as well as all costs, charges and expenses which SCE may suffer, incur, or bear as a result of any acts, omissions or default by or on behalf of any subcontractor or subsupplier.
- 10.6. If Producer fails to comply with any of the provisions of this Section 10, Producer, among other things and without restricting SCE's remedies under Applicable Law or otherwise, shall, at its own cost, act as an insurer and provide insurance in accordance with the terms and conditions of this Section 10. With respect to the required commercial general liability insurance set forth in Section 10.1.2, umbrella/excess liability insurance set forth in Section 10.1.4, and commercial automobile liability insurance set forth in Section 10.1.3, Producer 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 with an A.M. Best's Insurance Rating of A-:VII would have, had the insurance been maintained in accordance with the terms and conditions set forth in this Section 10 and given the required additional insured wording in the commercial general liability insurance and umbrella/excess liability insurance, and standard "Who is an Insured" provision in commercial automobile liability form.
- 10.7. All insurance certificates, endorsements, cancellations, terminations, alterations, and material changes of such insurance must be issued, clearly labeled with this Agreement's identification number and submitted in accordance with Section 11 and Appendix F.

## 11. NOTICES.

- 11.1. All Notices must be made in accordance with this Section 11 and Appendix F. Notices (other than Forecasts and Scheduling requests) must, unless otherwise specified in this Agreement, be in writing and may be delivered by hand delivery, first class United States mail, overnight courier service, electronic transmission or facsimile. Notices provided in accordance with this Section 11 are deemed given as follows:
- 11.1.1. Notice by facsimile, another form of electronic transmission, or hand delivery is deemed given at the close of business on the day actually received, if received during business hours on a Business Day, and otherwise is deemed given at the close of business on the next Business Day;
- 11.1.2. Notice by overnight first class United States mail or overnight courier service is deemed given on the next Business Day after such Notice is sent out; and
- 11.1.3. Notice by first class United States mail is deemed given two (2) Business Days after the postmarked date.
- 11.2. A Party may change its address for Notices at any time by providing the other Party Notice of such change in accordance with Section 11.1.
- 11.3. All Notices must reference this Agreement's identification number, which is set forth on the first page of this Agreement.
- 11.4. The Parties may designate operating representatives to conduct the daily communications, which may be necessary or convenient for the administration of this Agreement. Such designations, including names, addresses, and phone numbers may be communicated or revised by Notice provided in accordance with this Section 11 and Appendix F.

## 12. SCE'S ACCESS RIGHTS; PROVISION OF RECORDS AND DATA.

- 12.1. SCE has the right to examine the Site and the Generating Facility for any purpose connected with this Agreement upon providing Producer with reasonable advance Notice under the circumstances. Producer hereby grants SCE reasonable access to all CAISO-Approved Meters and Check Meters for meter readings and any purpose necessary to effectuate this Agreement. Producer 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. Producer shall promptly inform SCE of meter quantity changes after becoming aware of, or being informed of, any such changes by the CAISO. Producer shall provide instructions to the CAISO granting authorizations or other documentation sufficient to provide SCE with access to the CAISO-Approved Meter and to Producer's settlement data on OMAR.

12.2. No later than twenty (20) days after Producer's receipt of a Notice from SCE, Producer shall provide to SCE all documents reasonably requested by SCE relating to:

12.2.1. The Generating Facility, including Producer's Operations and maintenance records, logs and other information, including meteorological data, solar irradiance data, unit availability, maintenance outages, circuit breaker operation requiring manual reset, relay targets and unusual events pertaining to the Generating Facility or its interconnection with SCE's electric system; and

12.2.2. The administration of this Agreement, or in order for SCE to comply with any discovery or data request for information from the CPUC, CEC, FERC, any court, administrative agency, legislative body or other tribunal.

### 13. CONFIDENTIALITY.

13.1. Neither Party may disclose any Confidential Information to a third party, other than:

13.1.1. To such Party's employees, lenders, investors, attorneys, accountants or advisors who have a need to know such information and have agreed to keep such terms confidential;

13.1.2. To potential Lenders with the consent of SCE, which consent will not be unreasonably withheld;

13.1.3. To SCE's Procurement Review Group, as defined in D.02-08-071, subject to any applicable limitations and subject to a protective order applicable to SCE's Procurement Review Group;

13.1.4. To the CPUC, the CEC or the FERC, under seal for any regulatory purpose, including policymaking, but only provided that the confidentiality protections from the CPUC under Section 583 of the California Public Utilities Code or other statute, order or rule offering comparable confidentiality protection are in place before the communication of such Confidential Information;

13.1.5. 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;

13.1.6. In order to comply with any Applicable Law, including applicable regulation, rule, subpoena, or order of the CPUC, CEC, FERC, any court, administrative agency, legislative body or other tribunal, or any discovery or data request of the CPUC; and

13.1.7. 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 under this Agreement.

### 14. REPRESENTATIONS, WARRANTIES, AND COVENANTS.

14.1. On the Effective Date, each Party represents, warrants, and covenants to the other Party that:

14.1.1. It is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;

14.1.2. It has or will timely acquire all regulatory authorizations necessary for it to legally perform its obligations under this Agreement;

- 14.1.3. 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 Applicable Laws;
- 14.1.4. This Agreement constitutes a legally valid and binding obligation enforceable against it in accordance with its terms;
- 14.1.5. There is not pending, or to its knowledge, threatened against it or, in the case of Producer, any of its affiliates, any legal proceeding that could materially adversely affect its ability to perform under this Agreement;
- 14.1.6. It is acting for its own account, and its decision to enter into this Agreement is based on 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
- 14.1.7. It has not relied on any promises, representations, statements or information of any kind that are not contained in this Agreement in deciding to enter into this Agreement.

14.2. Producer represents, warrants and covenants to SCE that:

- 14.2.1. As of the Effective Date and until the Term End Date: (i) Producer does not, and will not convey, transfer, allocate, designate, award, report or otherwise provide any or all of the Product, or any portion thereof, or any benefits derived therefrom, to any party other than SCE; (ii) Producer will not start-up or Operate any Generating Facility per instruction of or for the benefit of any third party, except as required by other Applicable Laws; (iii) the Generating Facility qualifies and is certified by the CEC as an Eligible Renewable Energy Resource, as such term is defined in Public Utilities Code Section 399.12 or Section 399.16 ("ERR Requirements"); and (iv) the output delivered to SCE qualifies under the requirements of the California Renewables Portfolio Standard (the "RPS Requirements");
- 14.2.2. Throughout the Term, it shall: (i) own and Operate the Generating Facility; (ii) deliver the Product to SCE free and clear of all liens, security interests, claims and encumbrances or any interest therein or thereto by any individual or entity; and (iii) hold the rights to all of the Product; and
- 14.2.3. Neither Producer nor, to the best of Producer's knowledge, the owner of any Site has participated in or submitted any claim for receipt of funds under the California Solar Initiative or any net energy metering tariff for any Generating Facility.

## 15. STATUS OF THE GENERATING FACILITY.

- 15.1. Producer shall provide prompt Notice to SCE if any Generating Facility or the Product ceases to comply with the ERR Requirements or the RPS Requirements.
- 15.2. Upon receipt of a Notice from SCE indicating that SCE has determined, in its reasonable discretion, that any Generating Facility may no longer comply with the ERR Requirements or RPS Requirements, Producer shall, within fifteen (15) days of receiving such Notice, provide to SCE evidence sufficient to show that such Generating Facility continues to comply with the ERR Requirements or RPS Requirements, as applicable. If SCE determines, in its reasonable discretion, that Producer failed to provide evidence sufficient to show that such Generating Facility continues to comply with the ERR Requirements or the RPS Requirements, as applicable, then such Generating Facility will no longer be deemed to comply with the ERR Requirements or RPS Requirements (the "ERR/RPS Status Change"), as applicable, until such time as Producer demonstrates to SCE's reasonable satisfaction that such Generating Facility complies with the ERR Requirements and RPS Requirements.

- 15.3. Upon making a determination that a Generating Facility no longer complies with the ERR Requirements or the RPS Requirements, SCE shall revise its records and the administration of this Agreement to reflect such determination and shall provide Notice to Producer of its determination. Such Notice must specify the effective date of the ERR/RPS Status Change, which date will be the first day of the calendar month for which SCE determines in its reasonable discretion that such Generating Facility first ceased to comply with the ERR Requirements or RPS Requirements. SCE's Notice provided in accordance with this Section 15.3 must include an invoice for the refund of payments that were made to Producer during the period between the effective date of the ERR/RPS Status Change and the date of the last Notice in reliance upon Producer's representations that such Generating Facility complied with the ERR Requirements and RPS Requirements. Any amounts to be paid or refunded by Producer to SCE, as may be invoiced by SCE in accordance with this Section 15.3, must be paid to SCE within thirty (30) days of Producer's receipt of such invoice.
- 15.4. During the entire period that any Generating Facility no longer complies with the ERR Requirements or the RPS Requirements, SCE will not be obligated to pay Producer for the Product.
- 15.5. Notwithstanding anything to the contrary contained in this Agreement, if there is a change in Applicable Law that results in the Producer no longer meeting the ERR Requirements or RPS Requirements, SCE shall continue to pay Producer for the Product so long as SCE determines that Producer has used, and will continue to use, commercially reasonable efforts to comply with such change in Applicable Law. The term "commercially reasonable efforts" as used in this Section 15.5 will not require Producer to incur out of pocket costs in excess of Ten Thousand Dollars (\$10,000) for each Generating Facility in any year in order to satisfy Producer's obligation to meet either the ERR Requirements or the RPS Requirements under the then-current Applicable Law.
- 15.6. Producer acknowledges and agrees that SCE may periodically inspect the Generating Facility or require documentation from Producer to monitor the Generating Facility's compliance with the ERR Requirements and RPS Requirements.

## 16. INDEMNIFICATION.

- 16.1. Each Party as indemnitor shall defend, save harmless and indemnify the other Party and the directors, officers, employees, and agents of such other Party against and from any and all loss, liability, damage, claim, cost, charge, demand, or expense (including any direct, indirect, or consequential loss, liability, damage, claim, cost, charge, demand, or expense, including reasonable attorneys' fees) for injury or death to persons, including employees of either Party, and physical damage to property including property of either Party arising out of or in connection with the negligence or willful misconduct of the indemnitor relating to its obligations under this Agreement. This indemnity applies notwithstanding the active or passive negligence of the indemnitee; provided, however, that neither Party is indemnified under this Agreement for its loss, liability, damage, claim, cost, charge, demand or expense to the extent resulting from its own negligence or willful misconduct.
- 16.2. Producer shall defend, save harmless and indemnify SCE, its directors, officers, employees, and agents, assigns, and successors in interest, for and against any penalty imposed upon SCE to the extent caused by Producer's failure to fulfill its obligations as set forth in Sections 7.2 through 7.4.
- 16.3. Each Party releases and shall defend, save harmless and indemnify the other Party from any and all loss, liability, damage, claim, cost, charge, demand or expense arising out of or in connection with any breach made by the indemnifying Party of its representations, warranties and covenants in Section 14. Notwithstanding anything to the contrary in this Agreement, if Producer fails to comply with the provisions of Section 10, Producer shall, at its own cost, defend, save harmless and indemnify SCE, its directors, officers, employees, and agents, assigns, and successors in interest, from and against any and all loss, liability, damage, claim, cost, charge, demand, or expense of any kind or nature (including any direct, indirect, or consequential loss, damage, claim, cost, charge, demand, or expense, including reasonable attorneys' fees and other costs of litigation), resulting from injury or death to any individual or damage to any property, including the personnel or property of SCE, to the extent that SCE would have been protected had Producer complied with all of the provisions of

Section 10. The inclusion of this Section 16.3 is not intended to create any express or implied right in Producer to elect not to provide the insurance required under Section 10.

16.4. All indemnity rights survive the termination of this Agreement for 12 months.

17. ARBITRATION. Except for matters relating to specific performance, injunctive relief or other equitable remedies, the Parties agree to submit to arbitration any and all matters in dispute or controversy among them concerning the terms of this Agreement. Unless the Parties agree to alternative arrangements, the selection of arbitrators and the procedure must be in accordance with the commercial arbitration rules then in effect of the Judicial Arbitration and Mediation Services, Inc. Any award rendered is final and conclusive upon the Parties and a judgment thereon may be entered in the highest court of the forum, state or federal, having jurisdiction. The expenses of the arbitration must be borne equally by the Parties; *provided, however,* that each Party shall pay for and bear the costs of its own experts, evidence and counsel's fees. 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, California.
18. ASSIGNMENT. Producer may not assign this Agreement or its rights or obligations under this Agreement without SCE's prior written consent, which consent will not be unreasonably withheld; *provided, however,* that Producer may, without SCE's consent (and without relieving Producer from liability under this Agreement), transfer, sell, pledge, encumber or assign this Agreement or the accounts, revenues or proceeds hereof to its Lender in connection with any financing for a Generating Facility if (i) such Lender assumes the payment and performance obligations provided under this Agreement with respect to Producer, (ii) such Lender agrees in writing to be bound by the terms and conditions of this Agreement, and (iii) Producer delivers such tax and enforceability assurance as SCE may reasonably request. Any assignment of this Agreement by Producer without SCE's written consent is not valid.
19. MISCELLANEOUS.
- 19.1. Except as may otherwise be provided in this Agreement, there is no warranty of merchantability or fitness for a particular purpose, and any and all implied warranties are disclaimed. Liability is limited to direct actual damages only, such direct actual damages are the sole and exclusive remedy, and all other remedies or damages at law or in equity are waived unless expressly herein provided. Unless expressly provided for in this Agreement, neither Party is liable for consequential, incidental, punitive, exemplary or indirect damages, lost profits or other business interruption damages.
- 19.2. This Agreement will not be construed against any Party as a result of the preparation, substitution, or other event of negotiation, drafting or execution thereof.
- 19.3. No amendment or modification to this Agreement is enforceable unless reduced to a writing signed by all Parties.
- 19.4. This Agreement supersedes all prior agreements, whether written or oral, between the Parties with respect to its subject matter and constitutes the entire agreement between the Parties relating to its subject matter.
- 19.5. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.
- 19.6. The term "including" when used in this Agreement is by way of example only and will not be considered in any way to be in limitation.
- 19.7. The word "or" when used in this Agreement includes the meaning "and/or" unless the context unambiguously dictates otherwise.
- 19.8. This Agreement will apply to, be binding in all respects upon and inure to the benefit of the successors and permitted assigns of the Parties.

- 19.9. Whenever this Agreement refers to any law, tariff, government department or agency, regional reliability council, SCE's electric system, or credit rating agency, the Parties agree that the reference also refers to any successor to such law, tariff or organization.
- 19.10. 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, an Adobe Acrobat file 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.
- 19.11. The headings used in this Agreement are for convenience and reference purposes only and will not affect its construction or interpretation. All references to a "Section" or an "Appendix" refer to the corresponding Section or Appendix of this Agreement. Unless otherwise specified, all references to a "Section" in Appendices A through F refer to the corresponding Section in the main body of this Agreement. Words having well-known technical or industry meanings have such meanings unless otherwise specifically defined in this Agreement. Where days are not specifically designated as Business Days, they are calendar days. Where years are not specifically designated as Term Years, they are calendar years.
- 19.12. None of the provisions of this Agreement will be considered waived by a Party unless such waiver is given in writing. The failure of a Party to insist in any one or more instances upon strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder may not be construed as a waiver of any such provisions or the relinquishment of any such rights for the future, but the same will continue and remain in full force and effect.
- 19.13. This Agreement does not constitute an agreement by SCE to provide retail electrical service to Producer or any third party. Such arrangements must be made separately with SCE.
- 19.14. The rights and obligations of the Parties that are intended to survive a termination of this Agreement are all such rights and obligations that this Agreement expressly provides survive such termination as well as those rights and obligations arising from either Parties' covenants, agreements, representations or warranties applicable to, or to be performed at, before or as a result of the termination of this Agreement.
- 19.15. 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.
- 19.16. Any outstanding and past due amounts owing and unpaid by either Party under the terms of this Agreement are 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.

*[signature page follows]*



IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their respective authorized representatives as of the Effective Date.

**[PRODUCER'S NAME],**

**SOUTHERN CALIFORNIA EDISON  
COMPANY,**

a [Producer's form of business entity and  
state of registration]

a California corporation

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

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

## APPENDIX A DEFINITIONS

For purposes of this Agreement, the following terms and variations thereof have the meanings specified or referred to in this Appendix A:

“Agreement” has the meaning set forth in the Preamble.

“Applicable Law” means all constitutions, treaties, laws, ordinances, rules, regulations, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority or arbitrator that apply to any Party, a Generating Facility or the terms of this Agreement.

“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.

“California Solar Initiative” means the California Solar Initiative Program implemented and overseen by the CPUC, and as may be revised from time to time.

“CAISO” means the California Independent System Operator Corporation or successor entity that dispatches certain generating units and loads and controls the transmission facilities of entities that (i) own, operate and maintain transmission lines and associated facilities or have entitlements to use certain transmission lines and associated facilities, and (ii) have transferred to the CAISO or its successor entity operational control of such facilities or entitlements.

“CAISO-Approved Meter” means any revenue quality, electric energy measurement meter(s) furnished by Producer, that (i) is designed, manufactured and installed in accordance with the CAISO’s metering requirements, or, to the extent that the CAISO’s metering requirements to not apply, Prudent Electrical Practices, and (ii) includes all of the associated metering transformers and related appurtenances that are required in order to measure the net electric energy output from the Generating Facility.

“CAISO-Approved Quantity” means the total quantity of electric energy SCE Schedules with the CAISO and the CAISO approves in its final schedule which is published in accordance with the CAISO Tariff.

“CAISO Tariff” means the California Independent System Operator Corporation Operating Agreement and Tariff, 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.

“Capacity Attributes” means any and all current or future defined characteristics, certificates, tag, 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 Term.

“CEC” means the California Energy Commission.

“Check Meter” means the SCE revenue-quality meter section(s) or meter(s), which SCE may require at its discretion, and which will include those devices normally supplied by SCE or Producer under the applicable utility electric service requirements.

“Claiming Party” has the meaning set forth in Section 9.2.

“Confidential Information” means all oral or written communications exchanged between the Parties on or after the Effective Date relating to the implementation of this Agreement (including information related to Producer’s compliance with Operating and efficiency standards applicable to any Generating Facility), and includes this Agreement and its terms and conditions hereof. Notwithstanding the foregoing sentence, Confidential Information also includes bids and other offers made by either Party pursuant to negotiations with respect to this Agreement before the Effective Date. Confidential Information does not include information that (i) is in the public domain as of the Effective Date or which comes into the public domain after the Effective Date from a

source other than from the other Party, (ii) either Party can demonstrate in writing was already known to such Party on a non-confidential basis before the Effective Date, (iii) comes to a Party from a bona fide third-party source not under an obligation of confidentiality, and (iv) is independently developed by a Party without use of or reference to Confidential Information or information containing Confidential Information.

“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 operation control of another organization vested with authority comparable to that of the CAISO.

“CPUC” means the California Public Utilities Commission.

“CPUC Approval” means either (1) 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, or (2) a final and non-appealable disposition of the CPUC's Energy Division, without conditions or modifications unacceptable to the Parties, or either of them, which contains the following terms or deems approved an advice letter requesting the following terms:

- (a) Approves this Agreement in its entirety, including payments to be made by SCE, subject to CPUC review of SCE's administration of the Agreement; and
- (b) Finds that any procurement pursuant to this Agreement is procurement from an eligible renewable energy resource for purposes of determining SCE'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.

CPUC Approval will be deemed to have occurred on (1) the date that a CPUC decision containing such findings becomes final and non-appealable, or (2) the date that a CPUC Energy Division disposition which contains such findings or deems approved an advice letter requesting such findings becomes final and non-appealable.

“Current Inverter” means the equipment or device(s) that convert DC electricity into AC electricity.

“DC Collection System” means the DC equipment, cables, components, devices and materials that interconnect the Photovoltaic Modules with the Current Inverters.

“Development Security” has the meaning set forth in Section 4.1.

“Delivery Point” means the PNode (as defined in the CAISO Tariff) for the Generating Facility, as set forth in Section 2.6.

“Effective Date” has the meaning set forth in the Preamble.

“Electrician” means an individual responsible for placing, installing, erecting or connecting any electrical wires, fixtures, appliances, apparatus, raceways, conduits, solar photovoltaic cells or any part thereof, which generate, transmit, transform or utilize electric energy in any form or for any purpose.

“Energy Payment Allocation Factors” are those certain factors used to calculate TOU Period payments, as further described in Sections 8.2 and 8.3, and as set forth in Appendix E.

“ERR Requirements” has the meaning set forth in Section 14.2.1.

“ERR/RPS Status Change” has the meaning set forth in Section 15.2.

“FERC” means the Federal Energy Regulatory Commission.

“Force Majeure” means any event or circumstance (that is not anticipated as of the Effective Date) to the extent beyond the control of, and not the result of the negligence of, or caused by, the Party seeking to have its performance obligation excused thereby, which by the exercise of due diligence such Party could not reasonably have been expected to avoid and which by exercise of due diligence it has been unable to overcome. Force Majeure does not include: (i) a failure of performance of any other individual or entity,

including any individual or entity providing electric transmission service or fuel transportation to a Generating Facility, except to the extent that such failure was caused by an event that would otherwise qualify as Force Majeure; (ii) failure to timely apply for or obtain Permits or other credits required to Operate a Generating Facility; (iii) breakage or malfunction of equipment (except to the extent that such failure was caused by an event that would otherwise qualify as Force Majeure); or (iv) a lack of solar radiation.

“Forecast” means the hourly forecast of either the sum of the Current Inverter continuous electrical output ratings for Current Inverters made operational for a stated forecast period (in MWs) or electric energy (in MWh) of the Generating Facility in accordance with SCE’s instructions.

“Generating Facility” means Producer’s solar photovoltaic generating facility, as more particularly described in Appendix B, together with all materials, equipment systems, structures, features and improvements necessary to produce electric energy at such facility, excluding the Site, land rights and interests in land. If this Agreement is for more than one Generating Facility (as defined in the immediately preceding sentence), the term “Generating Facility” means each Generating Facility contemplated by this Agreement, unless the context otherwise specifies or requires.

“Governmental Authority” means any (i) federal, state, local, municipal or other government, (ii) 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 (iii) court or governmental tribunal.

“Green Attributes” means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Generating Facility, 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<sub>x</sub>), nitrogen oxides (NO<sub>x</sub>), carbon monoxide (CO) and other pollutants;
- (2) Any avoided emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), 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;<sup>1</sup>
- (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 a Generating Facility,
- (ii) Production tax credits associated with the construction or operation of a Generating Facility and other financial incentives in the form of credits, reductions, or allowances associated with a Generating Facility that are applicable to a state or federal income taxation obligation,
- (iii) Fuel-related subsidies or “tipping fees” that may be paid to Producer 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 a Generating Facility for compliance with local, state, or federal operating and/or air quality permits.

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<sup>1</sup> 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.

“Gross Power Rating” means the value, in kW DC and as set forth in Section 2.3, which is the sum of all Photovoltaic Module DC Ratings for Photovoltaic Modules to be installed at the Generating Facility.

“Interest Rate” means an annual rate equal to the rate published in The Wall Street Journal as the “Prime Rate” (or, if more than one rate is published, the arithmetic mean of such rates) as of the date payment is due plus two (2) percentage points; *provided, however*, that in no event will the Interest Rate exceed the maximum interest rate permitted by Applicable Laws.

“Lease” means one or more agreements whereby Producer leases the Site described in Appendix B from the owner of the Site, the term of which lease begins on or before the Effective Date and extends at least through the Term End Date.

“Lender” means any financial institution or successor in interest or assignee that provides development, bridge, construction, permanent debt or tax equity financing or refinancing for a Generating Facility to Producer.

“Letter of Credit” means an irrevocable, nontransferable standby letter of credit provided by Producer from an issuer acceptable to SCE that is either a U.S. commercial bank or a U.S. branch of a foreign bank with the bank having a Credit Rating of at least “A-” from S&P and Fitch and “A3” from Moody’s, in the form of Appendix C. Producer must bear the costs of all Letters of Credit.

“NERC” means the North American Electric Reliability Corporation.

“Net Qualifying Capacity” has the meaning set forth in the CAISO Tariff.

“Net Power Rating” means the value, in kW AC and as set forth in Section 2.4, which is the sum of all Current Inverter continuous output ratings or any transformer continuous output ratings, whichever is less, located between the Current Inverters and the CAISO-Approved Meter.

“Notice” means notices, requests, statements, reports or payments provided by one Party to the other Party, which must be provided in accordance with Section 11 and Appendix F.

“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.

“Operate” 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.

“Parties” and “Party” have the meanings set forth in the Preamble.

“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 Schedule and deliver the electric energy produced by the Generating Facility to SCE, including an authority to construct or conditional use permit.

“Photovoltaic Module” means the individual component that produces DC electric energy from solar radiation.

“Photovoltaic Module DC Rating” means, for each Photovoltaic Module installed or to be installed at the Site, the number (expressed in kW<sub>PDC</sub>) stated on the nameplate affixed thereto representing the manufacturer’s maximum (at “peak” sunlight) DC power rating at the standard test condition (“P<sub>mp</sub>” or Power maximum at peak).

“PIRP” (i.e., Participating Intermittent Resource Program) 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.

“Premises” has the meaning set forth in SCE’s Rule 1.

“Producer” has the meaning set forth in the Preamble.

“Product” means (i) all electric energy produced by the Generating Facility, net of Station Use, and (ii) all Green Attributes, Capacity Attributes, and Resource Adequacy Benefits.

“Product Price” has the meaning set forth in Section 2.7.

“Prudent Electrical Practices” means those practices, methods and acts that would be implemented and followed by prudent operators of electric 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 at the time a decision was made, could reasonably have been expected to accomplish the desired result consistent with good business practices, reliability and safety. Prudent Electrical Practices includes, at a minimum, those professionally responsible practices, methods and acts described in the preceding sentence that comply with the manufacturer’s warranties, restrictions in this Agreement, and the requirement of Governmental Authorities, WECC standards, the CAISO and Applicable Laws. Prudent Electrical Practices include taking reasonable steps to ensure that: (i) equipment, materials, resources and supplies, including spare parts inventories, are available to meet the Generating Facility’s needs; (ii) sufficient operating personnel are available at all times and are adequately experienced, 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; (iii) preventative, 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; (iv) appropriate monitoring and testing are performed to ensure equipment is functioning as designed; (v) 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 SCE’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 (vi) equipment and components designed and manufactured to meet or exceed the standard of durability that is generally used for solar electric energy generation operations 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.

“Renewable Energy Credit” has the meaning set forth Public Utilities Code Section 399.12(g), as may be amended from time to time or as further defined or supplemented by Applicable Law.

“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 include any local, zonal or otherwise locational attributes associated with the Generating Facility.

“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 decisions, rulings, laws, rules or regulations may be amended or modified from time-to-time throughout the Term.

“RPS Requirement” has the meaning set forth in Section 14.2.1.

“Rule” means SCE Tariff sheets that set forth the application of all rates, charges, and service when such applicability is not set forth in and as part of the rate schedules.

“SCE” has the meaning set forth in the Preamble.

“SCE Tariffs” means the entire body of effective rates, rentals, charges, and rules collectively of SCE, as set forth in this Agreement, and including title page, preliminary statement, service area maps, rate schedules, list of contracts and deviations, Rules, and sample forms.

“Schedule” means the action of the Scheduling Coordinator, or its designated representatives, of notifying, requesting, and confirming to the CAISO, the CAISO-Approved Quantity of electric energy.

“Scheduling Coordinator” means the entity certified by the CAISO for the purposes of undertaking the functions specified by CAISO Tariff Section 2.2.6, as amended by FERC from time-to-time.

“Service Account” has the meaning set forth in SCE’s Rule 1.

“Simple Interest Payment” means a dollar amount calculated by multiplying the (i) dollar amount on which the Simple Interest Payment is based, times (ii) the Interest Rate, times (iii) the result of dividing the number of days in the calculation period by 360.

“Site” means the real property on which the Generating Facility is, or will be located, as further described in Appendix B. If this Agreement is for more than one Generating Facility, the term “Site” (as defined in the immediately preceding sentence), means each Site on which a Generating Facility contemplated by this Agreement is, or will be located, unless the context otherwise specifies or requires.

“Site Control” means that Producer (i) owns the Site, (ii) is the lessee of the Site under a Lease, or (iii) is the holder of a right-of-way grant or similar instrument with respect to the Site.

“Station Use” means the electric energy produced by the Generating Facility that is: (i) used within the Generating Facility to power the lights, motors, control systems and other electrical loads, such as meteorological equipment that are necessary for Operation; and (ii) consumed within the Generating Facility’s DC Collection System as losses within the Photovoltaic Modules, associated wiring, combiner boxes, Current Inverters, transformers and other equipment.

“Telemetry System” means a system of electronic components that collects all required telemetry in accordance with the PIRP and SCE operational requirements and communicates this telemetry to the CAISO and SCE as required by applicable tariff or this Agreement.

“Term” has the meaning set forth in Section 3.1.

“Term End Date” has the meaning set forth in Section 3.1.

“Term Start Date” has the meaning set forth in Section 3.1.

“Term Year” means a twelve (12) month period beginning on the first day of the calendar month following the Term Start Date and each successive twelve (12) month period thereafter.

“TOU Periods” has the meaning set forth in Section 8.2 and Appendix E.

“Web Client” has the meaning set forth in Section 2.1.1. of Appendix D.

“WECC” means the Western Electricity Coordinating Council, the regional reliability council for the Western United States, Southwestern Canada, and Northwestern Mexico.

“WREGIS” means the Western Renewable Energy Generation Information System.

\*\*\* [End of Appendix A] \*\*\*

**APPENDIX B**  
**DESCRIPTION OF THE GENERATING FACILITY AND THE SITE**

[Producer must provide each of the following in this Appendix B:

- The name and address of the Generating Facility;
- A description of the Generating Facility, including a summary of its significant components, such as Photovoltaic Modules, DC Collection System, Current Inverters, meteorological station, solar irradiance instrumentation and any other related electrical equipment;
- A drawing showing the general arrangement of the Generating Facility;
- A single-line diagram illustrating the interconnection of the Generating Facility with SCE; and
- A legal description of the Site, including a Site map.

If this Agreement is for more than one Generating Facility, Appendix B must include the above-requested information for each Generating Facility and each Site.]

\*\*\* [*End of Appendix B*] \*\*\*



**APPENDIX C**  
**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:

[Issuing Bank's Name] (the "Bank") establishes this Irrevocable Nontransferable Standby Letter of Credit (this "Letter of Credit") in favor of Southern California Edison Company, a California corporation (the "Beneficiary"), for the account of [Applicant's Name], a [Applicant's form of business entity and state of registration] (the "Applicant"), in connection with ID# [ ] for the amount of [ ] United States Dollars (the "Available Amount"), effective immediately and expiring at 5:00 P.M., Los Angeles time, on [ ] (the "Expiration Date").

This Letter of Credit will be of no further force or effect upon the close of business on [ ] or, if such day is not a Business Day (as hereinafter defined), on the next Business Day. For the purposes of this Letter of Credit, "Business Day" means any day except a Saturday, Sunday, a Federal Reserve Bank holiday, or the Friday following Thanksgiving.

Subject to the terms and conditions of this Letter of Credit, funds under this Letter of Credit are available to the Beneficiary by presentation in compliance on or before 5:00 P.M., Los Angeles time, on or before the Expiration Date, of the following:

1. The original of this Letter of Credit and all amendments (or photocopy of the original for partial drawings); and
2. The Drawing Certificate issued in the form of Attachment A attached to this Letter of Credit, 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 drawing under this Letter of Credit 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 is 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 are permitted under this Letter of Credit, and this Letter of Credit will remain in full force and effect with respect to any continuing balance; *provided, however*, that the Available Amount will be reduced by the amount of each such drawing.

This Letter of Credit is not transferable or assignable. Any purported transfer or assignment is void and of no force or effect. Banking charges are the sole responsibility of the Applicant.

This Letter of Credit sets forth in full our obligations and such obligations may not in any way be modified, amended, amplified or limited by reference to any documents, instruments or agreements referred to in this Letter of Credit (except for Attachment A attached to this Letter of Credit), and any such reference may not be deemed to incorporate by reference any document, instrument or agreement except for Attachment A attached to this Letter of Credit.

The Bank acknowledges 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, will govern all matters with respect to this Letter of Credit.

[Issuing Bank's Name]

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

**ATTACHMENT A**  
**DRAWING CERTIFICATE**  
TO [ISSUING BANK NAME]

IRREVOCABLE NON-TRANSFERABLE STANDBY LETTER OF CREDIT  
Reference No. [ ]

[Issuing Bank Name]  
[Issuing Bank Address]

Subject: Irrevocable Non-transferable Standby Letter of Credit

The undersigned [Authorized Individual's Name], an authorized representative of Southern California Edison Company (the "Beneficiary"), certifies to [Issuing Bank Name] (the "Bank") and [Applicant's Name] (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 one or more of the following reason(s):
  - [ ] A. The Bank has heretofore provided written notice to the Beneficiary of the Bank's intent not to renew the Letter of Credit following the present Expiration Date (as defined in the Letter of Credit) thereof ("Notice of Non-renewal"), and Applicant has failed to provide the Beneficiary with a replacement letter of credit satisfactory to Beneficiary in its sole discretion within 30 days following the date of the Notice of Non-renewal.
  - [ ] B. The Beneficiary has terminated that certain Solar Photovoltaic Program Power Purchase and Sale Agreement, dated [ ], between Applicant and Beneficiary (the "Agreement"), in accordance with Section [ ] of the Agreement before the Term Start Date (as defined in the Agreement).
  - [ ] C. The Beneficiary is entitled to retain a portion of the Development Security (as defined in the Agreement) equal to the product of \$20 per kW times the portion of the Gross Power Rating (in kW and as defined in the Agreement) that the Applicant failed to install.
2. Based upon the foregoing, the Beneficiary makes demand under the Letter of Credit for payment of [ ] United States Dollars, which amount does not exceed (i) the amount set forth in paragraph 1 above, and (ii) the Available Amount (as defined in the Letter of Credit) under the Letter of Credit as of the date hereof.
3. Funds paid pursuant to the provisions of the Letter of Credit must be wire transferred to the Beneficiary in accordance with the following instructions: [ ]

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: \_\_\_\_\_

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

\*\*\* [End of Appendix C] \*\*\*

**APPENDIX D**  
**FORECAST REQUIREMENTS AND PROCEDURES**

1. Introduction. The Parties shall abide by the Forecast requirements and procedures described in this Appendix D and shall make reasonable changes to these requirements and procedures from time-to-time, as necessary to (i) comply with SCE's instructions or the CAISO Tariff, as applicable, (ii) accommodate changes to their respective generation technology or organizational structure, and (iii) address changes in the Operating and Scheduling procedures of Producer, SCE or the CAISO, including automated Forecast and outage submissions.
2. Producer's Forecasting Procedures. Producer must meet all of the following requirements for Forecasting electric energy to be received by SCE from Producer:
  - 2.1. Weekly Forecasting Procedures.
    - 2.1.1. Beginning the Wednesday before the Term Start Date, Producer must provide SCE with a Forecast for the next calendar week, by no later than 5 P.M. Los Angeles time the Wednesday of the week preceding the week covered by the Forecast, using a web-based system made available to Producer by SCE (the "Web Client"). The Forecast submitted to SCE must: (i) not include any anticipated or expected electric energy losses after the CAISO-Approved Meter or Check Meter, as applicable; and (ii) limit Forecast changes to no less than one hundred (100) kW when the Web Client is not available. Producer shall have no restriction on Forecast changes when the Web Client is available.
    - 2.1.2. If Producer learns of any change in the Forecast submitted pursuant to Section 2.1.1 of this Appendix D, Producer shall communicate such change in the Forecast to SCE via the Web Client no later than 5:00 A.M. Los Angeles time the day before the effective date of such revision. If the Web Client is not available, Producer shall email these changes to [presched@sce.com](mailto:presched@sce.com), and immediately follow up with a phone call to (626) 307-4425.
    - 2.1.3. If Producer learns of any change in the Forecast submitted pursuant to Section 2.1.2 of this Appendix D, Producer shall immediately communicate such change in the Forecast to SCE via the Web Client. If the Web Client is not available, Producer shall within twenty (20) minutes after Producer becomes aware of the event which caused the change in the Forecast, email such change to [presched@sce.com](mailto:presched@sce.com) and to [realtime@sce.com](mailto:realtime@sce.com), and immediately follow-up with a phone call to SCE's Generation Operation Center at (626) 307-4453 or (626) 307 4410.
  - 2.2. 30-Day Forecasting Procedures.
    - (i) In addition to the requirements set forth in Section 2.1 of this Appendix D, Producer shall electronically provide SCE with a rolling 30-day Forecast, beginning at least thirty (30) days before the Term Start Date using the Web Client.
    - (ii) Producer shall update such rolling 30-day Forecast weekly by 5:00 P.M. Los Angeles time each Wednesday using the Web Client.
    - (iii) If Producer learns of any inaccuracies in its most recently submitted 30-day Forecast affecting the period between the date Producer learns of the inaccuracy and the date that the next updated 30-day Forecast is due, Producer shall promptly notify SCE using the Web Client. If the Web Client is not available, Producer shall send an updated Forecast to [esmstpoutage@sce.com](mailto:esmstpoutage@sce.com) with a copy to [presched@sce.com](mailto:presched@sce.com).
3. Outage Scheduling Procedures. Producer shall be responsible for all costs associated with all requirements and timelines for generation outage Scheduling contained in the SCE Tariffs and the CAISO Tariff.

\*\*\* [End of Appendix D] \*\*\*

**APPENDIX E**  
**TOU PERIODS AND ENERGY PAYMENT ALLOCATION FACTORS**

<u>TOU Periods</u>			
All listed times are Los Angeles time.			
<i>TOU Period</i>	<i>Summer Jun 1<sup>st</sup> – Sep 30<sup>th</sup></i>	<i>Winter Oct 1<sup>st</sup> – May 31<sup>st</sup></i>	<i>Applicable Days</i>
On-Peak	Noon – 6:00 P.M.	Not Applicable.	Weekdays except Holidays.
Mid-Peak	8:00 A.M. – Noon	8:00 A.M. - 9:00 P.M.	Weekdays except Holidays.
	6:00 P.M. – 11:00 P.M.		Weekdays except Holidays.
Off-Peak	11:00 P.M. – 8:00 A.M.	6:00 A.M. – 8:00 A.M.	Weekdays except Holidays.
		9:00 P.M. – Midnight	Weekdays except Holidays.
	Midnight – Midnight	6:00 A.M. – Midnight	Weekends and Holidays.
Super-Off-Peak	Not Applicable.	Midnight – 6:00 A.M.	Weekdays, Weekends and Holidays.

<u>Energy Payment Allocation Factors</u>			
<i>Season</i>	<i>TOU Period</i>	<i>Calculation Method</i>	<i>Energy Payment Allocation Factor</i>
Summer	On-Peak	Fixed Value	3.13
	Mid-Peak	Fixed Value	1.35
	Off-Peak	Fixed Value	0.75
Winter	Mid-Peak	Fixed Value	1.00
	Off-Peak	Fixed Value	0.83
	Super-Off-Peak	Fixed Value	0.61

“Holiday” is defined as New Year’s Day, Presidents’ Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, or 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 Appendix E] \*\*\*

**APPENDIX F  
NOTICE LIST**

<b>[PRODUCER'S NAME]</b>	<b>SOUTHERN CALIFORNIA EDISON COMPANY</b>
All Notices are deemed provided in accordance with Section 11 if made to the applicable address(es), facsimile number(s) or e-mail address(es) provided below:	All Notices are deemed provided in accordance with Section 11 if made to the applicable address(es), facsimile number(s) or e-mail address(es) provided below:
Contract Sponsor: Attn: Street: City: Phone: Facsimile: E-mail:	Contract Sponsor: Attn: Vice-President, Renewable and Alternative Power Street: 2244 Walnut Grove Avenue City: Rosemead, California 91770 Phone: (626) 302-1212 Facsimile: (626) 302-1103
Reference Numbers: Duns: Federal Tax ID Number:	Reference Numbers: Duns: 006908818 Federal Tax ID Number: 95-1240335
Contract Administration: Attn: Phone: Facsimile: E-mail:	Contract Administration: Attn: Phone: (626) 302- Facsimile: (626) 302-
Forecasting: Attn: Control Room Phone: Facsimile: E-mail:	Generation Operations Center: Phone: (626) 307-4453 or Phone: (626) 307-4410
Day-Ahead Forecasting: Phone: Facsimile: E-mail:	Day-Ahead Scheduling: Manager. Attn: Manager of Day-Ahead Operations Phone: (626) 302-1323 Facsimile: (626) 302-3409 Scheduling Desk. Phone: (626) 307-4425 Backup: (626) 307-4420 Fax: (626) 302-3409 Email: PreSched@SCE.com
Real-Time Forecasting: Phone: Facsimile: E-mail:	Real-Time Scheduling: Manager. Attn: Manager of Real-Time Operations Phone: (626) 302-3308 Facsimile: (626) 302-3409 Operations Desk. Phone: (626) 307-4453 Back-up: (626) 307-4410 Fax: (626) 302-3409 Email: RealTime@SCE.com

Payment Statements: Attn: Phone: Facsimile: E-mail:	Payment Statements: Attn: Power Procurement Finance Phone: (626) 302-3277 Facsimile: (626) 302-3276 Email: PPFDPowerSettle@SCE.com
Payments: Attn: Phone: Facsimile: E-mail:	Payments: Attn: SCS Payments Phone: (626) 302- Facsimile: (626) 302-3276 Email: PPFDPowerSettle@SCE.com
Wire Transfer: BNK: ABA: ACCT:	Wire Transfer: BNK: JP Morgan Chase Bank ABA: 021000021 ACCT: 323-394434
Credit and Collections: Attn: Phone: Facsimile: E-mail:	Manager of Credit and Collateral: Attn: Manager of Credit Phone: (626) 302-3383 Facsimile: (626) 302-2517
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: (626) 302-1212 Facsimile: (626) 302-1904
Lender: Attn: Phone: Facsimile: E-mail:	
Insurance: Attn: Phone: Facsimile: E-mail:	Insurance: Attn: Vice President, Renewable & Alternative Power Address: 2244 Walnut Grove Avenue P.O.: Box: 800 City: Rosemead, CA 91770

\*\*\* [End of Appendix F] \*\*\*



# 2010 Solar PV Program RFO Offer Template

Confidential

## A. ONE FORM PER OFFER

A separate Offer Template form must be created and emailed to SCE for each Offer.  
Different Offers include, but are not limited to, different Sites, Term Start Dates, Gross Power Ratings, etc.

## B. OFFEROR CONTACT INFORMATION

Company Name: <input type="text"/>	
Contact Name #1: <input type="text"/>	Contact Name #2: <input type="text"/>
Company: <input type="text"/>	Company: <input type="text"/>
Title: <input type="text"/>	Title: <input type="text"/>
Street: <input type="text"/>	Street: <input type="text"/>
City: <input type="text"/>	City: <input type="text"/>
State: <input type="text"/> Zip Code: <input type="text"/>	State: <input type="text"/> Zip Code: <input type="text"/>
Office Phone: <input type="text"/>	Office Phone: <input type="text"/>
Cell Phone: <input type="text"/>	Cell Phone: <input type="text"/>
Email: <input type="text"/>	Email: <input type="text"/>

## C. SPONSORS

COMPANY	OWNERSHIP	WEB ADDRESS	DEVELOPMENT EXP.

## D. GENERATING FACILITY (ATTACH A PHOTOGRAPH OF THE ROOF OR SITE)

Facility Name: <input type="text"/>	Latitude: <input type="text"/>	DEGREES	MINUTES	SECONDS
Street: <input type="text"/>				
City: <input type="text"/>				
State: <input type="text"/> Zip Code: <input type="text"/>				
Total Relevant Rooftop Area: <input type="text"/>	Site Service Account #: <input type="text"/>			
	Total Relevant Ground Area: <input type="text"/>			

## E. OWNER OF THE SITE

Owner Name: <input type="text"/>
Street: <input type="text"/>
City: <input type="text"/>
State: <input type="text"/> Zip Code: <input type="text"/>

## F. NON-BINDING OFFER

Indicative Product Price (\$/MWh AC): <input type="text"/>	Term Start Date: <input type="text"/>
Estimated Annual Generation (MWh): <input type="text"/>	Mutual Exclusivity: <input type="text"/>

## G. SYSTEM CHARACTERISTICS

	ROOFTOP	GROUND-MOUNT
Gross Power Rating, kW DC:		
Solar Technology:		
Mounting:		
Installation Area, square feet:		

## H. DELIVERY POINT, ELECTRICAL INTERCONNECTION AND TRANSMISSION

Queue Position # (If Assigned): <input type="text"/>	Interconnection Point: <input type="text"/>
Direct Assignment Cost (defined in the RFO Instructions): <input type="text"/>	Interconnecting System Level: <input type="text"/>
Estimate of Network Upgrade Cost (defined in the CAISO Tariff): <input type="text"/>	Interconnection Status: <input type="text"/>

## I. NON-DISCLOSURE AGREEMENT ACCEPTANCE

By selecting "Yes" here: , Seller electronically signs and agrees to abide by the terms and conditions of Article Eight of the RFO Instructions.

## J. AWARDS AND SUBSIDIES

Subsidy #1: <input type="text"/>
Subsidy #2: <input type="text"/>
Subsidy #3: <input type="text"/>

## K. BRIEF DESCRIPTION OF GENERATING FACILITY, INCLUDING ALL COMPONENTS

## L. ADDITIONAL COMMENTS AND CAVEATS/ADDITIONS TO ABOVE INFORMATION (incl. whether Offeror is an SCE affiliate)



*[Insert Owner's Letterhead]*

*[Insert Date]*

Southern California Edison Company  
Attention: Vice President, Renewable & Alternative Power  
2244 Walnut Grove Avenue  
Box 800  
Rosemead, CA 91770

Subject: Acknowledgement of Alternate Program Availability – California Solar Initiative and Net Energy Metering Programs

Dear Sir or Madam:

*[Insert owner's full legal name]* (“Owner”), a *[Insert Owner's form of entity and state of registration]*, owns the real property located at *[Insert complete address]* (“Property”), and leases or intends to lease all or a portion of the Property to *[Insert Offeror's legal name]* (“Offeror”).

Owner acknowledges that Offeror has informed Owner of, and Owner has been given the opportunity to investigate the benefits offered by, alternative government sponsored programs such as the California Solar Initiative (“CSI”) and the Net Energy Metering (“NEM”) programs. Owner knows and understands the benefits offered by both programs.

Owner further acknowledges that if Southern California Edison Company (“SCE”) selects Offeror as part of SCE’s 2010 Solar PV Program RFO, then Offeror will install a solar photovoltaic electric energy generating facility, including solar panels and other ancillary equipment (“Generating Facility”), on a defined portion of the Property, and will exclusively sell to SCE, pursuant to a power purchase and sale agreement, the entire output of the Generating Facility, including all attributes related thereto.

Finally, Owner acknowledges that it has not participated in, nor submitted any claim for receipt of funds under, the CSI or the NEM programs for the Generating Facility, and that if SCE selects Offeror as part of SCE’s 2010 Solar PV Program RFO, Owner will be precluded from participating in either the CSI or the NEM programs for the Generating Facility for the entire term of the above-referenced power purchase and sale agreement.

Owner’s execution of this letter agreement does not preclude Owner from participating in the CSI or NEM programs for other projects other than the Generating Facility, including other projects on the same Property.

Very Truly Yours,

*[Insert owner's full legal name]*

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

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

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

**SOLAR PV PROGRAM  
SUMMARY OF DEVELOPER EXPERIENCE**

One Summary of Developer Experience form is required per Offeror as part of the Offeror's Non-Binding Offer. In order to be eligible to participate in this program, Offerors must have a "minimum level of developer experience". Per Resolution E-4299, this level is defined as completion of two or more projects of similar technology and development of projects of cumulative capacity equal to one megawatt. Developer experience includes but is not limited to installation, operation, and maintenance of solar commercial rooftop projects.

DEVELOPER INFORMATION

Developer Name: \_\_\_\_\_ Years of Developer Experience: \_\_\_\_\_

Address 1 \_\_\_\_\_

Address 2 \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Contact Name: \_\_\_\_\_ Title: \_\_\_\_\_

Phone Number: \_\_\_\_\_ e-mail \_\_\_\_\_

EXPERIENCE

Project Name/Location	Solar Technology	Size (MW)	Online Date (mm/yy)
	If Other, please specify:		
	If Other, please specify:		
	If Other, please specify:		
	If Other, please specify:		
	If Other, please specify:		
	If Other, please specify:		
	If Other, please specify:		

# Appendix 2

**SOLAR PHOTOVOLTAIC PROGRAM  
POWER PURCHASE AND SALE AGREEMENT**  
*between*  
**SOUTHERN CALIFORNIA EDISON COMPANY**  
*and*  
**[PRODUCER'S NAME]**

This Solar Photovoltaic Program Power Purchase and Sale Agreement (this "Agreement") by and between Southern California Edison Company, a California corporation ("SCE"), and [Producer's name], a [Producer's form of business entity and state of registration] ("Producer"), is made, entered into and effective as of [Date of execution] (the "Effective Date"). Producer and SCE are sometimes referred to in this Agreement jointly as the "Parties" and individually as a "Party." Unless the context otherwise specifies or requires, initially capitalized terms used in this Agreement have the meanings set forth in Appendix A.

1. RECITALS.

- 1.1. Producer is willing to construct, own and Operate the Generating Facility, and to sell the Product to SCE; and
- 1.2. SCE is willing to purchase the Product from Producer in accordance with the terms and conditions set forth in this Agreement.

The Parties, intending to be legally bound, agree as follows:

2. GENERATING FACILITY AND SITE; DELIVERY POINT; PRODUCT PRICE; SCHEDULING COORDINATOR.

*[SCE Note: If this Agreement is for more than one Generating Facility, Sections 2.2-2.5 must be completed for each Generating Facility.]*

- 2.1. The Generating Facility and the Site are described in Appendix B.
- 2.2. The name and address used by SCE to locate the Service Account(s) and Premises used to interconnect the Generating Facility to SCE's electric system are as follows: [\_\_\_\_\_].
- 2.3. The Gross Power Rating of the Generating Facility equals [\_\_\_\_\_] kW DC. *[SCE Note: If this Agreement is for more than one Generating Facility, each Generating Facility must have a Gross Power Rating of at least 500kw DC. In order to use this form of the Agreement, the Gross Power Rating must be less than 5 MW DC. A Producer that wants to offer a Generating Facility with a Gross Power Rating of 5 MW DC or greater should contact SCE to determine which form of power purchase agreement should be utilized. In no event, will SCE consider offers for a Generating Facility with a Gross Power Rating of greater than 10 MW DC.]*
- 2.4. The Net Power Rating of the Generating Facility equals [\_\_\_\_\_] kW AC.
- 2.5. The annual energy production of the Generating Facility, net of Station Use, as measured by the CAISO-Approved Meter or Check Meter, as applicable, is expected to be [\_\_\_\_\_] kWh.
- 2.6. The Delivery Point is [\_\_\_\_\_]. Producer shall provide and convey to SCE the entire Product from the Generating Facility at the Delivery Point. *[SCE Note: Insert the name of the PNode (as defined in the CAISO Tariff). If this Agreement is for more than one Generating Facility, all Generating Facilities must share the same PNode.]*
- 2.7. The price for the Product delivered by Producer to SCE in accordance with this Agreement (the "Product Price") equals \$[\_\_\_\_\_] per MWh.

2.8. SCE is the Scheduling Coordinator under this Agreement. SCE shall take all steps necessary to be authorized as the Scheduling Coordinator throughout the Term. Producer shall cooperate with SCE in good faith to assure that SCE is authorized as the Scheduling Coordinator throughout the Term.

3. TERM; PROGRESS REPORTING.

3.1. The term of this Agreement (the "Term") commences on [Date] (the "Term Start Date") and ends at midnight Los Angeles time on the day following the completion of twenty (20) Term Years from the Term Start Date (the "Term End Date").

3.2. Producer may change the Term Start Date set forth in Section 3.1 by providing Notice to SCE at least three (3) Business Days before such Term Start Date; *provided, however*, that the Term Start Date must occur within eighteen (18) months of CPUC Approval, subject to any extension of the Term Start Date as a result of Force Majeure as to which Producer is the Claiming Party (subject to Section 9.4).

3.3. In addition to the requirements set forth in Section 3.2, on the first day of each calendar month after the Effective Date and before the Term Start Date, Producer shall provide a Notice to SCE describing Producer's progress relative to the development, construction, and startup of the Generating Facility, as well as a Notice of any anticipated change to the Term Start Date.

4. DEVELOPMENT SECURITY.

4.1. On or before the thirtieth (30<sup>th</sup>) day following the Effective Date, Producer shall post and thereafter maintain a development fee (the "Development Security") equal to twenty dollars (\$20) for each kilowatt of the Gross Power Rating. The Development Security will be held by SCE and must be in the form of either a cash deposit or the Letter of Credit. If Producer establishes the Development Security in the form of a cash deposit, SCE shall make monthly Simple Interest Payments to Producer in accordance with the terms of this Agreement.

4.2. If, on or before the Term Start Date, Producer:

4.2.1. Demonstrates to SCE's satisfaction that Producer has installed all of the equipment or devices necessary for the Generating Facility to satisfy the Gross Power Rating of such Generating Facility, SCE shall return the Development Security to Producer within thirty (30) days of the Term Start Date;

4.2.2. Has not installed any of the equipment or devices necessary for any Generating Facility to satisfy any of the Gross Power Rating, Producer shall forfeit, and SCE shall have the right to retain, the entire Development Security and terminate this Agreement; or

4.2.3. Has installed only a portion of the equipment or devices necessary for a Generating Facility to satisfy the Gross Power Rating of such Generating Facility, SCE shall return, within thirty (30) days of the Term Start Date, only the portion of the Development Security equal to the product of twenty dollars (\$20) per kW DC of the portion of the Gross Power Rating available to deliver the Product to SCE at the Delivery Point.

This Section 4.2 is subject to Producer's right to extend the Term Start Date as a result of a Force Majeure as to which Producer is the Claiming Party (subject to Section 9.4).

5. CPUC FILING AND APPROVAL OF THIS AGREEMENT. On or before the sixtieth (60<sup>th</sup>) day following 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. Producer 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 that fails to approve this Agreement or that contains findings required for CPUC Approval with conditions or modifications unacceptable to either Party.

## 6. TERMINATION; REMEDIES.

- 6.1. SCE may terminate this Agreement on Notice, which termination becomes effective on the date specified by SCE in such Notice, if:
  - 6.1.1. Producer fails to take all corrective actions specified in any SCE Notice, within the time frame set forth in such Notice, that any Generating Facility is out of compliance with any term of this Agreement;
  - 6.1.2. Producer fails to interconnect and Operate a Photovoltaic Module within any Generating Facility, in accordance with the terms of this Agreement, within one hundred twenty (120) days after SCE delivers electric energy to such Generating Facility for Station Use;
  - 6.1.3. Producer abandons any Generating Facility;
  - 6.1.4. Electric output from any Generating Facility ceases for twelve (12) consecutive months;
  - 6.1.5. The Term does not commence within eighteen (18) months of CPUC Approval, subject to any extension of the Term Start Date as a result of Force Majeure as to which Producer is the Claiming Party (subject to Section 9.4);
  - 6.1.6. Producer or the owner of a Site applies for or participates in the California Solar Initiative or any net energy metering tariff with respect to any Generating Facility at such Site, as set forth in Section 7.12.6 and Section 7.16, respectively; or
  - 6.1.7. Producer has not installed any of the equipment or devices necessary for any Generating Facility to satisfy the Gross Power Rating of such Generating Facility, as set forth in Section 4.2.2.
- 6.2. A Party may terminate this Agreement:
  - 6.2.1. If any representation or warranty in this Agreement made by the other Party 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, if such misrepresentation or breach of warranty is not remedied within ten (10) Business Days after Notice thereof from the non-breaching Party to the breaching Party;
  - 6.2.2. Except for an obligation to make payment when due, if there is a failure of the other Party to perform any material covenant or obligation set forth in this Agreement (except to the extent such failure provides a separate termination right for the non-breaching Party or to the extent excused by Force Majeure), if such failure is not remedied within thirty (30) days after Notice thereof from the non-breaching Party to the breaching Party;
  - 6.2.3. If the other Party fails to make any payment due and owing under this Agreement, if such failure is not cured within five (5) Business Days after Notice thereof from the non-breaching Party to the breaching Party; or
  - 6.2.4. In accordance with Section 9.4.
- 6.3. This Agreement automatically terminates on the Term End Date.
- 6.4. If a Party terminates this Agreement in accordance with Section 6, such Party will have the right to immediately suspend performance under this Agreement and pursue all remedies available at law or in equity against the other Party (including seeking monetary damages).

## 7. PRODUCER'S OBLIGATIONS.

- 7.1. Before the Term Start Date, Producer must demonstrate to SCE that Producer has satisfied all of the requirements for Producer to Operate the Generating Facility in accordance with the terms of this Agreement, Applicable Law, the SCE Tariffs and the CAISO Tariff, and any other applicable contractual, tariff, legal and regulatory requirements.
- 7.2. Throughout the Term, Producer shall provide and convey the Product to SCE in accordance with the terms of this Agreement, and SCE shall have the exclusive right to the Product. Producer shall, at its own cost, take all reasonable actions and execute all documents or instruments that are reasonable and necessary to effectuate the use of the Green Attributes, Capacity Attributes and Resource Adequacy Benefits for SCE's benefit throughout the Term.
- 7.3. Producer hereby provides and conveys all Green Attributes associated with all electricity generation from the Generating Facility to SCE as part of the Product being delivered. Producer represents and warrants that Producer holds the rights to all Green Attributes from the Generating Facility, and Producer agrees to convey and hereby conveys all such Green Attributes to SCE as included in the delivery of the Product from the Generating Facility.
- 7.4. Throughout the Term, Producer shall grant, pledge, assign and otherwise commit to SCE the Net Qualifying Capacity of the Generating Facility in order for SCE to use in meeting its resource adequacy obligations under any Resource Adequacy Rulings.
- 7.5. As of the Effective Date and until the Term End Date, Producer may not provide or convey any of the Product to any individual or entity other than SCE.
- 7.6. Producer shall have Site Control as of the earlier of (i) the Term Start Date or (ii) any period before the Term Start Date to the extent necessary for Producer to perform its obligations under this Agreement and, in each case, Producer shall maintain Site Control throughout the Term. Producer shall promptly provide SCE with Notice if there is any change in the status of Producer's Site Control.
- 7.7. Producer shall, at its own cost, obtain and maintain all interconnection rights and interconnection agreements, and any related Governmental Authority approvals required to enable interconnection with SCE's electric system to the Delivery Point.
- 7.8. Producer shall, at its own cost, obtain and maintain all Permits and agreements necessary to Operate the Generating Facility and to deliver the Product from the Generating Facility to the Delivery Point.
- 7.9. Producer shall Operate the Generating Facility in compliance with the SCE Tariffs and the CAISO Tariff, and all Applicable Laws. Producer shall secure and maintain in full force all of the CAISO agreements, certifications and approvals required in order for the Generating Facility to comply with the CAISO Tariff.
- 7.10. Producer shall comply with all rules and regulations regarding PIRP if SCE elects to place any Generating Facility in PIRP. Producer shall install the Telemetry System that is designed to function in accordance with the CAISO's PIRP protocols and SCE's communication system.
- 7.11. Producer shall, at its own cost, install, maintain and test the CAISO-Approved Meter pursuant to the CAISO Tariff, SCE's electric service requirements and Prudent Electrical Practices. SCE may, at its sole cost, furnish and install one Check Meter at the interconnection associated with the Generating Facility at a location provided by Producer that is compliant with SCE's electric service requirements. The 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 through the Telemetry System. SCE shall compare the Check Meter data to the CAISO-Approved Meter data (after adjusting for any compensation factors introduced by the CAISO into the CAISO-Approved Meter). 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 Producer of such deviation and the Parties shall mutually arrange for a meter check or recertification of the Check

Meter or CAISO-Approved Meter, as applicable. Each Party shall bear its own costs for any meter check or recertification. Testing procedures and standards for the Check Meter will be the same as for a comparable SCE-owned meter. Producer shall have the right to have representatives present during all such tests. The Check Meter is intended to be used for back-up purposes in the event of a failure or other malfunction of the CAISO-Approved Meter, and Check Meter data shall only be used to validate the CAISO-Approved Meter data and, in the event of a failure or other malfunction of the CAISO-Approved Meter, in place of the CAISO-Approved Meter until such time that the CAISO-Approved Meter is recertified.

7.12. Producer shall:

7.12.1. Operate the Generating Facility in accordance with Prudent Electrical Practices;

7.12.2. Comply with the requirements set forth in Appendix D;

7.12.3. Use commercially reasonable efforts to Operate the Generating Facility so that the electric energy produced by the Generating Facility, net of Station Use, conforms with the Forecast provided in accordance with Appendix D;

7.12.4. Maintain and provide electronically or in hard copy a copy of all relevant daily Operating records to SCE within twenty (20) days of Notice from SCE, including records showing (i) real and reactive power production, (ii) changes in Operating status, (iii) protective apparatus operations, and (iv) any unusual conditions found during inspections of the Generating Facility or the Site;

7.12.5. At least seventy-five (75) days before the Term End Date or as soon as practicable before the date of an early termination of this Agreement, (i) submit to the CAISO the name of the Scheduling Coordinator that will replace SCE, and (ii) cause the Scheduling Coordinator that will replace SCE to submit a letter to the CAISO accepting the designation as Producer's Scheduling Coordinator;

7.12.6. Take all actions necessary to ensure that the owner of the Site waives all claims for eligibility for, and does not submit any claim for receipt of funds under the California Solar Initiative or any net energy metering tariff for any Generating Facility or any future modifications to any Generating Facility; and

7.12.7. Comply with all NERC reliability standards and requirements applicable to the generator owner and generator operator of the Generating Facility.

7.13. Producer shall provide Notice to SCE within one (1) Business Day if there is a termination of, or cessation of service under, any agreement required in order for any Generating Facility to (i) interconnect with SCE's electric system, (ii) transmit and deliver electric energy to the Delivery Point, or (iii) own and operate any CAISO-Approved Meter.

7.14. Producer agrees, that, in accordance with FERC Order No. 697, upon request of SCE, Producer shall submit a letter of concurrence in support of an affirmative statement by SCE that the contractual arrangement set forth in this Agreement does not transfer "ownership or control of generation capacity" from Producer to SCE, as the term "ownership or control of generation capacity" is used in 18 CFR Section 35.42. Producer also agrees that it will not, in filings, if any, made subject to Order Nos. 652 and 697, claim that the contractual arrangement set forth in this Agreement conveys ownership or control of generation capacity from Producer to SCE.

7.15. With respect to WREGIS, Producer shall cause and allow SCE to be the "Qualified Reporting Entity" and "Account Holder" (as such terms are defined by WREGIS) for the Generating Facility.

7.16. Producer waives all claims for eligibility for, and will not submit any claim for receipt of funds under the California Solar Initiative or any net energy metering tariff for any Generating Facility or any future modifications to any Generating Facility.



7.17. With respect to the construction, alteration, demolition, installation, and repair work of the Generating Facility, Producer shall:

- 7.17.1. Use reasonable efforts to ensure that all Electricians hired by Producer and its contractors and subcontractors are paid wages at rates not less than those prevailing for Electricians performing similar work in the locality provided by Division 2, Part 7, Chapter 1 of the California Labor Code. Nothing herein shall require Producer or its contractors or subcontractors to comply with, or assume liability created by other inapplicable provisions of the California Labor Code;
- 7.17.2. Require that all contractors and subcontractors employed or otherwise utilized be licensed under California's Contractors' State License Board Rules and Regulations;
- 7.17.3. Require that all contractors and subcontractors employed or otherwise utilized to perform electrical work be licensed as class C-10 electrical contractors under California's Contractors' State License Board Rules and Regulations, and all Electricians be certified to perform electrical work under California Labor Code Section 3099 *et seq.*; and
- 7.17.4. Employ or otherwise utilize, and shall cause all of its contractors and subcontractors to employ or otherwise utilize, (to the extent that apprentice Electricians are employed or otherwise utilized) only apprentice Electricians that have enrolled in an apprentice training program that (i) is certified by the State of California, and (ii) has graduated at least one (1) apprentice per year for each of the five (5) years before the date that such apprentice Electrician is employed or otherwise utilized.

## 8. BILLING AND PAYMENT

- 8.1. The amount of electric energy purchased by SCE from Producer under this Agreement at the Delivery Point is determined by the CAISO-Approved Meter (after adjusting for compensation factors introduced by the CAISO into the CAISO-Approved Meter) or Check Meter, as applicable. Subject to and in accordance with the terms of this Agreement (including Sections 15.3 through 15.5), SCE shall pay the Product Price to Producer for the Product.
- 8.2. For the purpose of calculating monthly payments under this Agreement, the amount measured by the CAISO-Approved Meter or Check Meter, as applicable, will be time-differentiated according to the time period and season of the receipt of the Product by SCE from Producer, as set forth in Appendix E (the "TOU Periods"), and the pricing will be weighted by the Energy Payment Allocation Factors set forth in Appendix E.
- 8.3. As set forth in Appendix E, TOU Periods for the winter season are mid-peak, off-peak and super off-peak and TOU Periods for the summer season are on-peak, mid-peak and off-peak. The monthly payment will equal the sum of the monthly TOU Period payments for all TOU Periods in the month. Each monthly TOU Period payment will be calculated pursuant to the following formula, where "n" is the TOU Period being calculated:

$$\text{TOU PERIOD}_n \text{ PAYMENT} = A \times B \times C$$

Where:

- A = Product Price, in \$/kWh.
- B = Energy Payment Allocation Factor for the TOU Period being calculated.
- C = The sum of electric energy recorded by the CAISO-Approved Meter or Check Meter, as applicable, in all hours for the TOU Period being calculated, in kWh.

- 8.4. On or before the last Business Day of the month immediately following each calendar month, SCE shall determine the amount of electric energy received by SCE pursuant to this Agreement for each monthly period and provide a payment statement to Producer showing the calculation of the payment.

- 8.5. Unless otherwise agreed to in writing by the Parties, any payment due for the Product received under this Agreement will be satisfied by SCE issuing a check to Producer. Alternatively, SCE reserves the right, but is not obligated to apply any amount owed to Producer toward any amounts due to SCE from Producer for any charges incurred under this Agreement or for past due bills for electric service or for SCE services.
- 8.6. In the event adjustments to SCE's payments are required as a result of inaccurate metering equipment, SCE shall determine the correct amount of electric energy received under this Agreement during the period of inaccuracy and recompute the amount due to or from Producer. Any refund due and payable to SCE by Producer or due by SCE to Producer resulting from inaccurate metering will be made within thirty (30) days of SCE's Notice to Producer by SCE of the amount due.
- 8.7. Monthly charges, if any, associated with any interconnection agreement, will be billed and paid pursuant to the applicable agreement, and monthly charges, if any, associated with electric service provided by SCE shall be billed and paid pursuant to the applicable SCE Tariffs.
- 8.8. Notwithstanding anything to the contrary set forth in this Agreement, this Section 8 is subject to any payment adjustment required under Sections 15.3 through 15.5.

## 9. FORCE MAJEURE.

- 9.1. Neither Party shall 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.
- 9.2. If a Party, because of Force Majeure, is rendered wholly or partly unable to perform its obligations when due under this Agreement, such Party (the "Claiming Party") shall be excused from whatever performance is affected by the Force Majeure to the extent so affected. In order to be excused from its performance obligations under this Agreement by reason of Force Majeure:
  - 9.2.1. The Claiming Party, on or before the fourteenth (14<sup>th</sup>) day after the initial occurrence of the claimed Force Majeure, must give the other Party Notice describing the particulars of the occurrence; and
  - 9.2.2. The Claiming Party must provide timely evidence reasonably sufficient to establish that the occurrence constitutes Force Majeure as defined in this Agreement.
- 9.3. The suspension of the Claiming Party's performance due to Force Majeure may not be greater in scope or longer in duration than is required by such Force Majeure. In addition, the Claiming Party shall use diligent efforts to remedy its inability to perform. 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.
- 9.4. The non-Claiming Party may terminate this Agreement on at least five (5) Business Days' prior Notice, in the event of Force Majeure which materially interferes with such Party's ability to perform its obligations under this Agreement and which extends for more than 365 consecutive days, or for more than a total of 365 days in any consecutive 540-day period.

## 10. INSURANCE.

- 10.1. Producer shall, at its own expense, starting on the Effective Date and until the Term End Date, and for such additional periods as may be specified below, provide and maintain in effect the following insurance policies and minimum limits of coverage as specified below, and such additional coverage as may be required by Applicable Law, with insurance companies authorized to do business in the state in which the services are to be performed, with an A.M. Best's Insurance Rating of not less than A-:VII:

- 10.1.1. Workers' compensation insurance with statutory limits, as required by the state having jurisdiction over Producer's employees, and employer's liability insurance with limits of not less than: (i) bodily injury by accident - \$1,000,000 each accident; (ii) bodily injury by disease - \$1,000,000 policy limit; and (iii) bodily injury by disease - \$1,000,000 each employee;
  - 10.1.2. Commercial general liability insurance, written on an occurrence, not claims-made basis, covering all operations by or on behalf of Producer 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 must bear a combined single limit per occurrence and annual aggregate of not less than \$1,000,000, exclusive of defense costs, for all coverages. Such insurance must contain standard cross-liability and severability of interest provisions. If Producer elects, with SCE's written concurrence, to use a "claims made" form of commercial general liability insurance, then the following additional requirements apply: (i) the retroactive date of the policy must be prior to the Effective Date; and (ii) either the coverage must be maintained for a period of not less than four (4) years after this Agreement terminates, or the policy must provide for a supplemental extended reporting period of not less than four (4) years after this Agreement terminates;
  - 10.1.3. Commercial automobile liability insurance covering bodily injury and property damage with a combined single limit of not less than \$1,000,000 per occurrence. Such insurance must cover liability arising out of Producer's use of all owned, non-owned and hired automobiles in the performance of the Agreement; and
  - 10.1.4. Umbrella/excess liability insurance, written on an occurrence, not 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 four million dollars (\$4,000,000) per occurrence and in the annual aggregate.
- 10.2. The insurance requirements set forth in Section 10.1 may be provided by any combination of Producer's primary and excess liability policies.
- 10.3. The insurance requirements set forth in Section 10.1 will 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 Producer's policies to the contrary. To the extent permitted by Applicable Law, Producer 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 insurance required in Section 10.1.2 and the umbrella/excess liability insurance required in Section 10.1.4 must name SCE, its subsidiaries and affiliates, and their respective officers, directors, shareholders, agents and employees, as additional insureds for liability arising out of Producer's construction, use or ownership of the Generating Facility.
- 10.4. On or before the thirtieth (30<sup>th</sup>) day following the Effective Date, and within a reasonable time after coverage is renewed or replaced, Producer shall furnish to SCE certificates of insurance evidencing the coverage required above, written on forms and with deductibles reasonably acceptable to SCE. All deductibles, co-insurance and self-insured retentions applicable to the insurance above must be paid by Producer. All certificates of insurance must note that the insurers issuing coverage must endeavor to 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 in this Section 10.4, or Producer's failure to provide such certificates, do not limit or relieve Producer of the duties and responsibility of maintaining insurance in compliance with the requirements in this Section 10.4 and do not constitute a waiver of any of the requirements in this Section 10.4.

- 10.5. Producer shall remain liable for all acts, omissions or default of any subcontractor or subsupplier and shall indemnify, defend and hold harmless SCE for any and all loss or damages, as well as all costs, charges and expenses which SCE may suffer, incur, or bear as a result of any acts, omissions or default by or on behalf of any subcontractor or subsupplier.
- 10.6. If Producer fails to comply with any of the provisions of this Section 10, Producer, among other things and without restricting SCE's remedies under Applicable Law or otherwise, shall, at its own cost, act as an insurer and provide insurance in accordance with the terms and conditions of this Section 10. With respect to the required commercial general liability insurance set forth in Section 10.1.2, umbrella/excess liability insurance set forth in Section 10.1.4, and commercial automobile liability insurance set forth in Section 10.1.3, Producer 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 with an A.M. Best's Insurance Rating of A-:VII would have, had the insurance been maintained in accordance with the terms and conditions set forth in this Section 10 and given the required additional insured wording in the commercial general liability insurance and umbrella/excess liability insurance, and standard "Who is an Insured" provision in commercial automobile liability form.
- 10.7. All insurance certificates, endorsements, cancellations, terminations, alterations, and material changes of such insurance must be issued, clearly labeled with this Agreement's identification number and submitted in accordance with Section 11 and Appendix F.

## 11. NOTICES.

- 11.1. All Notices must be made in accordance with this Section 11 and Appendix F. Notices (other than Forecasts and Scheduling requests) must, unless otherwise specified in this Agreement, be in writing and may be delivered by hand delivery, first class United States mail, overnight courier service, electronic transmission or facsimile. Notices provided in accordance with this Section 11 are deemed given as follows:
  - 11.1.1. Notice by facsimile, another form of electronic transmission, or hand delivery is deemed given at the close of business on the day actually received, if received during business hours on a Business Day, and otherwise is deemed given at the close of business on the next Business Day;
  - 11.1.2. Notice by overnight first class United States mail or overnight courier service is deemed given on the next Business Day after such Notice is sent out; and
  - 11.1.3. Notice by first class United States mail is deemed given two (2) Business Days after the postmarked date.
- 11.2. A Party may change its address for Notices at any time by providing the other Party Notice of such change in accordance with Section 11.1.
- 11.3. All Notices must reference this Agreement's identification number, which is set forth on the first page of this Agreement.
- 11.4. The Parties may designate operating representatives to conduct the daily communications, which may be necessary or convenient for the administration of this Agreement. Such designations, including names, addresses, and phone numbers may be communicated or revised by Notice provided in accordance with this Section 11 and Appendix F.

## 12. SCE'S ACCESS RIGHTS; PROVISION OF RECORDS AND DATA.

- 12.1. SCE has the right to examine the Site and the Generating Facility for any purpose connected with this Agreement upon providing Producer with reasonable advance Notice under the circumstances. Producer hereby grants SCE reasonable access to all CAISO-Approved Meters and Check Meters for meter readings and any purpose necessary to effectuate this Agreement. Producer 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. Producer shall promptly inform SCE of meter quantity changes after becoming aware of, or being informed of, any such changes by the CAISO. Producer shall provide instructions to the CAISO granting authorizations or other documentation sufficient to provide SCE with access to the CAISO-Approved Meter and to Producer's settlement data on OMAR.

12.2. No later than twenty (20) days after Producer's receipt of a Notice from SCE, Producer shall provide to SCE all documents reasonably requested by SCE relating to:

12.2.1. The Generating Facility, including Producer's Operations and maintenance records, logs and other information, including meteorological data, solar irradiance data, unit availability, maintenance outages, circuit breaker operation requiring manual reset, relay targets and unusual events pertaining to the Generating Facility or its interconnection with SCE's electric system; and

12.2.2. The administration of this Agreement, or in order for SCE to comply with any discovery or data request for information from the CPUC, CEC, FERC, any court, administrative agency, legislative body or other tribunal.

### 13. CONFIDENTIALITY.

13.1. Neither Party may disclose any Confidential Information to a third party, other than:

13.1.1. To such Party's employees, lenders, investors, attorneys, accountants or advisors who have a need to know such information and have agreed to keep such terms confidential;

13.1.2. To potential Lenders with the consent of SCE, which consent will not be unreasonably withheld;

13.1.3. To SCE's Procurement Review Group, as defined in D.02-08-071, subject to any applicable limitations and subject to a protective order applicable to SCE's Procurement Review Group;

13.1.4. To the CPUC, the CEC or the FERC, under seal for any regulatory purpose, including policymaking, but only provided that the confidentiality protections from the CPUC under Section 583 of the California Public Utilities Code or other statute, order or rule offering comparable confidentiality protection are in place before the communication of such Confidential Information;

13.1.5. 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;

13.1.6. In order to comply with any Applicable Law, including applicable regulation, rule, subpoena, or order of the CPUC, CEC, FERC, any court, administrative agency, legislative body or other tribunal, or any discovery or data request of the CPUC; and

13.1.7. 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 under this Agreement.

### 14. REPRESENTATIONS, WARRANTIES, AND COVENANTS.

14.1. On the Effective Date, each Party represents, warrants, and covenants to the other Party that:

14.1.1. It is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;

14.1.2. It has or will timely acquire all regulatory authorizations necessary for it to legally perform its obligations under this Agreement;

- 14.1.3. 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 Applicable Laws;
- 14.1.4. This Agreement constitutes a legally valid and binding obligation enforceable against it in accordance with its terms;
- 14.1.5. There is not pending, or to its knowledge, threatened against it or, in the case of Producer, any of its affiliates, any legal proceeding that could materially adversely affect its ability to perform under this Agreement;
- 14.1.6. It is acting for its own account, and its decision to enter into this Agreement is based on 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
- 14.1.7. It has not relied on any promises, representations, statements or information of any kind that are not contained in this Agreement in deciding to enter into this Agreement.

14.2. Producer represents, warrants and covenants to SCE that:

- 14.2.1. As of the Effective Date and until the Term End Date: (i) Producer does not, and will not convey, transfer, allocate, designate, award, report or otherwise provide any or all of the Product, or any portion thereof, or any benefits derived therefrom, to any party other than SCE; (ii) Producer will not start-up or Operate any Generating Facility per instruction of or for the benefit of any third party, except as required by other Applicable Laws; (iii) the Generating Facility qualifies and is certified by the CEC as an Eligible Renewable Energy Resource, as such term is defined in Public Utilities Code Section 399.12 or Section 399.16 (“ERR Requirements”); and (iv) the output delivered to SCE qualifies under the requirements of the California Renewables Portfolio Standard (the “RPS Requirements”);
- 14.2.2. Throughout the Term, it shall: (i) own and Operate the Generating Facility; (ii) deliver the Product to SCE free and clear of all liens, security interests, claims and encumbrances or any interest therein or thereto by any individual or entity; and (iii) hold the rights to all of the Product; and
- 14.2.3. Neither Producer nor, to the best of Producer’s knowledge, the owner of any Site has participated in or submitted any claim for receipt of funds under the California Solar Initiative or any net energy metering tariff for any Generating Facility.

## 15. STATUS OF THE GENERATING FACILITY.

- 15.1. Producer shall provide prompt Notice to SCE if any Generating Facility or the Product ceases to comply with the ERR Requirements or the RPS Requirements.
- 15.2. Upon receipt of a Notice from SCE indicating that SCE has determined, in its reasonable discretion, that any Generating Facility may no longer comply with the ERR Requirements or RPS Requirements, Producer shall, within fifteen (15) days of receiving such Notice, provide to SCE evidence sufficient to show that such Generating Facility continues to comply with the ERR Requirements or RPS Requirements, as applicable. If SCE determines, in its reasonable discretion, that Producer failed to provide evidence sufficient to show that such Generating Facility continues to comply with the ERR Requirements or the RPS Requirements, as applicable, then such Generating Facility will no longer be deemed to comply with the ERR Requirements or RPS Requirements (the “ERR/RPS Status Change”), as applicable, until such time as Producer demonstrates to SCE’s reasonable satisfaction that such Generating Facility complies with the ERR Requirements and RPS Requirements.

- 15.3. Upon making a determination that a Generating Facility no longer complies with the ERR Requirements or the RPS Requirements, SCE shall revise its records and the administration of this Agreement to reflect such determination and shall provide Notice to Producer of its determination. Such Notice must specify the effective date of the ERR/RPS Status Change, which date will be the first day of the calendar month for which SCE determines in its reasonable discretion that such Generating Facility first ceased to comply with the ERR Requirements or RPS Requirements. SCE's Notice provided in accordance with this Section 15.3 must include an invoice for the refund of payments that were made to Producer during the period between the effective date of the ERR/RPS Status Change and the date of the last Notice in reliance upon Producer's representations that such Generating Facility complied with the ERR Requirements and RPS Requirements. Any amounts to be paid or refunded by Producer to SCE, as may be invoiced by SCE in accordance with this Section 15.3, must be paid to SCE within thirty (30) days of Producer's receipt of such invoice.
- 15.4. During the entire period that any Generating Facility no longer complies with the ERR Requirements or the RPS Requirements, SCE will not be obligated to pay Producer for the Product.
- 15.5. Notwithstanding anything to the contrary contained in this Agreement, if there is a change in Applicable Law that results in the Producer no longer meeting the ERR Requirements or RPS Requirements, SCE shall continue to pay Producer for the Product so long as SCE determines that Producer has used, and will continue to use, commercially reasonable efforts to comply with such change in Applicable Law. The term "commercially reasonable efforts" as used in this Section 15.5 will not require Producer to incur out of pocket costs in excess of Ten Thousand Dollars (\$10,000) for each Generating Facility in any year in order to satisfy Producer's obligation to meet either the ERR Requirements or the RPS Requirements under the then-current Applicable Law.
- 15.6. Producer acknowledges and agrees that SCE may periodically inspect the Generating Facility or require documentation from Producer to monitor the Generating Facility's compliance with the ERR Requirements and RPS Requirements.

## 16. INDEMNIFICATION.

- 16.1. Each Party as indemnitor shall defend, save harmless and indemnify the other Party and the directors, officers, employees, and agents of such other Party against and from any and all loss, liability, damage, claim, cost, charge, demand, or expense (including any direct, indirect, or consequential loss, liability, damage, claim, cost, charge, demand, or expense, including reasonable attorneys' fees) for injury or death to persons, including employees of either Party, and physical damage to property including property of either Party arising out of or in connection with the negligence or willful misconduct of the indemnitor relating to its obligations under this Agreement. This indemnity applies notwithstanding the active or passive negligence of the indemnitee; provided, however, that neither Party is indemnified under this Agreement for its loss, liability, damage, claim, cost, charge, demand or expense to the extent resulting from its own negligence or willful misconduct.
- 16.2. Producer shall defend, save harmless and indemnify SCE, its directors, officers, employees, and agents, assigns, and successors in interest, for and against any penalty imposed upon SCE to the extent caused by Producer's failure to fulfill its obligations as set forth in Sections 7.2 through 7.4.
- 16.3. Each Party releases and shall defend, save harmless and indemnify the other Party from any and all loss, liability, damage, claim, cost, charge, demand or expense arising out of or in connection with any breach made by the indemnifying Party of its representations, warranties and covenants in Section 14. Notwithstanding anything to the contrary in this Agreement, if Producer fails to comply with the provisions of Section 10, Producer shall, at its own cost, defend, save harmless and indemnify SCE, its directors, officers, employees, and agents, assigns, and successors in interest, from and against any and all loss, liability, damage, claim, cost, charge, demand, or expense of any kind or nature (including any direct, indirect, or consequential loss, damage, claim, cost, charge, demand, or expense, including reasonable attorneys' fees and other costs of litigation), resulting from injury or death to any individual or damage to any property, including the personnel or property of SCE, to the extent that SCE would have been protected had Producer complied with all of the provisions of

Section 10. The inclusion of this Section 16.3 is not intended to create any express or implied right in Producer to elect not to provide the insurance required under Section 10.

16.4. All indemnity rights survive the termination of this Agreement for 12 months.

17. ARBITRATION. Except for matters relating to specific performance, injunctive relief or other equitable remedies, the Parties agree to submit to arbitration any and all matters in dispute or controversy among them concerning the terms of this Agreement. Unless the Parties agree to alternative arrangements, the selection of arbitrators and the procedure must be in accordance with the commercial arbitration rules then in effect of the Judicial Arbitration and Mediation Services, Inc. Any award rendered is final and conclusive upon the Parties and a judgment thereon may be entered in the highest court of the forum, state or federal, having jurisdiction. The expenses of the arbitration must be borne equally by the Parties; *provided, however,* that each Party shall pay for and bear the costs of its own experts, evidence and counsel's fees. 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, California.
18. ASSIGNMENT. Producer may not assign this Agreement or its rights or obligations under this Agreement without SCE's prior written consent, which consent will not be unreasonably withheld; *provided, however,* that Producer may, without SCE's consent (and without relieving Producer from liability under this Agreement), transfer, sell, pledge, encumber or assign this Agreement or the accounts, revenues or proceeds hereof to its Lender in connection with any financing for a Generating Facility if (i) such Lender assumes the payment and performance obligations provided under this Agreement with respect to Producer, (ii) such Lender agrees in writing to be bound by the terms and conditions of this Agreement, and (iii) Producer delivers such tax and enforceability assurance as SCE may reasonably request. Any assignment of this Agreement by Producer without SCE's written consent is not valid.
19. MISCELLANEOUS.
- 19.1. Except as may otherwise be provided in this Agreement, there is no warranty of merchantability or fitness for a particular purpose, and any and all implied warranties are disclaimed. Liability is limited to direct actual damages only, such direct actual damages are the sole and exclusive remedy, and all other remedies or damages at law or in equity are waived unless expressly herein provided. Unless expressly provided for in this Agreement, neither Party is liable for consequential, incidental, punitive, exemplary or indirect damages, lost profits or other business interruption damages.
- 19.2. This Agreement will not be construed against any Party as a result of the preparation, substitution, or other event of negotiation, drafting or execution thereof.
- 19.3. No amendment or modification to this Agreement is enforceable unless reduced to a writing signed by all Parties.
- 19.4. This Agreement supersedes all prior agreements, whether written or oral, between the Parties with respect to its subject matter and constitutes the entire agreement between the Parties relating to its subject matter.
- 19.5. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.
- 19.6. The term "including" when used in this Agreement is by way of example only and will not be considered in any way to be in limitation.
- 19.7. The word "or" when used in this Agreement includes the meaning "and/or" unless the context unambiguously dictates otherwise.
- 19.8. This Agreement will apply to, be binding in all respects upon and inure to the benefit of the successors and permitted assigns of the Parties.



- 19.9. Whenever this Agreement refers to any law, tariff, government department or agency, regional reliability council, SCE's electric system, or credit rating agency, the Parties agree that the reference also refers to any successor to such law, tariff or organization.
- 19.10. 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, an Adobe Acrobat file 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.
- 19.11. The headings used in this Agreement are for convenience and reference purposes only and will not affect its construction or interpretation. All references to a "Section" or an "Appendix" refer to the corresponding Section or Appendix of this Agreement. Unless otherwise specified, all references to a "Section" in Appendices A through F refer to the corresponding Section in the main body of this Agreement. Words having well-known technical or industry meanings have such meanings unless otherwise specifically defined in this Agreement. Where days are not specifically designated as Business Days, they are calendar days. Where years are not specifically designated as Term Years, they are calendar years.
- 19.12. None of the provisions of this Agreement will be considered waived by a Party unless such waiver is given in writing. The failure of a Party to insist in any one or more instances upon strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder may not be construed as a waiver of any such provisions or the relinquishment of any such rights for the future, but the same will continue and remain in full force and effect.
- 19.13. This Agreement does not constitute an agreement by SCE to provide retail electrical service to Producer or any third party. Such arrangements must be made separately with SCE.
- 19.14. The rights and obligations of the Parties that are intended to survive a termination of this Agreement are all such rights and obligations that this Agreement expressly provides survive such termination as well as those rights and obligations arising from either Parties' covenants, agreements, representations or warranties applicable to, or to be performed at, before or as a result of the termination of this Agreement.
- 19.15. 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.
- 19.16. Any outstanding and past due amounts owing and unpaid by either Party under the terms of this Agreement are 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.

*[signature page follows]*

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their respective authorized representatives as of the Effective Date.

**[PRODUCER'S NAME],**

**SOUTHERN CALIFORNIA EDISON  
COMPANY,**

a [Producer's form of business entity and  
state of registration]

a California corporation

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

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

## APPENDIX A DEFINITIONS

For purposes of this Agreement, the following terms and variations thereof have the meanings specified or referred to in this Appendix A:

“Agreement” has the meaning set forth in the Preamble.

“Applicable Law” means all constitutions, treaties, laws, ordinances, rules, regulations, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority or arbitrator that apply to any Party, a Generating Facility or the terms of this Agreement.

“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.

“California Solar Initiative” means the California Solar Initiative Program implemented and overseen by the CPUC, and as may be revised from time to time.

“CAISO” means the California Independent System Operator Corporation or successor entity that dispatches certain generating units and loads and controls the transmission facilities of entities that (i) own, operate and maintain transmission lines and associated facilities or have entitlements to use certain transmission lines and associated facilities, and (ii) have transferred to the CAISO or its successor entity operational control of such facilities or entitlements.

“CAISO-Approved Meter” means any revenue quality, electric energy measurement meter(s) furnished by Producer, that (i) is designed, manufactured and installed in accordance with the CAISO’s metering requirements, or, to the extent that the CAISO’s metering requirements to not apply, Prudent Electrical Practices, and (ii) includes all of the associated metering transformers and related appurtenances that are required in order to measure the net electric energy output from the Generating Facility.

“CAISO-Approved Quantity” means the total quantity of electric energy SCE Schedules with the CAISO and the CAISO approves in its final schedule which is published in accordance with the CAISO Tariff.

“CAISO Tariff” means the California Independent System Operator Corporation Operating Agreement and Tariff, 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.

“Capacity Attributes” means any and all current or future defined characteristics, certificates, tag, 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 Term.

“CEC” means the California Energy Commission.

“Check Meter” means the SCE revenue-quality meter section(s) or meter(s), which SCE may require at its discretion, and which will include those devices normally supplied by SCE or Producer under the applicable utility electric service requirements.

“Claiming Party” has the meaning set forth in Section 9.2.

“Confidential Information” means all oral or written communications exchanged between the Parties on or after the Effective Date relating to the implementation of this Agreement (including information related to Producer’s compliance with Operating and efficiency standards applicable to any Generating Facility), and includes this Agreement and its terms and conditions hereof. Notwithstanding the foregoing sentence, Confidential Information also includes bids and other offers made by either Party pursuant to negotiations with respect to this Agreement before the Effective Date. Confidential Information does not include information that (i) is in the public domain as of the Effective Date or which comes into the public domain after the Effective Date from a

source other than from the other Party, (ii) either Party can demonstrate in writing was already known to such Party on a non-confidential basis before the Effective Date, (iii) comes to a Party from a bona fide third-party source not under an obligation of confidentiality, and (iv) is independently developed by a Party without use of or reference to Confidential Information or information containing Confidential Information.

“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 operation control of another organization vested with authority comparable to that of the CAISO.

“CPUC” means the California Public Utilities Commission.

“CPUC Approval” means either (1) 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, or (2) a final and non-appealable disposition of the CPUC's Energy Division, without conditions or modifications unacceptable to the Parties, or either of them, which contains the following terms or deems approved an advice letter requesting the following terms:

- (a) Approves this Agreement in its entirety, including payments to be made by SCE, subject to CPUC review of SCE's administration of the Agreement; and
- (b) Finds that any procurement pursuant to this Agreement is procurement from an eligible renewable energy resource for purposes of determining SCE'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.

CPUC Approval will be deemed to have occurred on (1) the date that a CPUC decision containing such findings becomes final and non-appealable, or (2) the date that a CPUC Energy Division disposition which contains such findings or deems approved an advice letter requesting such findings becomes final and non-appealable.

“Current Inverter” means the equipment or device(s) that convert DC electricity into AC electricity.

“DC Collection System” means the DC equipment, cables, components, devices and materials that interconnect the Photovoltaic Modules with the Current Inverters.

“Development Security” has the meaning set forth in Section 4.1.

“Delivery Point” means the PNode (as defined in the CAISO Tariff) for the Generating Facility, as set forth in Section 2.6.

“Effective Date” has the meaning set forth in the Preamble.

“Electrician” means an individual responsible for placing, installing, erecting or connecting any electrical wires, fixtures, appliances, apparatus, raceways, conduits, solar photovoltaic cells or any part thereof, which generate, transmit, transform or utilize electric energy in any form or for any purpose.

“Energy Payment Allocation Factors” are those certain factors used to calculate TOU Period payments, as further described in Sections 8.2 and 8.3, and as set forth in Appendix E.

“ERR Requirements” has the meaning set forth in Section 14.2.1.

“ERR/RPS Status Change” has the meaning set forth in Section 15.2.

“FERC” means the Federal Energy Regulatory Commission.

“Force Majeure” means any event or circumstance (that is not anticipated as of the Effective Date) to the extent beyond the control of, and not the result of the negligence of, or caused by, the Party seeking to have its performance obligation excused thereby, which by the exercise of due diligence such Party could not reasonably have been expected to avoid and which by exercise of due diligence it has been unable to overcome. Force Majeure does not include: (i) a failure of performance of any other individual or entity,

including any individual or entity providing electric transmission service or fuel transportation to a Generating Facility, except to the extent that such failure was caused by an event that would otherwise qualify as Force Majeure; (ii) failure to timely apply for or obtain Permits or other credits required to Operate a Generating Facility; (iii) breakage or malfunction of equipment (except to the extent that such failure was caused by an event that would otherwise qualify as Force Majeure); or (iv) a lack of solar radiation.

“Forecast” means the hourly forecast of either the sum of the Current Inverter continuous electrical output ratings for Current Inverters made operational for a stated forecast period (in MWs) or electric energy (in MWh) of the Generating Facility in accordance with SCE’s instructions.

“Generating Facility” means Producer’s solar photovoltaic generating facility, as more particularly described in Appendix B, together with all materials, equipment systems, structures, features and improvements necessary to produce electric energy at such facility, excluding the Site, land rights and interests in land. If this Agreement is for more than one Generating Facility (as defined in the immediately preceding sentence), the term “Generating Facility” means each Generating Facility contemplated by this Agreement, unless the context otherwise specifies or requires.

“Governmental Authority” means any (i) federal, state, local, municipal or other government, (ii) 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 (iii) court or governmental tribunal.

“Green Attributes” means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Generating Facility, 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<sub>x</sub>), nitrogen oxides (NO<sub>x</sub>), carbon monoxide (CO) and other pollutants;
- (2) Any avoided emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), 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;<sup>1</sup>
- (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 a Generating Facility,
- (ii) Production tax credits associated with the construction or operation of a Generating Facility and other financial incentives in the form of credits, reductions, or allowances associated with a Generating Facility that are applicable to a state or federal income taxation obligation,
- (iii) Fuel-related subsidies or “tipping fees” that may be paid to Producer 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 a Generating Facility for compliance with local, state, or federal operating and/or air quality permits.

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<sup>1</sup> 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.

“Gross Power Rating” means the value, in kW DC and as set forth in Section 2.3, which is the sum of all Photovoltaic Module DC Ratings for Photovoltaic Modules to be installed at the Generating Facility.

“Interest Rate” means an annual rate equal to the rate published in The Wall Street Journal as the “Prime Rate” (or, if more than one rate is published, the arithmetic mean of such rates) as of the date payment is due plus two (2) percentage points; *provided, however*, that in no event will the Interest Rate exceed the maximum interest rate permitted by Applicable Laws.

“Lease” means one or more agreements whereby Producer leases the Site described in Appendix B from the owner of the Site, the term of which lease begins on or before the Effective Date and extends at least through the Term End Date.

“Lender” means any financial institution or successor in interest or assignee that provides development, bridge, construction, permanent debt or tax equity financing or refinancing for a Generating Facility to Producer.

“Letter of Credit” means an irrevocable, nontransferable standby letter of credit provided by Producer from an issuer acceptable to SCE that is either a U.S. commercial bank or a U.S. branch of a foreign bank with the bank having a Credit Rating of at least “A-” from S&P and Fitch and “A3” from Moody’s, in the form of Appendix C. Producer must bear the costs of all Letters of Credit.

“NERC” means the North American Electric Reliability Corporation.

“Net Qualifying Capacity” has the meaning set forth in the CAISO Tariff.

“Net Power Rating” means the value, in kW AC and as set forth in Section 2.4, which is the sum of all Current Inverter continuous output ratings or any transformer continuous output ratings, whichever is less, located between the Current Inverters and the CAISO-Approved Meter.

“Notice” means notices, requests, statements, reports or payments provided by one Party to the other Party, which must be provided in accordance with Section 11 and Appendix F.

“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.

“Operate” 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.

“Parties” and “Party” have the meanings set forth in the Preamble.

“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 Schedule and deliver the electric energy produced by the Generating Facility to SCE, including an authority to construct or conditional use permit.

“Photovoltaic Module” means the individual component that produces DC electric energy from solar radiation.

“Photovoltaic Module DC Rating” means, for each Photovoltaic Module installed or to be installed at the Site, the number (expressed in kW<sub>PDC</sub>) stated on the nameplate affixed thereto representing the manufacturer’s maximum (at “peak” sunlight) DC power rating at the standard test condition (“P<sub>mp</sub>” or Power maximum at peak).

“PIRP” (i.e., Participating Intermittent Resource Program) 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.

“Premises” has the meaning set forth in SCE’s Rule 1.

“Producer” has the meaning set forth in the Preamble.

“Product” means (i) all electric energy produced by the Generating Facility, net of Station Use, and (ii) all Green Attributes, Capacity Attributes, and Resource Adequacy Benefits.

“Product Price” has the meaning set forth in Section 2.7.

“Prudent Electrical Practices” means those practices, methods and acts that would be implemented and followed by prudent operators of electric 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 at the time a decision was made, could reasonably have been expected to accomplish the desired result consistent with good business practices, reliability and safety. Prudent Electrical Practices includes, at a minimum, those professionally responsible practices, methods and acts described in the preceding sentence that comply with the manufacturer’s warranties, restrictions in this Agreement, and the requirement of Governmental Authorities, WECC standards, the CAISO and Applicable Laws. Prudent Electrical Practices include taking reasonable steps to ensure that: (i) equipment, materials, resources and supplies, including spare parts inventories, are available to meet the Generating Facility’s needs; (ii) sufficient operating personnel are available at all times and are adequately experienced, 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; (iii) preventative, 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; (iv) appropriate monitoring and testing are performed to ensure equipment is functioning as designed; (v) 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 SCE’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 (vi) equipment and components designed and manufactured to meet or exceed the standard of durability that is generally used for solar electric energy generation operations 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.

“Renewable Energy Credit” has the meaning set forth Public Utilities Code Section 399.12(g), as may be amended from time to time or as further defined or supplemented by Applicable Law.

“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 include any local, zonal or otherwise locational attributes associated with the Generating Facility.

“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 decisions, rulings, laws, rules or regulations may be amended or modified from time-to-time throughout the Term.

“RPS Requirement” has the meaning set forth in Section 14.2.1.

“Rule” means SCE Tariff sheets that set forth the application of all rates, charges, and service when such applicability is not set forth in and as part of the rate schedules.

“SCE” has the meaning set forth in the Preamble.

“SCE Tariffs” means the entire body of effective rates, rentals, charges, and rules collectively of SCE, as set forth in this Agreement, and including title page, preliminary statement, service area maps, rate schedules, list of contracts and deviations, Rules, and sample forms.

“Schedule” means the action of the Scheduling Coordinator, or its designated representatives, of notifying, requesting, and confirming to the CAISO, the CAISO-Approved Quantity of electric energy.

“Scheduling Coordinator” means the entity certified by the CAISO for the purposes of undertaking the functions specified by CAISO Tariff Section 2.2.6, as amended by FERC from time-to-time.

“Service Account” has the meaning set forth in SCE’s Rule 1.

“Simple Interest Payment” means a dollar amount calculated by multiplying the (i) dollar amount on which the Simple Interest Payment is based, times (ii) the Interest Rate, times (iii) the result of dividing the number of days in the calculation period by 360.

“Site” means the real property on which the Generating Facility is, or will be located, as further described in Appendix B. If this Agreement is for more than one Generating Facility, the term “Site” (as defined in the immediately preceding sentence), means each Site on which a Generating Facility contemplated by this Agreement is, or will be located, unless the context otherwise specifies or requires.

“Site Control” means that Producer (i) owns the Site, (ii) is the lessee of the Site under a Lease, or (iii) is the holder of a right-of-way grant or similar instrument with respect to the Site.

“Station Use” means the electric energy produced by the Generating Facility that is: (i) used within the Generating Facility to power the lights, motors, control systems and other electrical loads, such as meteorological equipment that are necessary for Operation; and (ii) consumed within the Generating Facility’s DC Collection System as losses within the Photovoltaic Modules, associated wiring, combiner boxes, Current Inverters, transformers and other equipment.

“Telemetry System” means a system of electronic components that collects all required telemetry in accordance with the PIRP and SCE operational requirements and communicates this telemetry to the CAISO and SCE as required by applicable tariff or this Agreement.

“Term” has the meaning set forth in Section 3.1.

“Term End Date” has the meaning set forth in Section 3.1.

“Term Start Date” has the meaning set forth in Section 3.1.

“Term Year” means a twelve (12) month period beginning on the first day of the calendar month following the Term Start Date and each successive twelve (12) month period thereafter.

“TOU Periods” has the meaning set forth in Section 8.2 and Appendix E.

“Web Client” has the meaning set forth in Section 2.1.1. of Appendix D.

“WECC” means the Western Electricity Coordinating Council, the regional reliability council for the Western United States, Southwestern Canada, and Northwestern Mexico.

“WREGIS” means the Western Renewable Energy Generation Information System.

\*\*\* [End of Appendix A] \*\*\*



**APPENDIX B**  
**DESCRIPTION OF THE GENERATING FACILITY AND THE SITE**

[Producer must provide each of the following in this Appendix B:

- The name and address of the Generating Facility;
- A description of the Generating Facility, including a summary of its significant components, such as Photovoltaic Modules, DC Collection System, Current Inverters, meteorological station, solar irradiance instrumentation and any other related electrical equipment;
- A drawing showing the general arrangement of the Generating Facility;
- A single-line diagram illustrating the interconnection of the Generating Facility with SCE; and
- A legal description of the Site, including a Site map.

If this Agreement is for more than one Generating Facility, Appendix B must include the above-requested information for each Generating Facility and each Site.]

\*\*\* [*End of Appendix B*] \*\*\*

**APPENDIX C**  
**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:

[Issuing Bank's Name] (the "Bank") establishes this Irrevocable Nontransferable Standby Letter of Credit (this "Letter of Credit") in favor of Southern California Edison Company, a California corporation (the "Beneficiary"), for the account of [Applicant's Name], a [Applicant's form of business entity and state of registration] (the "Applicant"), in connection with ID# [ ] for the amount of [ ] United States Dollars (the "Available Amount"), effective immediately and expiring at 5:00 P.M., Los Angeles time, on [ ] (the "Expiration Date").

This Letter of Credit will be of no further force or effect upon the close of business on [ ] or, if such day is not a Business Day (as hereinafter defined), on the next Business Day. For the purposes of this Letter of Credit, "Business Day" means any day except a Saturday, Sunday, a Federal Reserve Bank holiday, or the Friday following Thanksgiving.

Subject to the terms and conditions of this Letter of Credit, funds under this Letter of Credit are available to the Beneficiary by presentation in compliance on or before 5:00 P.M., Los Angeles time, on or before the Expiration Date, of the following:

1. The original of this Letter of Credit and all amendments (or photocopy of the original for partial drawings); and
2. The Drawing Certificate issued in the form of Attachment A attached to this Letter of Credit, 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 drawing under this Letter of Credit 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 is 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 are permitted under this Letter of Credit, and this Letter of Credit will remain in full force and effect with respect to any continuing balance; *provided, however*, that the Available Amount will be reduced by the amount of each such drawing.

This Letter of Credit is not transferable or assignable. Any purported transfer or assignment is void and of no force or effect. Banking charges are the sole responsibility of the Applicant.

This Letter of Credit sets forth in full our obligations and such obligations may not in any way be modified, amended, amplified or limited by reference to any documents, instruments or agreements referred to in this Letter of Credit (except for Attachment A attached to this Letter of Credit), and any such reference may not be deemed to incorporate by reference any document, instrument or agreement except for Attachment A attached to this Letter of Credit.

The Bank acknowledges 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, will govern all matters with respect to this Letter of Credit.

[Issuing Bank's Name]

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

**ATTACHMENT A**  
**DRAWING CERTIFICATE**  
TO [ISSUING BANK NAME]

IRREVOCABLE NON-TRANSFERABLE STANDBY LETTER OF CREDIT  
Reference No. [ ]

[Issuing Bank Name]  
[Issuing Bank Address]

Subject: Irrevocable Non-transferable Standby Letter of Credit

The undersigned [Authorized Individual's Name], an authorized representative of Southern California Edison Company (the "Beneficiary"), certifies to [Issuing Bank Name] (the "Bank") and [Applicant's Name] (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 one or more of the following reason(s):
  - [ ] A. The Bank has heretofore provided written notice to the Beneficiary of the Bank's intent not to renew the Letter of Credit following the present Expiration Date (as defined in the Letter of Credit) thereof ("Notice of Non-renewal"), and Applicant has failed to provide the Beneficiary with a replacement letter of credit satisfactory to Beneficiary in its sole discretion within 30 days following the date of the Notice of Non-renewal.
  - [ ] B. The Beneficiary has terminated that certain Solar Photovoltaic Program Power Purchase and Sale Agreement, dated [ ], between Applicant and Beneficiary (the "Agreement"), in accordance with Section [ ] of the Agreement before the Term Start Date (as defined in the Agreement).
  - [ ] C. The Beneficiary is entitled to retain a portion of the Development Security (as defined in the Agreement) equal to the product of \$20 per kW times the portion of the Gross Power Rating (in kW and as defined in the Agreement) that the Applicant failed to install.
2. Based upon the foregoing, the Beneficiary makes demand under the Letter of Credit for payment of [ ] United States Dollars, which amount does not exceed (i) the amount set forth in paragraph 1 above, and (ii) the Available Amount (as defined in the Letter of Credit) under the Letter of Credit as of the date hereof.
3. Funds paid pursuant to the provisions of the Letter of Credit must be wire transferred to the Beneficiary in accordance with the following instructions: [ ]

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: \_\_\_\_\_

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

\*\*\* [End of Appendix C] \*\*\*

**APPENDIX D**  
**FORECAST REQUIREMENTS AND PROCEDURES**

1. Introduction. The Parties shall abide by the Forecast requirements and procedures described in this Appendix D and shall make reasonable changes to these requirements and procedures from time-to-time, as necessary to (i) comply with SCE's instructions or the CAISO Tariff, as applicable, (ii) accommodate changes to their respective generation technology or organizational structure, and (iii) address changes in the Operating and Scheduling procedures of Producer, SCE or the CAISO, including automated Forecast and outage submissions.
2. Producer's Forecasting Procedures. Producer must meet all of the following requirements for Forecasting electric energy to be received by SCE from Producer:
  - 2.1. Weekly Forecasting Procedures.
    - 2.1.1. Beginning the Wednesday before the Term Start Date, Producer must provide SCE with a Forecast for the next calendar week, by no later than 5 P.M. Los Angeles time the Wednesday of the week preceding the week covered by the Forecast, using a web-based system made available to Producer by SCE (the "Web Client"). The Forecast submitted to SCE must: (i) not include any anticipated or expected electric energy losses after the CAISO-Approved Meter or Check Meter, as applicable; and (ii) limit Forecast changes to no less than one hundred (100) kW when the Web Client is not available. Producer shall have no restriction on Forecast changes when the Web Client is available.
    - 2.1.2. If Producer learns of any change in the Forecast submitted pursuant to Section 2.1.1 of this Appendix D, Producer shall communicate such change in the Forecast to SCE via the Web Client no later than 5:00 A.M. Los Angeles time the day before the effective date of such revision. If the Web Client is not available, Producer shall email these changes to [presched@sce.com](mailto:presched@sce.com), and immediately follow up with a phone call to (626) 307-4425.
    - 2.1.3. If Producer learns of any change in the Forecast submitted pursuant to Section 2.1.2 of this Appendix D, Producer shall immediately communicate such change in the Forecast to SCE via the Web Client. If the Web Client is not available, Producer shall within twenty (20) minutes after Producer becomes aware of the event which caused the change in the Forecast, email such change to [presched@sce.com](mailto:presched@sce.com) and to [realtime@sce.com](mailto:realtime@sce.com), and immediately follow-up with a phone call to SCE's Generation Operation Center at (626) 307-4453 or (626) 307 4410.
  - 2.2. 30-Day Forecasting Procedures.
    - (i) In addition to the requirements set forth in Section 2.1 of this Appendix D, Producer shall electronically provide SCE with a rolling 30-day Forecast, beginning at least thirty (30) days before the Term Start Date using the Web Client.
    - (ii) Producer shall update such rolling 30-day Forecast weekly by 5:00 P.M. Los Angeles time each Wednesday using the Web Client.
    - (iii) If Producer learns of any inaccuracies in its most recently submitted 30-day Forecast affecting the period between the date Producer learns of the inaccuracy and the date that the next updated 30-day Forecast is due, Producer shall promptly notify SCE using the Web Client. If the Web Client is not available, Producer shall send an updated Forecast to [esmstpoutage@sce.com](mailto:esmstpoutage@sce.com) with a copy to [presched@sce.com](mailto:presched@sce.com).
3. Outage Scheduling Procedures. Producer shall be responsible for all costs associated with all requirements and timelines for generation outage Scheduling contained in the SCE Tariffs and the CAISO Tariff.

\*\*\* [End of Appendix D] \*\*\*

**APPENDIX E**  
**TOU PERIODS AND ENERGY PAYMENT ALLOCATION FACTORS**

<u>TOU Periods</u>			
All listed times are Los Angeles time.			
<i>TOU Period</i>	<i>Summer Jun 1<sup>st</sup> – Sep 30<sup>th</sup></i>	<i>Winter Oct 1<sup>st</sup> – May 31<sup>st</sup></i>	<i>Applicable Days</i>
On-Peak	Noon – 6:00 P.M.	Not Applicable.	Weekdays except Holidays.
Mid-Peak	8:00 A.M. – Noon	8:00 A.M. - 9:00 P.M.	Weekdays except Holidays.
	6:00 P.M. – 11:00 P.M.		Weekdays except Holidays.
Off-Peak	11:00 P.M. – 8:00 A.M.	6:00 A.M. – 8:00 A.M.	Weekdays except Holidays.
		9:00 P.M. – Midnight	Weekdays except Holidays.
	Midnight – Midnight	6:00 A.M. – Midnight	Weekends and Holidays.
Super-Off-Peak	Not Applicable.	Midnight – 6:00 A.M.	Weekdays, Weekends and Holidays.

<u>Energy Payment Allocation Factors</u>			
<i>Season</i>	<i>TOU Period</i>	<i>Calculation Method</i>	<i>Energy Payment Allocation Factor</i>
Summer	On-Peak	Fixed Value	3.13
	Mid-Peak	Fixed Value	1.35
	Off-Peak	Fixed Value	0.75
Winter	Mid-Peak	Fixed Value	1.00
	Off-Peak	Fixed Value	0.83
	Super-Off-Peak	Fixed Value	0.61

“Holiday” is defined as New Year’s Day, Presidents’ Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, or 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 Appendix E] \*\*\*

**APPENDIX F  
NOTICE LIST**

<b>[PRODUCER'S NAME]</b>	<b>SOUTHERN CALIFORNIA EDISON COMPANY</b>
All Notices are deemed provided in accordance with Section 11 if made to the applicable address(es), facsimile number(s) or e-mail address(es) provided below:	All Notices are deemed provided in accordance with Section 11 if made to the applicable address(es), facsimile number(s) or e-mail address(es) provided below:
Contract Sponsor: Attn: Street: City: Phone: Facsimile: E-mail:	Contract Sponsor: Attn: Vice-President, Renewable and Alternative Power Street: 2244 Walnut Grove Avenue City: Rosemead, California 91770 Phone: (626) 302-1212 Facsimile: (626) 302-1103
Reference Numbers: Duns: Federal Tax ID Number:	Reference Numbers: Duns: 006908818 Federal Tax ID Number: 95-1240335
Contract Administration: Attn: Phone: Facsimile: E-mail:	Contract Administration: Attn: Phone: (626) 302- Facsimile: (626) 302-
Forecasting: Attn: Control Room Phone: Facsimile: E-mail:	Generation Operations Center: Phone: (626) 307-4453 or Phone: (626) 307-4410
Day-Ahead Forecasting: Phone: Facsimile: E-mail:	Day-Ahead Scheduling: Manager. Attn: Manager of Day-Ahead Operations Phone: (626) 302-1323 Facsimile: (626) 302-3409 Scheduling Desk. Phone: (626) 307-4425 Backup: (626) 307-4420 Fax: (626) 302-3409 Email: PreSched@SCE.com
Real-Time Forecasting: Phone: Facsimile: E-mail:	Real-Time Scheduling: Manager. Attn: Manager of Real-Time Operations Phone: (626) 302-3308 Facsimile: (626) 302-3409 Operations Desk. Phone: (626) 307-4453 Back-up: (626) 307-4410 Fax: (626) 302-3409 Email: RealTime@SCE.com

Payment Statements: Attn: Phone: Facsimile: E-mail:	Payment Statements: Attn: Power Procurement Finance Phone: (626) 302-3277 Facsimile: (626) 302-3276 Email: PPFDPowerSettle@SCE.com
Payments: Attn: Phone: Facsimile: E-mail:	Payments: Attn: SCS Payments Phone: (626) 302- Facsimile: (626) 302-3276 Email: PPFDPowerSettle@SCE.com
Wire Transfer: BNK: ABA: ACCT:	Wire Transfer: BNK: JP Morgan Chase Bank ABA: 021000021 ACCT: 323-394434
Credit and Collections: Attn: Phone: Facsimile: E-mail:	Manager of Credit and Collateral: Attn: Manager of Credit Phone: (626) 302-3383 Facsimile: (626) 302-2517
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: (626) 302-1212 Facsimile: (626) 302-1904
Lender: Attn: Phone: Facsimile: E-mail:	
Insurance: Attn: Phone: Facsimile: E-mail:	Insurance: Attn: Vice President, Renewable & Alternative Power Address: 2244 Walnut Grove Avenue P.O.: Box: 800 City: Rosemead, CA 91770

\*\*\* [End of Appendix F] \*\*\*



# Appendix 3

**SOLAR PHOTOVOLTAIC PROGRAM  
POWER PURCHASE AND SALE AGREEMENT**  
*between*  
**SOUTHERN CALIFORNIA EDISON COMPANY**  
*and*  
**[PRODUCER'S NAME]**

This Solar Photovoltaic Program Power Purchase and Sale Agreement (this "Agreement") by and between Southern California Edison Company, a California corporation ("SCE"), and [Producer's name], a [Producer's form of business entity and state of registration] ("Producer"), is made, entered into and effective as of [Date of execution] (the "Effective Date"). Producer and SCE are sometimes referred to in this Agreement jointly as the "Parties" and individually as a "Party." Unless the context otherwise specifies or requires, initially capitalized terms used in this Agreement have the meanings set forth in Appendix A.

**RECITALS.**

- 1.1. Producer is willing to construct, own and Operate the Generating Facility, and to sell the Product to SCE; and
- 1.2. SCE is willing to purchase the Product from Producer in accordance with the terms and conditions set forth in this Agreement.

The Parties, intending to be legally bound, agree as follows:

**GENERATING FACILITY AND SITE; DELIVERY POINT; PRODUCT PRICE; SCHEDULING COORDINATOR.**

[SCE Note: If this Agreement is for more than one Generating Facility, Sections 2.2-2.5 must be completed for each Generating Facility.]

- 2.1. The Generating Facility and the Site are described in Appendix B.
- 2.2. The name and address used by SCE to locate the Service Account(s) and Premises used to interconnect the Generating Facility to SCE's electric system are as follows: [\_\_\_\_\_].
- 2.3. The Gross Power Rating of the Generating Facility equals [\_\_\_\_\_] kW DC. [SCE Note: If this Agreement is for more than one Generating Facility, each Generating Facility must have a Gross Power Rating of at least 500kw DC. In order to use this form of the Agreement, the Gross Power Rating must be less than 5 MW DC. A Producer that wants to offer a Generating Facility with a Gross Power Rating of 5 MW DC or greater should contact SCE to determine which form of power purchase agreement should be utilized. In no event, will SCE consider offers for a Generating Facility with a Gross Power Rating of greater than 10 MW DC.]
- 2.4. The Net Power Rating of the Generating Facility equals [\_\_\_\_\_] kW AC. ~~The Net Power Rating is based on the sum of [Current Inverter continuous output ratings] [transformer continuous output ratings].~~
- 2.5. The annual energy production of the Generating Facility, net of Station Use, as measured by the ISO/CAISO-Approved Meter or Check Meter, as applicable, is expected to be [\_\_\_\_\_] kWh.
- 2.6. The Delivery Point is [\_\_\_\_\_]. Producer shall provide and convey to SCE the entire Product from the Generating Facility at the Delivery Point. [SCE Note: Insert the name of the Pricing Node (PNode) used by the ISO for purposes of financial settlements for the PNode (as defined in the CAISO Tariff). If this Agreement is for more than one Generating Facility, all Generating Facilities must share the same PNode.]

- 2.7. The price for the Product delivered by Producer to SCE in accordance with this Agreement (the “Product Price”) equals \$[\_\_\_\_\_] per ~~kWh~~MWh.
- 2.8. SCE is the Scheduling Coordinator under this Agreement. SCE shall take all steps necessary to be authorized as the Scheduling Coordinator throughout the Term. Producer shall cooperate with SCE in good faith to assure that SCE is authorized as the Scheduling Coordinator throughout the Term.

TERM; PROGRESS REPORTING.

- 3.1. The term of this Agreement (the “Term”) commences on [Date] (the “Term Start Date”) and ends at midnight Los Angeles ~~Time~~time on the day following the completion of twenty (20) Term Years from the Term Start Date (the “Term End Date”).
- 3.2. Producer may change the Term Start Date set forth in Section 3.1 by providing Notice to SCE at least three (3) Business Days before such Term Start Date; *provided, however*, that the Term Start Date must occur within eighteen (18) months of CPUC Approval, subject to any extension of the Term Start Date as a result of a Force Majeure as to which ~~Seller~~Producer is the Claiming Party (subject to Section 9.4).
- 3.3. In addition to the requirements set forth in Section 3.2, on the first day of each calendar month after the Effective Date and before the Term Start Date, Producer shall provide a ~~report~~Notice to SCE describing Producer’s progress relative to the development, construction, and startup of the Generating Facility, as well as a Notice of any anticipated change to the Term Start Date.

DEVELOPMENT SECURITY.

- 4.1. On or before the thirtieth (30<sup>th</sup>) day following the Effective Date, Producer shall post and thereafter maintain a development fee (the “Development Security”) equal to ~~thirtytwo~~thirty dollars (~~\$3020~~\$30) for each kilowatt of the Gross Power Rating, ~~as set forth in Section 2.3.~~ The Development Security will be held by SCE and must be in the form of either a cash deposit or the Letter of Credit ~~attached to this Agreement as Appendix C.~~ If Producer establishes the Development Security in the form of a cash deposit, SCE shall make monthly Simple Interest Payments to Producer in accordance with the terms of this Agreement.
- 4.2. If, on or before the Term Start Date, Producer:
  - 4.2.1. Demonstrates to SCE’s satisfaction that Producer has installed all of the equipment or devices necessary for the Generating Facility to satisfy the Gross Power Rating of such Generating Facility, SCE shall return the Development Security to Producer within thirty (30) days of the Term Start Date;
  - 4.2.2. Has not installed any of the equipment or devices necessary for ~~the~~any Generating Facility to satisfy any of the Gross Power Rating, Producer shall forfeit, and SCE shall have the right to retain, the entire Development Security and terminate this Agreement; or
  - 4.2.3. Has installed only a portion of the equipment or devices necessary for ~~the~~a Generating Facility to satisfy the Gross Power Rating of such Generating Facility, SCE shall return, within thirty (30) days of the Term Start Date, only the portion of the Development Security equal to the product of ~~thirtytwo~~thirty dollars (~~\$3020~~\$30) per kW DC of the portion of the Gross Power Rating available to deliver the Product to SCE at the Delivery Point.

This Section 4.2 is subject to Producer’s right to extend the Term Start Date as a result of a Force Majeure as to which ~~Seller~~Producer is the Claiming Party (subject to Section 9.4).

CPUC FILING AND APPROVAL OF THIS AGREEMENT. On or before the sixtieth (60<sup>th</sup>) day following 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. Producer 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 that fails to approve this Agreement or that contains findings required for CPUC Approval with conditions or modifications unacceptable to either Party.

TERMINATION; REMEDIES.

- 6.1. SCE may terminate this Agreement on Notice, which termination becomes effective on the date specified by SCE in such Notice, if:
  - 6.1.1. Producer fails to take all corrective actions specified in any SCE Notice, within the time frame set forth in such Notice, that ~~the~~any Generating Facility is out of compliance with any term of this Agreement;
  - 6.1.2. Producer fails to interconnect and Operate a Photovoltaic Module within ~~the~~any Generating Facility, in accordance with the terms ~~and conditions~~ of this Agreement, within one hundred twenty (120) days after SCE delivers electric energy to such Generating Facility for Station Use;
  - 6.1.3. Producer abandons ~~the~~any Generating Facility;
  - 6.1.4. Electric output from ~~the~~any Generating Facility ceases for twelve (12) consecutive months;
  - ~~6.1.5. Any interconnection study determines that upgrades are required to be made to SCE's transmission system in order to interconnect the Generating Facility to SCE's electric system;~~
  - 6.1.5. ~~6.1.6. The Term does not commence within eighteen (18) months of CPUC Approval, subject to any extension of the Term Start Date as a result of Force Majeure as to which Producer is the Claiming Party (subject to Section 9.4);~~
  - 6.1.6. ~~6.1.7. If Producer or the owner of thea Site applies for or participates in the California Solar Initiative or any net energy metering tariff with respect to theany Generating Facility at such Site, as set forth in Section 7.12.6 and Section 7.16, respectively; or~~
  - 6.1.7. ~~6.1.8. Producer has not installed any of the equipment or devices necessary for theany Generating Facility to satisfy the Gross Power Rating of such Generating Facility, as set forth in Section 4.2.2.~~
- 6.2. A Party may terminate this Agreement:
  - 6.2.1. If any representation or warranty in this Agreement made by the other Party 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, if such misrepresentation or breach of warranty is not remedied within ten (10) Business Days after Notice thereof from the non-breaching Party to the breaching Party;
  - 6.2.2. Except for an obligation to make payment when due, ~~theif there is a failure of the other Party~~ to perform any material covenant or obligation set forth in this Agreement (except to the extent such failure provides a separate termination right for the non-breaching Party or to the extent excused by Force Majeure), if such failure is not remedied within thirty (30) days after Notice ~~of such failure is provided bythereof from~~ the non-breaching Party to the breaching Party ~~of such failure~~;
  - 6.2.3. If the other Party fails to make any payment due and owing under this Agreement, if such failure is not cured within five (5) Business Days after Notice ~~of such failure is provided bythereof from~~ the non-breaching Party to the breaching Party; ~~and/or~~
  - 6.2.4. In accordance with Section 9.4.

- 6.3. This Agreement automatically terminates on the Term End Date.
- 6.4. If a Party terminates this Agreement in accordance with this Section 6, such Party will have the right to immediately suspend performance under this Agreement and pursue all remedies available at law or in equity against the other Party (including seeking monetary damages).

#### PRODUCER'S OBLIGATIONS.

- 7.1. Before the Term Start Date, Producer must demonstrate to SCE that Producer has satisfied all of the requirements for Producer to Operate the Generating Facility in accordance with the terms of this Agreement, Applicable Law, the SCE Tariffs and the ~~ISO~~ISOCAISO Tariff, and any other applicable contractual, tariff, legal and regulatory requirements.
- 7.2. Throughout the Term, Producer shall provide and convey the Product to SCE in accordance with the terms of this Agreement, and SCE shall have the exclusive right to the Product. Producer shall, at its own cost, take all reasonable actions and execute all documents or instruments that are reasonable and necessary to effectuate the use of the Green Attributes, Capacity Attributes and Resource Adequacy Benefits for SCE's benefit throughout the Term.
- 7.3. Producer hereby provides and conveys all Green Attributes associated with all electricity generation from the Generating Facility to SCE as part of the Product being delivered. Producer represents and warrants that Producer holds the rights to all Green Attributes from the Generating Facility, and Producer agrees to convey and hereby conveys all such Green Attributes to SCE as included in the delivery of the Product from the Generating Facility.
- 7.4. Throughout the Term, Producer shall grant, pledge, assign and otherwise commit to SCE the Net Qualifying Capacity of the Generating Facility in order for SCE to use in meeting its resource adequacy obligations under any Resource Adequacy ~~Ruling~~Rulings.
- 7.5. As of the Effective Date and until the Term End Date, Producer may not provide or convey any of the Product to any individual or entity other than SCE.
- 7.6. Producer shall have Site Control as of the earlier of (i) the Term Start Date or (ii) any period before the Term Start Date to the extent necessary for Producer to perform its obligations under this Agreement and, in each case, ~~will~~Producer shall maintain Site Control throughout the Term. Producer shall promptly provide SCE with Notice if there is any change in the status of Producer's Site Control.
- 7.7. Producer shall, at its own cost, obtain and maintain all interconnection rights and interconnection agreements, and any related Governmental Authority approvals required to enable interconnection with SCE's electric system to the Delivery Point.
- 7.8. Producer shall, at its own cost, obtain and maintain all Permits and agreements necessary to Operate the Generating Facility and to deliver ~~electric energy~~the Product from the Generating Facility to the Delivery Point.
- 7.9. Producer shall Operate the Generating Facility in compliance with the SCE Tariffs and the ~~ISO~~ISOCAISO Tariff, and all Applicable Laws. Producer shall secure and maintain in full force all of the ~~ISO~~ISOCAISO agreements, certifications and approvals required in order for the Generating Facility to comply with the ~~ISO~~ISOCAISO Tariff.
- 7.10. Producer shall comply with all rules and regulations regarding PIRP if SCE elects to place ~~the any~~any Generating Facility in PIRP. Producer shall install the Telemetry System that is designed to function in accordance with the ~~ISO~~ISOCAISO's PIRP protocols and SCE's communication system.
- 7.11. Producer shall, at its own cost, install, maintain and test the ~~ISO~~ISOCAISO-Approved Meter pursuant to the ~~ISO~~ISOCAISO Tariff, SCE's electric service requirements and Prudent Electrical Practices. SCE may, at its sole cost, furnish and install one Check Meter at the interconnection associated with the

Generating Facility at a location provided by Producer that is compliant with SCE's electric service requirements. The 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 through the Telemetry System. SCE shall compare the Check Meter data to the CAISO-Approved Meter data (after adjusting for any compensation factors introduced by the ~~ISO~~CAISO into the ~~ISO~~CAISO-Approved Meter) ~~to the ISO-Approved Meter data~~. If the deviation between the ~~ISO~~CAISO-Approved Meter data and the Check Meter data for any comparison is greater than 0.3%, SCE shall provide Notice to Producer of such deviation and the Parties shall mutually arrange for a meter check or recertification of the Check Meter or ~~ISO~~CAISO-Approved Meter, as applicable. Each Party shall bear its own costs for any meter check or recertification. Testing procedures and standards for the Check Meter will be the same as for a comparable SCE-owned meter. Producer shall have the right to have representatives present during all such tests. The Check Meter is intended to be used for back-up purposes in the event of a failure or other malfunction of the CAISO-Approved Meter, and Check Meter data shall only be used to validate the CAISO-Approved Meter data and, in the event of a failure or other malfunction of the CAISO-Approved Meter, in place of the CAISO-Approved Meter until such time that the CAISO-Approved Meter is recertified.

7.12. Producer shall:

7.12.1. Operate the Generating Facility in accordance with Prudent Electrical Practices;

7.12.2. Comply with the requirements set forth in Appendix D;

7.12.3. Use commercially reasonable efforts to Operate the Generating Facility so that the electric energy produced by the Generating Facility, net of Station Use, conforms with the Forecast provided in accordance with Appendix D;

7.12.4. Maintain and provide electronically or in hard copy a copy of all relevant daily Operating records to SCE within twenty (20) days of Notice from SCE, including records showing (i) real and reactive power production, (ii) changes in Operating status, (iii) protective apparatus operations, and (iv) any unusual conditions found during inspections of the Generating Facility or the Site;

7.12.5. At least seventy-five (75) days before the Term End Date or as soon as practicable before the date of an early termination of this Agreement, (i) submit to the ~~ISO~~CAISO the name of the Scheduling Coordinator that will replace SCE, and (ii) cause the Scheduling Coordinator that will replace SCE to submit a letter to the ~~ISO~~CAISO accepting the designation as Producer's Scheduling Coordinator;

7.12.6. Take all actions necessary to ensure that the owner of the Site waives all claims for eligibility for, and does not submit any claim for receipt of funds under the California Solar Initiative or any net energy metering tariff for ~~the any~~ Generating Facility or any future modifications to ~~the any~~ Generating Facility; and

7.12.7. Comply with all NERC reliability standards and requirements applicable to the generator owner and generator operator of the Generating Facility.

7.13. Producer shall provide Notice to SCE within one (1) Business Day if there is a termination of, or cessation of service under, any agreement required in order for ~~the any~~ Generating Facility to (i) interconnect with SCE's electric system, (ii) transmit and deliver electric energy to the Delivery Point, or (iii) own and operate any ~~ISO~~CAISO-Approved Meter.

7.14. Producer agrees, that, in accordance with FERC Order No. 697, upon request of SCE, Producer shall submit a letter of concurrence in support of an affirmative statement by SCE that the contractual arrangement set forth in this Agreement does not transfer "ownership or control of generation capacity" from Producer to SCE, as the term "ownership or control of generation capacity" is used in 18 CFR Section 35.42. Producer also agrees that it will not, in filings, if any, made subject to Order

Nos. 652 and 697, claim that the contractual arrangement set forth in this Agreement conveys ownership or control of generation capacity from Producer to SCE.

- 7.15. With respect to WREGIS, Producer shall cause and allow SCE to be the “Qualified Reporting Entity” and “Account Holder” (as such terms are defined by WREGIS) for the Generating Facility.
- 7.16. Producer waives all claims for eligibility for, and will not submit any claim for receipt of funds under the California Solar Initiative or any net energy metering tariff for ~~the~~any Generating Facility or any future modifications to ~~the~~any Generating Facility.
- 7.17. With respect to the construction, alteration, demolition, installation, and repair work of the Generating Facility, Producer shall:
  - 7.17.1. ~~Pay~~Use reasonable efforts to ensure that all Electricians, hired by Producer and shall cause all of its contractors and subcontractors to pay Electricians, the prevailing wage rates for electricians are paid wages at rates not less than those prevailing for Electricians performing similar work in the locality provided by Division 2, Part 7, Chapter 1 of the California Labor Code (Public Works). Nothing herein shall require Producer or its contractors or subcontractors to comply with, or assume liability created by other inapplicable provisions of the California Labor Code;
  - 7.17.2. Require that all contractors and subcontractors employed or otherwise utilized be licensed under California’s Contractors’ State License Board Rules and Regulations;
  - 7.17.3. Require that all contractors and subcontractors employed or otherwise utilized to perform electrical work be licensed as class C-10 electrical contractors under California’s Contractors’ State License Board Rules and Regulations, and all Electricians be certified to perform electrical work under California Labor Code Section 3099 *et seq.*; and
  - 7.17.4. Employ or otherwise utilize, and shall cause all of its contractors and subcontractors to employ or otherwise utilize, (to the extent that apprentice Electricians are employed or otherwise utilized) only apprentice Electricians that have enrolled in an apprentice training program that (i) is certified by the State of California, and (ii) has graduated at least one (1) apprentice per year for each of the five (5) years before the date that such apprentice Electrician is employed or otherwise utilized.

#### BILLING AND PAYMENT

- 8.1. The amount of electric energy purchased by SCE from Producer under this Agreement at the Delivery Point is determined by the ~~ISOCAISO-Approved Meter or Check Meter~~ (after adjusting for compensation factors introduced by the ~~ISOCAISO~~ into the ~~ISOCAISO-Approved Meter~~) or Check Meter, as applicable. Subject to and in accordance with the terms of this Agreement (including Sections 15.3 through 15.5), SCE shall pay the Product Price to Producer for the Product.
- 8.2. For the purpose of calculating monthly payments under this Agreement, the amount measured by the ~~ISOCAISO-Approved Meter or Check Meter~~, as applicable, will be time-differentiated according to the time period and season of the receipt of the Product by SCE from Producer, as set forth in Appendix E (the “TOU Periods”), and the pricing will be weighted by the Energy Payment Allocation Factors set forth in Appendix E.
- 8.3. As set forth in Appendix E, TOU Periods for the winter season are mid-peak, off-peak and super off-peak and TOU Periods for the summer season are on-peak, mid-peak and off-peak. The monthly payment will equal the sum of the monthly TOU Period payments for all TOU Periods in the month. Each monthly TOU Period payment will be calculated pursuant to the following formula, where “n” is the TOU Period being calculated:

$$\text{TOU PERIOD}_n \text{ PAYMENT} = A \times B \times C$$

Where:

- A = Product Price, in \$/kWh.
- B = Energy Payment Allocation Factor for the TOU Period being calculated.
- C = The sum of electric energy recorded by the ~~ISO~~CAISO-Approved Meter or Check Meter, as applicable, in all hours for the TOU Period being calculated, in kWh.

- 8.4. On or before the last Business Day of the month immediately following each calendar month, SCE shall determine the amount of electric energy received by SCE pursuant to this Agreement for each monthly period and provide a payment statement to Producer showing the calculation of the payment and payment.
- 8.5. Unless otherwise agreed to in writing by the Parties, any payment due for the Product received under this Agreement will be satisfied by SCE issuing a check to Producer. Alternatively, SCE reserves the right, but is not obligated to apply any amount owed to Producer toward any amounts due to SCE from Producer for any charges incurred under this Agreement or for past due bills for electric service or for SCE services.
- 8.6. In the event adjustments to SCE's payments are required as a result of inaccurate metering equipment, SCE shall determine the correct amount of electric energy received under this Agreement during the period of inaccuracy and recompute the amount due to or from Producer. Any refund due and payable to SCE by Producer or due by SCE to Producer resulting from inaccurate metering will be made within thirty (30) ~~calendar~~ days of SCE's Notice to Producer by SCE of the amount due.
- 8.7. Monthly charges, if any, associated with any interconnection agreement, will be billed and paid pursuant to the applicable agreement, and monthly charges, if any, associated with electric service provided by SCE shall be billed and paid pursuant to the applicable SCE Tariffs.
- 8.8. Notwithstanding anything to the contrary set forth in this Agreement, this Section 8 is subject to any payment adjustment required under Sections 15.3 through 15.5.

#### FORCE MAJEURE.

- 9.1. Neither Party shall 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.
- 9.2. If a Party, because of Force Majeure, is rendered wholly or partly unable to perform its obligations when due under this Agreement, such Party (the "Claiming Party") shall be excused from whatever performance is affected by the Force Majeure to the extent so affected. In order to be excused from its performance obligations under this Agreement by reason of Force Majeure:
  - 9.2.1. The Claiming Party, on or before the fourteenth (14<sup>th</sup>) day after the initial occurrence of the claimed Force Majeure, must give the other Party Notice describing the particulars of the occurrence; and
  - 9.2.2. The Claiming Party must provide timely evidence reasonably sufficient to establish that the occurrence constitutes Force Majeure as defined in this Agreement.
- 9.3. The suspension of the Claiming Party's performance due to Force Majeure may not be greater in scope or longer in duration than is required by such Force Majeure. In addition, the Claiming Party shall use diligent efforts to remedy its inability to perform. 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.
- 9.4. The non-Claiming Party may terminate this Agreement on at least five (5) Business Days' prior Notice, in the event of Force Majeure which materially interferes with such Party's ability to perform its



obligations under this Agreement and which extends for more than 365 consecutive days, or for more than a total of 365 days in any consecutive 540-day period.

## INSURANCE.

10.1. Producer shall, at its own expense, starting on the Effective Date and until the Term End Date, and for such additional periods as may be specified below, provide and maintain in effect the following insurance policies and minimum limits of coverage as specified below, and such additional coverage as may be required by Applicable Law, with insurance companies authorized to do business in the state in which the services are to be performed, with an A.M. Best's Insurance Rating of not less than A-:VII:

10.1.1. Workers' compensation insurance with statutory limits, as required by the state having jurisdiction over Producer's employees, and employer's liability insurance with limits of not less than: (i) bodily injury by accident - \$1,000,000 each accident; (ii) bodily injury by disease - \$1,000,000 policy limit; and (iii) bodily injury by disease - \$1,000,000 each employee;

10.1.2. Commercial general liability insurance, written on an occurrence, not claims-made basis, covering all operations by or on behalf of Producer 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 must bear a combined single limit per occurrence and annual aggregate of not less than \$1,000,000, exclusive of defense costs, for all coverages. Such insurance must contain standard cross-liability and severability of interest provisions. If Producer elects, with SCE's written concurrence, to use a "claims made" form of commercial general liability insurance, then the following additional requirements apply: (i) the retroactive date of the policy must be prior to the Effective Date; and (ii) either the coverage must be maintained for a period of not less than four (4) years after this Agreement terminates, or the policy must provide for a supplemental extended reporting period of not less than four (4) years after this Agreement terminates;

10.1.3. Commercial automobile liability insurance covering bodily injury and property damage with a combined single limit of not less than \$1,000,000 per occurrence. Such insurance must cover liability arising out of Producer's use of all owned, non-owned and hired automobiles in the performance of the Agreement; and

10.1.4. Umbrella/excess liability insurance, written on an occurrence, not 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 four million dollars (\$4,000,000) per occurrence and in the annual aggregate.

10.2. The insurance requirements set forth in Section 10.1 may be provided by any combination of Producer's primary and excess liability policies.

10.3. The insurance requirements set forth in Section 10.1 will 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 Producer's policies to the contrary. To the extent permitted by Applicable Law, Producer 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 insurance required in Section 10.1.2 and the umbrella/excess liability insurance required in Section 10.1.4 must name SCE, its subsidiaries and affiliates, and their respective officers, directors, shareholders, agents and employees, as additional insureds for liability arising out of Producer's construction, use or ownership of the Generating Facility.

- 10.4. On or before the thirtieth (30<sup>th</sup>) day following the Effective Date, and within a reasonable time after coverage is renewed or replaced, Producer shall furnish to SCE certificates of insurance evidencing the coverage required above, written on forms and with deductibles reasonably acceptable to SCE. All deductibles, co-insurance and self-insured retentions applicable to the insurance above must be paid by Producer. All certificates of insurance must note that the insurers issuing coverage must endeavor to 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 in this Section 10.4, or Producer's failure to provide such certificates, do not limit or relieve Producer of the duties and responsibility of maintaining insurance in compliance with the requirements in this Section 10.4 and do not constitute a waiver of any of the requirements in this Section 10.4.
- 10.5. Producer shall remain liable for all acts, omissions or default of any subcontractor or subsupplier and shall indemnify, defend and hold harmless SCE for any and all loss or damages, as well as all costs, charges and expenses which SCE may suffer, incur, or bear as a result of any acts, omissions or default by or on behalf of any subcontractor or subsupplier.
- 10.6. If Producer fails to comply with any of the provisions of this Section 10, Producer, among other things and without restricting SCE's remedies under Applicable Law or otherwise, shall, at its own cost, act as an insurer and provide insurance in accordance with the terms and conditions of this Section 10. With respect to the required commercial general liability insurance set forth in Section 10.1.2, umbrella/excess liability insurance set forth in Section 10.1.4, and commercial automobile liability insurance set forth in Section 10.1.3, Producer 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 with an A.M. Best's Insurance Rating of A-:VII would have, had the insurance been maintained in accordance with the terms and conditions set forth in this Section 10 and given the required additional insured wording in the commercial general liability insurance and umbrella/excess liability insurance, and standard "Who is an Insured" provision in commercial automobile liability form.
- 10.7. All insurance certificates, endorsements, cancellations, terminations, alterations, and material changes of such insurance must be issued, clearly labeled with this Agreement's identification number and submitted in accordance with Section 11 and Appendix F.

#### NOTICES.

- 11.1. All Notices must be made in accordance with this Section 11 and Appendix F. Notices (other than Forecasts and Scheduling requests) must, unless otherwise specified in this Agreement, be in writing and may be delivered by hand delivery, first class United States mail, overnight courier service, electronic transmission or facsimile. Notices provided in accordance with this Section 11 are deemed given as follows:
  - 11.1.1. Notice by facsimile, another form of electronic transmission, or hand delivery is deemed given at the close of business on the day actually received, if received during business hours on a Business Day, and otherwise is deemed given at the close of business on the next Business Day;
  - 11.1.2. Notice by overnight first class United States mail or overnight courier service is deemed given on the next Business Day after such Notice is sent out; and
  - 11.1.3. Notice by first class United States mail is deemed given two (2) Business Days after the postmarked date.
- 11.2. A Party may change its address for Notices at any time by providing the other Party Notice of such change in accordance with Section 11.1.
- 11.3. All Notices must reference this Agreement's identification number, which is set forth on the first page of this Agreement.

11.4. The Parties may designate operating representatives to conduct the daily communications, which may be necessary or convenient for the administration of this Agreement. Such designations, including names, addresses, and phone numbers may be communicated or revised by Notice provided in accordance with this Section 11 and Appendix F.

#### SCE'S ACCESS TO THE SITE RIGHTS; PROVISION OF RECORDS AND DATA.

12.1. SCE has the right to examine the Site and the Generating Facility for any purpose connected with this Agreement upon providing Producer with reasonable advance Notice under the circumstances. Producer hereby grants SCE reasonable access to all CAISO-Approved Meters and Check Meters for meter readings and any purpose necessary to effectuate this Agreement. Producer 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. Producer shall promptly inform SCE of meter quantity changes after becoming aware of, or being informed of, any such changes by the CAISO. Producer shall provide instructions to the CAISO granting authorizations or other documentation sufficient to provide SCE with access to the CAISO-Approved Meter and to Producer's settlement data on OMAR.

12.2. No later than twenty (20) days after Producer's receipt of a Notice from SCE, Producer shall provide to SCE all documents reasonably requested by SCE relating to:

12.2.1. The Generating Facility, including Producer's Operations and maintenance records, logs and other information, including meteorological data, solar irradiance data, unit availability, maintenance outages, circuit breaker operation requiring manual reset, relay targets and unusual events pertaining to the Generating Facility or its interconnection with SCE's electric system; and

12.2.2. The administration of this Agreement, or in order for SCE to comply with any discovery or data request for information from the CPUC, CEC, FERC, any court, administrative agency, legislative body or other tribunal.

#### CONFIDENTIALITY.

13.1. Neither Party may disclose any Confidential Information to a third party, other than:

13.1.1. To such Party's employees, lenders, investors, attorneys, accountants or advisors who have a need to know such information and have agreed to keep such terms confidential;

13.1.2. To potential Lenders with the consent of SCE, which consent will not be unreasonably withheld;

13.1.3. To SCE's Procurement Review Group, as defined in D.02-08-071, subject to any applicable limitations and subject to a protective order applicable to SCE's Procurement Review Group;

13.1.4. ~~With respect to Confidential Information,~~ To the CPUC, the CEC or the FERC, under seal for any regulatory purpose, including policymaking, but only provided that the confidentiality protections from the CPUC under Section 583 of the California Public Utilities Code or other statute, order or rule offering comparable confidentiality protection are in place before the communication of such Confidential Information;

13.1.5. In order to comply with any Applicable Law or any exchange, Control Area or ~~ISO~~CAISO rule, or order issued by a court or entity with competent jurisdiction over the disclosing party;

13.1.6. In order to comply with any Applicable Law, including applicable regulation, rule, subpoena, or order of the CPUC, CEC, FERC, any court, administrative agency, legislative body or other tribunal, or any discovery or data request of the CPUC; and

13.1.7. To the ISO/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 under this Agreement.

#### REPRESENTATIONS, WARRANTIES, AND COVENANTS.

14.1. On the Effective Date, each Party represents, warrants, and covenants to the other Party that:

14.1.1. It is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;

14.1.2. It has or will timely acquire all regulatory authorizations necessary for it to legally perform its obligations under this Agreement;

14.1.3. 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 Applicable Laws;

14.1.4. This Agreement constitutes a legally valid and binding obligation enforceable against it in accordance with its terms;

14.1.5. There is not pending, or to its knowledge, threatened against it or, in the case of Producer, any of its affiliates, any legal proceeding that could materially adversely affect its ability to perform under this Agreement;

14.1.6. It is acting for its own account, and its decision to enter into this Agreement is based on 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

14.1.7. It has not relied on any promises, representations, statements or information of any kind that are not contained in this Agreement in deciding to enter into this Agreement.

14.2. Producer represents, warrants and covenants to SCE that:

14.2.1. As of the Effective Date and until the Term End Date: (i) Producer does not, and will not convey, transfer, allocate, designate, award, report or otherwise provide any or all of the Product, or any portion thereof, or any benefits derived therefrom, to any party other than SCE; (ii) Producer will not start-up or Operate ~~the any~~ Generating Facility per instruction of or for the benefit of any third party, except as required by other Applicable Laws; (iii) the Generating Facility qualifies and is certified by the CEC as an Eligible Renewable Energy Resource, as such term is defined in Public Utilities Code Section 399.12 or Section 399.16 ("ERR Requirements")<sup>7.3</sup>; and (iv) the output delivered to SCE qualifies under the requirements of the California Renewables Portfolio Standard (the "RPS Requirements")<sup>7.3</sup>;

14.2.2. Throughout the Term: ~~(i) it will,~~ it shall: (i) own and Operate the Generating Facility; (ii) deliver the Product to SCE free and clear of all liens, security interests, claims and encumbrances or any interest therein or thereto by any individual or entity; and ~~(ii) it shall~~ (iii) hold the rights to all of the Product; and

14.2.3. Neither Producer nor, to the best of Producer's knowledge, the owner of ~~the any~~ Site has participated in or submitted any claim for receipt of funds under the California Solar Initiative or any net energy metering tariff for ~~the any~~ Generating Facility.

## STATUS OF THE GENERATING FACILITY.

- 15.1. Producer shall provide prompt Notice to SCE if ~~the any~~ Generating Facility or the Product ceases to comply with the ERR Requirements or the RPS Requirements.
- 15.2. Upon receipt of a Notice from SCE indicating that SCE has determined, in its reasonable discretion, that ~~the any~~ Generating Facility may no longer comply with the ERR Requirements or RPS Requirements, Producer shall, within fifteen (15) days of receiving such Notice, provide to SCE evidence sufficient to show that ~~the such~~ Generating Facility continues to comply with the ERR Requirements or RPS Requirements, as applicable. If SCE determines, in its reasonable discretion, that Producer failed to provide evidence sufficient to show that ~~the such~~ Generating Facility continues to comply with the ERR Requirements or the RPS Requirements, as applicable, then ~~the such~~ Generating Facility will no longer be deemed to comply with the ERR Requirements or RPS Requirements (the "ERR/RPS Status Change"), as applicable, until such time as Producer demonstrates to SCE's reasonable satisfaction that ~~the such~~ Generating Facility complies with the ERR Requirements and RPS Requirements.
- 15.3. Upon making a determination that ~~the a~~ Generating Facility no longer complies with the ERR Requirements or the RPS Requirements, SCE shall revise its records and the administration of this Agreement to reflect such determination and shall provide Notice to Producer of its determination. Such Notice must specify the effective date of the ERR/RPS Status Change, which date will be the first day of the calendar month for which SCE determines in its reasonable discretion that ~~the such~~ Generating Facility first ceased to comply with the ERR Requirements or RPS Requirements. SCE's Notice provided in accordance with this Section 15.3 must include an invoice for the refund of payments that were made to Producer during the period between the effective date of the ERR/RPS Status Change and the date of the last Notice in reliance upon Producer's representations that ~~the such~~ Generating Facility complied with the ERR Requirements and RPS Requirements. Any amounts to be paid or refunded by Producer to SCE, as may be invoiced by SCE in accordance with this Section 15.3, must be paid to SCE within thirty (30) days of Producer's receipt of such invoice.
- 15.4. During the entire period that ~~the any~~ Generating Facility no longer complies with the ERR Requirements or the RPS Requirements, SCE will not be obligated to pay Producer for the Product.
- 15.5. Notwithstanding anything to the contrary contained in this Agreement, if there is a change in Applicable Law that results in the Producer no longer meeting the ERR Requirements or RPS Requirements, SCE shall continue to pay Producer for the Product so long as SCE determines that Producer has used, and will continue to use, commercially reasonable efforts to comply with such change in Applicable Law. The term "commercially reasonable efforts" as used in this Section 15.5 will not require Producer to incur out of pocket costs in excess of Ten Thousand Dollars (\$10,000) for each Generating Facility in any calendar year in order to satisfy Producer's obligation to meet either the ERR Requirements or the RPS Requirements under the then-current Applicable Law.
- 15.6. Producer acknowledges and agrees that SCE may periodically inspect the Generating Facility or require documentation from Producer to monitor the Generating Facility's compliance with the ERR Requirements and RPS Requirements.

## INDEMNIFICATION.

- 16.1. Each Party as indemnitor shall defend, save harmless and indemnify the other Party and the directors, officers, employees, and agents of such other Party against and from any and all loss, liability, damage, claim, cost, charge, demand, or expense (including any direct, indirect, or consequential loss, liability, damage, claim, cost, charge, demand, or expense, including reasonable attorneys' fees) for injury or death to persons, including employees of either Party, and physical damage to property including property of either Party arising out of or in connection with the negligence or willful misconduct of the indemnitor relating to its obligations under this Agreement. This indemnity applies notwithstanding the active or passive negligence of the indemnitee; provided, however, that neither Party is indemnified under this Agreement for its loss, liability, damage, claim, cost, charge, demand or expense to the extent resulting from its own negligence or willful misconduct.

- 16.2. Producer shall defend, save harmless and indemnify SCE, its directors, officers, employees, and agents, assigns, and successors in interest, for and against any penalty imposed upon SCE to the extent caused by Producer's failure to fulfill its obligations as set forth in Sections 7.2 through 7.4.
- 16.3. Each Party releases and shall defend, save harmless and indemnify the other Party from any and all loss, liability, damage, claim, cost, charge, demand or expense arising out of or in connection with any breach made by the indemnifying Party of its representations, warranties and covenants in Section 14. Notwithstanding anything to the contrary in this Agreement, if Producer fails to comply with the provisions of Section 10, Producer shall, at its own cost, defend, save harmless and indemnify SCE, its directors, officers, employees, and agents, assigns, and successors in interest, from and against any and all loss, liability, damage, claim, cost, charge, demand, or expense of any kind or nature (including any direct, indirect, or consequential loss, damage, claim, cost, charge, demand, or expense, including reasonable attorneys' fees and other costs of litigation), resulting from injury or death to any individual or damage to any property, including the personnel or property of SCE, to the extent that SCE would have been protected had Producer complied with all of the provisions of Section 10. The inclusion of this Section 16.3 is not intended to create any express or implied right in Producer to elect not to provide the insurance required under Section 10.
- 16.4. All indemnity rights survive the termination of this Agreement for 12 months.

ARBITRATION. Except for matters relating to specific performance, injunctive relief or other equitable remedies, the Parties agree to submit to arbitration any and all matters in dispute or controversy among them concerning the terms of this Agreement. Unless the Parties agree to alternative arrangements, the selection of arbitrators and the procedure must be in accordance with the commercial arbitration rules then in effect of the Judicial Arbitration and Mediation Services, Inc. Any award rendered is final and conclusive upon the Parties and a judgment thereon may be entered in the highest court of the forum, state or federal, having jurisdiction. The expenses of the arbitration must be borne equally by the Parties; provided, however, that each Party shall pay for and bear the costs of its own experts, evidence and counsel's fees. 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, California.

ASSIGNMENT. Producer may not assign this Agreement or its rights or obligations under this Agreement without SCE's prior written consent, which consent will not be unreasonably withheld; provided, however, that Producer may, without SCE's consent (and without relieving Producer from liability under this Agreement), transfer, sell, pledge, encumber or assign this Agreement or the accounts, revenues or proceeds hereof to its Lender in connection with any financing for ~~the~~ the Generating Facility if (i) such Lender assumes the payment and performance obligations provided under this Agreement with respect to Producer, (ii) such Lender ~~agree~~ agrees in writing to be bound by the terms and conditions of this Agreement, and (iii) Producer delivers such tax and enforceability assurance as SCE may reasonably request. Any assignment of this Agreement by Producer without SCE's written consent is not valid.

#### MISCELLANEOUS.

- 19.1. Except as may otherwise be provided in this Agreement, there is no warranty of merchantability or fitness for a particular purpose, and any and all implied warranties are disclaimed. Liability is limited to direct actual damages only, such direct actual damages are the sole and exclusive remedy, and all other remedies or damages at law or in equity are waived unless expressly herein provided. Unless expressly provided for in this Agreement, neither Party is liable for consequential, incidental, punitive, exemplary or indirect damages, lost profits or other business interruption damages.
- 19.2. This Agreement will not be construed against any Party as a result of the preparation, substitution, or other event of negotiation, drafting or execution thereof.
- 19.3. No amendment or modification to this Agreement is enforceable unless reduced to a writing signed by all Parties.

- 19.4. This Agreement supersedes all prior agreements, whether written or oral, between the Parties with respect to its subject matter and constitutes the entire agreement between the Parties relating to its subject matter.
- 19.5. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.
- 19.6. The term “including” when used in this Agreement is by way of example only and will not be considered in any way to be in limitation.
- 19.7. The word “or” when used in this Agreement includes the meaning “and/or” unless the context unambiguously dictates otherwise.
- 19.8. This Agreement will apply to, be binding in all respects upon and inure to the benefit of the successors and permitted assigns of the Parties.
- 19.9. Whenever this Agreement refers to any law, tariff, government department or agency, regional reliability council, SCE’s electric system, or credit rating agency, the Parties agree that the reference also refers to any successor to such law, tariff or organization.
- 19.10. 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, an Adobe Acrobat file 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.
- 19.11. The headings used in this Agreement are for convenience and reference purposes only and will not affect its construction or interpretation. All references to a “Section” or an “Appendix” refer to the corresponding Section or Appendix of this Agreement. Unless otherwise specified, all references to a “Section” in Appendices A through E refer to the corresponding Section in the main body of this Agreement. Words having well-known technical or industry meanings have such meanings unless otherwise specifically defined in this Agreement. Where days are not specifically designated as Business Days, they are calendar days. Where years are not specifically designated as Term Years, they are calendar years.
- 19.12. None of the provisions of this Agreement will be considered waived by a Party unless such waiver is given in writing. The failure of a Party to insist in any one or more instances upon strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder may not be construed as a waiver of any such provisions or the relinquishment of any such rights for the future, but the same will continue and remain in full force and effect.
- 19.13. This Agreement does not constitute an agreement by SCE to provide retail electrical service to Producer or any third party. Such arrangements must be made separately with SCE.
- 19.14. The rights and obligations of the Parties that are intended to survive a termination of this Agreement are all such rights and obligations that this Agreement expressly provides survive such termination as well as those rights and obligations arising from either Parties’ covenants, agreements, representations or warranties applicable to, or to be performed at, before or as a result of the termination of this Agreement.
- 19.15. 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.

- 19.16. ~~Except as specifically provided in this Agreement, any~~ Any outstanding and past due amounts owing and unpaid by either Party under the terms of this Agreement are 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.

*[signature page follows]*



IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their respective authorized representatives as of the Effective Date.

[PRODUCER’S NAME],

**SOUTHERN CALIFORNIA EDISON  
COMPANY,**

a [Producer’s form of business entity and  
state of registration]

a California corporation

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

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

## APPENDIX A DEFINITIONS

For purposes of this Agreement, the following terms and variations thereof have the meanings specified or referred to in this Appendix A:

“Agreement” has the meaning set forth in the Preamble.

“Applicable Law” means all constitutions, treaties, laws, ordinances, rules, regulations, interpretations, permits, judgments, decrees, injunctions, writs and orders of any Governmental Authority or arbitrator that apply to any Party, ~~the~~ Generating Facility or the terms of this Agreement.

“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.

“California Solar Initiative” means the California Solar Initiative Program implemented and overseen by the CPUC, and as may be revised from time to time.

“CAISO” means the California Independent System Operator Corporation or successor entity that dispatches certain generating units and loads and controls the transmission facilities of entities that (i) own, operate and maintain transmission lines and associated facilities or have entitlements to use certain transmission lines and associated facilities, and (ii) have transferred to the CAISO or its successor entity operational control of such facilities or entitlements.

“CAISO-Approved Meter” means any revenue quality, electric energy measurement meter(s) furnished by Producer, that (i) is designed, manufactured and installed in accordance with the CAISO's metering requirements, or, to the extent that the CAISO's metering requirements to not apply, Prudent Electrical Practices, and (ii) includes all of the associated metering transformers and related appurtenances that are required in order to measure the net electric energy output from the Generating Facility.

“CAISO-Approved Quantity” means the total quantity of electric energy SCE Schedules with the CAISO and the CAISO approves in its final schedule which is published in accordance with the CAISO Tariff.

“CAISO Tariff” means the California Independent System Operator Corporation Operating Agreement and Tariff, 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.

“Capacity Attributes” means any and all current or future defined characteristics, certificates, tag, 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 Term.

“CEC” means the California Energy Commission.

“Check Meter” means the SCE revenue-quality meter section(s) or meter(s), which SCE may require at its discretion, and which will include those devices normally supplied by SCE or Producer under the applicable utility electric service requirements.

“Claiming Party” has the meaning set forth in Section 9.2.

“Confidential Information” means all oral or written communications exchanged between the Parties on or after the Effective Date relating to the implementation of this Agreement, ~~(including information related to Producer's compliance with Operating and efficiency standards applicable to the Generating Facility~~ any Generating Facility), and includes this Agreement and its terms and conditions hereof. Notwithstanding the foregoing sentence, Confidential Information also includes bids and other offers made by either Party pursuant to negotiations with respect to this Agreement before the Effective Date. Confidential Information does not include information that (i) is in the public domain as of the Effective Date or which comes into the public domain after

the Effective Date from a source other than from the other Party, (ii) either Party can demonstrate in writing was already known to such Party on a non-confidential basis before the Effective Date, (iii) comes to a Party from a bona fide third-party source not under an obligation of confidentiality, and (iv) is independently developed by a Party without use of or reference to Confidential Information or information containing Confidential Information.

“Control Area” means the electric power system (or combination of electric power systems) under the operational control of the ~~ISO~~CAISO or any other electric power system under the operation control of another organization vested with authority comparable to that of the ~~ISO~~CAISO.

“CPUC” means the California Public Utilities Commission.

“CPUC Approval” means either (1) 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, or (2) a final and non-appealable disposition of the CPUC's Energy Division, without conditions or modifications unacceptable to the Parties, or either of them, which contains the following terms or deems approved an advice letter requesting the following terms:

- (a) Approves this Agreement in its entirety, including payments to be made by SCE, subject to CPUC review of SCE's administration of the Agreement; and
- (b) Finds that any procurement pursuant to this Agreement is procurement from an eligible renewable energy resource for purposes of determining SCE'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.

CPUC Approval will be deemed to have occurred on (1) the date that a CPUC decision containing such findings becomes final and non-appealable, or (2) the date that a CPUC Energy Division disposition which contains such findings or deems approved an advice letter requesting such findings becomes final and non-appealable.

“Current Inverter” means the equipment or device(s) that convert DC electricity into AC electricity.

“DC Collection System” means the DC equipment, cables, components, devices and materials that interconnect the Photovoltaic Modules with the Current Inverters.

“Development Security” has the meaning set forth in Section 4.1.

“Delivery Point” ~~has the meaning~~ means the PNode (as defined in the CAISO Tariff) for the Generating Facility, as set forth in Section 2.6.

“Effective Date” has the meaning set forth in the Preamble.

“Electrician” means an individual responsible for placing, installing, erecting or connecting any electrical wires, fixtures, appliances, apparatus, raceways, conduits, solar photovoltaic cells or any part thereof, which generate, transmit, transform or utilize ~~electrical~~electric energy in any form or for any purpose.

“Energy Payment Allocation Factors” are those certain factors used to calculate TOU Period payments, as further described in Sections 8.2 and 8.3, and as set forth in Appendix E.

“ERR Requirements” has the meaning set forth in Section 14.2.1.

“ERR/RPS Status Change” has the meaning set forth in Section 15.2.

“FERC” means the Federal Energy Regulatory Commission.

“Force Majeure” means any event or circumstance (that is not anticipated as of the Effective Date) to the extent beyond the control of, and not the result of the negligence of, or caused by, the Party seeking to have its performance obligation excused thereby, which by the exercise of due diligence such Party could not reasonably have been expected to avoid and which by exercise of due diligence it has been unable to overcome. Force Majeure does not include: (i) a failure of performance of any other ~~Person~~individual or entity,

including any individual or entity providing electric transmission service or fuel transportation to ~~the~~ Generating Facility, except to the extent that such failure was caused by an event that would otherwise qualify as Force Majeure; (ii) failure to timely apply for or obtain Permits or other credits required to Operate ~~the~~ Generating Facility; (iii) breakage or malfunction of equipment (except to the extent that such failure was caused by an event that would otherwise qualify as Force Majeure); or (iv) a lack of solar radiation.

“Forecast” means the hourly forecast of either the sum of the Current Inverter continuous electrical output ratings for Current Inverters made operational for a stated forecast period (in MWs) or electric energy (in MWh) of the Generating Facility in accordance with SCE’s instructions.

“Generating Facility” means Producer’s solar photovoltaic generating facility, as more particularly described in Appendix B, together with all materials, equipment systems, structures, features and improvements necessary to produce electric energy at such facility, excluding the Site, land rights and interests in land. If this Agreement is for more than one Generating Facility (as defined in the immediately preceding sentence), the term “Generating Facility” means each Generating Facility contemplated by this Agreement, unless the context otherwise specifies or requires.

“Governmental Authority” means any (i) federal, state, local, municipal or other government, (ii) governmental, regulatory or administrative agency, commission, or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power, and/or (iii) court or governmental tribunal.

“Green Attributes” means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Generating Facility, 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<sub>x</sub>), nitrogen oxides (NO<sub>x</sub>), carbon monoxide (CO) and other pollutants;
- (2) Any avoided emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), 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;<sup>1</sup>
- (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~~ Generating Facility,
- (ii) Production tax credits associated with the construction or operation of ~~the~~ Generating Facility and other financial incentives in the form of credits, reductions, or allowances associated with ~~the~~ Generating Facility that are applicable to a state or federal income taxation obligation,
- (iii) Fuel-related subsidies or “tipping fees” that may be paid to Producer 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~~ Generating Facility for compliance with local, state, or federal operating and/or air quality permits.

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<sup>1</sup> 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.

If the ~~Generating Facility~~ is a biomass or biogas facility and Producer receives any tradable Green Attributes based on the greenhouse gas reduction benefits or other emission offsets attributed to its fuel usage, it shall provide SCE with sufficient Green Attributes to ensure that there are zero net emissions associated with the production of electricity from the ~~Generating Facility~~.

"Gross Power Rating" means the value, in kW DC, ~~and as~~ set forth in Section 2.32.3, which is the sum of all Photovoltaic Module DC Ratings for Photovoltaic Modules to be installed at the Site as indicated in Appendix B ~~Generating Facility~~.

"Interest Rate" means an annual rate equal to the rate published in The Wall Street Journal as the "Prime Rate" (or, if more than one rate is published, the arithmetic mean of such rates) as of the date payment is due plus two (2) percentage points; *provided, however*, that in no event will the Interest Rate exceed the maximum interest rate permitted by Applicable Laws.

~~"ISO" means the California Independent System Operator Corporation or successor entity that dispatches certain generating units and loads and controls the transmission facilities of entities that (i) own, operate and maintain transmission lines and associated facilities or have entitlements to use certain transmission lines and associated facilities, and (ii) have transferred to the ISO or its successor entity operational control of such facilities or entitlements.~~

~~"ISO-Approved Meter" means any revenue quality, electric energy measurement meter furnished by Producer, that (i) is designed, manufactured and installed in accordance with the ISO's metering requirements, or, to the extent that the ISO's metering requirements do not apply, Prudent Electrical Practices, and (ii) includes all of the associated metering transformers and related appurtenances that are required in order to measure the net electric energy output from the Generating Facility.~~

~~"ISO-Approved Quantity" means the total quantity of electric energy SCE Schedules with the ISO and the ISO approves in its final schedule which is published in accordance with the ISO Tariff.~~

~~"ISO Tariff" means the California Independent System Operator Corporation Operating Agreement and Tariff, 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.~~

"Lease" means one or more agreements whereby Producer leases the Site described in Appendix B from the owner of the Site, the term of which lease begins on or before the Effective Date and extends at least through the Term End Date.

"Lender" means any financial institution or successor in interest or assignee that provides development, bridge, construction, permanent debt or tax equity financing or refinancing for ~~the~~ a Generating Facility to Producer.

"Letter of Credit" means an irrevocable, nontransferable standby letter of credit provided by Producer from an issuer acceptable to SCE that is either a U.S. commercial bank or a U.S. branch of a foreign bank with the bank having a Credit Rating of at least "A-" from S&P and Fitch and "A3" from Moody's, in the form of Appendix C. Producer must bear the costs of all Letters of Credit.

"NERC" means the North American Electric Reliability Corporation, ~~or any successor entity~~.

"Net Qualifying Capacity" has the meaning set forth in the ISO/CAISO Tariff.

"Net Power Rating" ~~means the value~~, in kW AC, ~~and as set forth in Section 2.4, which~~ is the sum of all Current Inverter continuous output ratings or any transformer continuous output ratings, whichever is less, located between the Current Inverters and the ISO/CAISO-Approved Meter.

"Notice" means notices, requests, statements, reports or payments provided by one Party to the other Party, which must be provided in accordance with Section 11 and Appendix F.

"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.

“Operate” 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.

“Parties” and “Party” have the meanings set forth in the Preamble.

“Permits” means all applications, approvals, authorizations, consents, filings, licenses, orders, permits or similar requirements imposed by any Governmental Authority, or the ISOCAISO, in order to develop, construct, Operate, maintain, improve, refurbish and retire the Generating Facility or to Schedule and deliver the electric energy produced by the Generating Facility to SCE, including an authority to construct or conditional use permit.

“Photovoltaic Module” means the individual component that produces DC electric energy from solar radiation.

“Photovoltaic Module DC Rating” means, for each Photovoltaic Module installed or to be installed at the Site, the number (expressed in kW<sub>PDC</sub>) stated on the nameplate affixed thereto representing the manufacturer’s maximum (at “peak” sunlight) DC power rating at the standard test condition (“P<sub>mp</sub>” or Power maximum at peak).

“PIRP” (i.e., Participating Intermittent Resource Program) means the ISOCAISO’s intermittent resource program initially established pursuant to Amendment No. 42 of the ISOCAISO Tariff in Docket No. ER02-922-000, or any successor program that SCE determines accomplishes a similar purpose.

“Premises” has the meaning set forth in SCE’s Rule 1.

“Producer” has the meaning set forth in the Preamble.

“Product” means (i) all electric power and energy produced by the Generating Facility, net of Station Use, and (ii) all Green Attributes, Capacity Attributes, and Resource Adequacy Benefits.

“Product Price” has the meaning set forth in Section 2.7.

“Prudent Electrical Practices” means those practices, methods and acts that would be implemented and followed by prudent operators of electric 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 at the time a decision was made, could reasonably have been expected to accomplish the desired result consistent with good business practices, reliability and safety. Prudent Electrical Practices includes, at a minimum, those professionally responsible practices, methods and acts described in the preceding sentence that comply with the manufacturer’s warranties, restrictions in this Agreement, and the requirement of Governmental Authorities, WECC standards, the ISOCAISO and Applicable Laws. Prudent Electrical Practices include taking reasonable steps to ensure that: (i) equipment, materials, resources and supplies, including spare parts inventories, are available to meet the Generating Facility’s needs; (ii) sufficient operating personnel are available at all times and are adequately experienced, 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~~emergencies whether caused by events on or off the Site; (iii) preventative, 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; (iv) appropriate monitoring and testing are performed to ensure equipment is functioning as designed; (v) 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 SCE’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 (vi) equipment and components designed and manufactured to meet or exceed the standard of durability that is generally used for solar electric energy generation operations 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.

“Renewable Energy Credit” has the meaning set forth Public Utilities Code Section 399.12(g), as may be amended from time to time or as further defined or supplemented by Applicable Law.

“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 include any local, zonal or otherwise locational attributes associated with the Generating Facility.

“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 decisions, rulings, laws, rules or regulations may be amended or modified from time-to-time throughout the Term.

“RPS Requirement” has the meaning set forth in Section 14.2.1.

“Rule” means SCE Tariff sheets that set forth the application of all rates, charges, and service when such applicability is not set forth in and as part of the rate schedules.

“SCE” has the meaning set forth in the Preamble.

“SCE Tariffs” means the entire body of effective rates, rentals, charges, and rules collectively of SCE, as set forth in this Agreement, and including title page, preliminary statement, service area maps, rate schedules, list of contracts and deviations, Rules, and sample forms.

“Schedule” means the action of the Scheduling Coordinator, or its designated representatives, of notifying, requesting, and confirming to the ISOCAISO, the ISOCAISO-Approved Quantity of electric energy.

“Scheduling Coordinator” means the entity certified by the ISOCAISO for the purposes of undertaking the functions specified by ISOCAISO Tariff Section 2.2.6, as amended by FERC from time-to-time.

“Service Account” has the meaning set forth in SCE’s Rule 1.

“Simple Interest Payment” means a dollar amount calculated by multiplying the (i) dollar amount on which the Simple Interest Payment is based, times (ii) the Interest Rate, times (iii) the result of dividing the number of days in the calculation period by 360.

“Site” means the real property on which the Generating Facility is, or will be located, as further described in Appendix B. If this Agreement is for more than one Generating Facility, the term “Site” (as defined in the immediately preceding sentence), means each Site on which a Generating Facility contemplated by this Agreement is, or will be located, unless the context otherwise specifies or requires.

“Site Control” means that Producer (i) owns the Site, (ii) is the lessee of the Site under a Lease, or (iii) is the holder of a right-of-way grant or similar instrument with respect to the Site.

“Station Use” means the electric energy produced by the Generating Facility that is: (i) used within the Generating Facility to power the lights, motors, control systems and other electrical loads, such as meteorological equipment that are necessary for Operation; and (ii) consumed within the Generating Facility’s DC Collection System as losses within the Photovoltaic Modules, associated wiring, combiner boxes, Current Inverters, transformers and other equipment.

“Telemetry System” means a system of electronic components that collects all required telemetry in accordance with the PIRP and SCE operational requirements and communicates this telemetry to the ISOCAISO and SCE as required by applicable tariff or this Agreement.

“Term” has the meaning set forth in Section 3.1.

“Term End Date” has the meaning set forth in Section 3.1.

“Term Start Date” has the meaning set forth in Section 3.1.

“Term Year” means a twelve (12) month period beginning on the first day of the calendar month following the Term Start Date and each successive twelve (12) month period thereafter.

“TOU Periods” has the meaning set forth in Section 8.2 and Appendix E.

“Web Client” has the meaning set forth in Section 2.1.1. of Appendix D.

“WECC” means the Western Electricity Coordinating Council, the regional reliability council for the Western United States, Southwestern Canada, and Northwestern Mexico.

“WREGIS” means the Western Renewable Energy Generation Information System.

\*\*\* [*End of Appendix A*] \*\*\*



**APPENDIX B**  
**DESCRIPTION OF THE GENERATING FACILITY AND THE SITE**

[Producer must provide each of the following in this Appendix B:

- The name and address of the Generating Facility;
- A description of the Generating Facility, including a summary of its significant components, such as Photovoltaic Modules, DC Collection System, Current Inverters, meteorological station, solar irradiance instrumentation and any other related electrical equipment;
- A drawing showing the general arrangement of the Generating Facility;
- A single-line diagram illustrating the interconnection of the Generating Facility with SCE; and
- A legal description of the Site, including a Site map.

If this Agreement is for more than one Generating Facility, Appendix B must include the above-requested information for each Generating Facility and each Site.]

\*\*\* [*End of Appendix B*] \*\*\*

**APPENDIX C**  
**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:

[Issuing Bank's Name] (the "Bank") establishes this Irrevocable Nontransferable Standby Letter of Credit (this "Letter of Credit") in favor of Southern California Edison Company, a California corporation (the "Beneficiary"), for the account of [Applicant's Name], a [Applicant's form of business entity and state of registration] (the "Applicant"), in connection with ID# [ ] for the amount of [ ] United States Dollars (the "Available Amount"), effective immediately and expiring at 5:00 P.M., Los Angeles time, on [ ] (the "Expiration Date").

This Letter of Credit will be of no further force or effect upon the close of business on [ ] or, if such day is not a Business Day (as hereinafter defined), on the next Business Day. For the purposes of this Letter of Credit, "Business Day" means any day except a Saturday, Sunday, a Federal Reserve Bank holiday, or the Friday following Thanksgiving.

Subject to the terms and conditions of this Letter of Credit, funds under this Letter of Credit are available to the Beneficiary by presentation in compliance on or before 5:00 P.M., Los Angeles time, on or before the Expiration Date, of the following:

1. The original of this Letter of Credit and all amendments (or photocopy of the original for partial drawings); and
2. The Drawing Certificate issued in the form of Attachment A attached to this Letter of Credit, 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 drawing under this Letter of Credit 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 is 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 are permitted under this Letter of Credit, and this Letter of Credit will remain in full force and effect with respect to any continuing balance; *provided, however*, that the Available Amount will be reduced by the amount of each such drawing.

This Letter of Credit is not transferable or assignable. Any purported transfer or assignment is void and of no force or effect. Banking charges are the sole responsibility of the Applicant.

This Letter of Credit sets forth in full our obligations and such obligations may not in any way be modified, amended, amplified or limited by reference to any documents, instruments or agreements referred to in this Letter of Credit (except for Attachment A attached to this Letter of Credit), and any such reference may not be deemed to incorporate by reference any document, instrument or agreement except for Attachment A attached to this Letter of Credit.

The Bank ~~engages with the Beneficiary~~acknowledges 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, will govern all matters with respect to this Letter of Credit.

[Issuing Bank's Name]

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

**ATTACHMENT A**  
**DRAWING CERTIFICATE**  
TO [ISSUING BANK NAME]

IRREVOCABLE NON-TRANSFERABLE STANDBY LETTER OF CREDIT  
Reference No. [ ]

[Issuing Bank Name]  
[Issuing Bank Address]

Subject: Irrevocable Non-transferable Standby Letter of Credit

The undersigned [Authorized Individual's Name], an authorized representative of Southern California Edison Company (the "Beneficiary"), certifies to [Issuing Bank Name] (the "Bank") and [Applicant's Name] (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 one or more of the following reason(s):
  - [ ] A. The Bank has heretofore provided written notice to the Beneficiary of the Bank's intent not to renew the Letter of Credit following the present Expiration Date (as defined in the Letter of Credit) thereof ("Notice of Non-renewal"), and Applicant has failed to provide the Beneficiary with a replacement letter of credit satisfactory to Beneficiary in its sole discretion within 30 days following the date of the Notice of Non-renewal.
  - [ ] B. The Beneficiary has terminated that certain Solar Photovoltaic Program Power Purchase and Sale Agreement, dated [ ], between Applicant and Beneficiary (the "Agreement"), in accordance with Section [ ] of the Agreement before the Term Start Date (as defined in the Agreement).
  - [ ] C. The Beneficiary is entitled to retain a portion of the Development Security (as defined in the Agreement) equal to the product of \$~~3020~~ per kW times the portion of the Gross Power Rating (in kW and as defined in the Agreement) that the Applicant failed to install.
2. Based upon the foregoing, the Beneficiary makes demand under the Letter of Credit for payment of [ ] United States Dollars, which amount does not exceed (i) the amount set forth in paragraph 1 above, and (ii) the Available Amount (as defined in the Letter of Credit) under the Letter of Credit as of the date hereof.
3. Funds paid pursuant to the provisions of the Letter of Credit must be wire transferred to the Beneficiary in accordance with the following instructions: [ ]

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: \_\_\_\_\_

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

\*\*\* [End of Appendix C] \*\*\*

**APPENDIX D**  
**FORECAST REQUIREMENTS AND PROCEDURES**

1. Introduction. The Parties shall abide by the Forecast requirements and procedures described in this Appendix D and shall make reasonable changes to these requirements and procedures from time-to-time, as necessary to (i) comply with SCE's instructions or the ISOCAISO Tariff, as applicable, (ii) accommodate changes to their respective generation technology or organizational structure, and (iii) address changes in the Operating and Scheduling procedures of Producer, SCE or the ISOCAISO, including automated Forecast and outage submissions.
2. Producer's Forecasting Procedures. Producer must meet all of the following requirements for Forecasting electric energy to be received by SCE from Producer:
  - 2.1. Weekly Forecasting Procedures.
    - 2.1.1. Beginning the Wednesday before the Term Start Date, Producer must provide SCE with a Forecast for the next calendar week, by no later than 5 P.M. Los Angeles time the Wednesday of the week preceding the week covered by the Forecast, using a web-based system made available to Producer by SCE (the "Web Client"). The Forecast submitted to SCE must: (i) not include any anticipated or expected electric energy losses after the ISOCAISO-Approved Meter or Check Meter, as applicable; and (ii) limit Forecast changes to no less than one hundred (100) kW when the Web Client is not available. Producer shall have no restriction on Forecast changes when the Web Client is available.
    - 2.1.2. If Producer learns of any change in the Forecast submitted pursuant to Section 2.1.1 of this Appendix D, Producer shall communicate such change in the Forecast to SCE via the Web Client no later than 5:00 A.M. Los Angeles time the day before the effective date of such revision. If the Web Client is not available, Producer shall email these changes to [presched@sce.com](mailto:presched@sce.com), and immediately follow up with a phone call to (626) 307-4425.
    - 2.1.3. If Producer learns of any change in the Forecast submitted pursuant to Section 2.1.2 of this Appendix D, Producer shall immediately communicate such change in the Forecast to SCE via the Web Client. If the Web Client is not available, Producer shall within twenty (20) minutes after Producer becomes aware of the event which caused the change in the Forecast, email such change to [presched@sce.com](mailto:presched@sce.com) and to [realtime@sce.com](mailto:realtime@sce.com), and immediately follow-up with a phone call to SCE's Generation Operation Center at (626) 307-4453 or (626) 307 4410.
  - 2.2. 30-Day Forecasting Procedures.
    - (i) In addition to the requirements set forth in Section 2.1 of this Appendix D, Producer shall electronically provide SCE with a rolling 30-day Forecast, beginning at least thirty (30) days before the Term Start Date using the Web Client.
    - (ii) Producer shall update such rolling 30-day Forecast weekly by 5:00 P.M. Los Angeles time each Wednesday using the Web Client.
    - (iii) If Producer learns of any inaccuracies in its most recently submitted 30-day Forecast affecting the period between the date Producer learns of the inaccuracy and the date that the next updated 30-day Forecast is due, Producer shall promptly notify SCE using the Web Client. If the Web Client is not available, Producer shall send an updated Forecast to [esmstpoutage@sce.com](mailto:esmstpoutage@sce.com) with a copy to [presched@sce.com](mailto:presched@sce.com).
3. Outage Scheduling Procedures. Producer shall be responsible for all costs associated with all requirements and timelines for generation outage Scheduling contained in the SCE Tariffs and the ISOCAISO Tariff.

\*\*\* [End of Appendix D] \*\*\*



**APPENDIX E**  
**TOU PERIODS AND ENERGY PAYMENT ALLOCATION FACTORS**

**APPENDIX E**  
**TOU PERIODS AND ENERGY PAYMENT ALLOCATION FACTORS**

<u>TOU Periods</u>			
<i>All listed times are Los Angeles time.</i>			
<i>TOU Period</i>	<i>Summer Jun 1<sup>st</sup> – Sep 30<sup>th</sup></i>	<i>Winter Oct 1<sup>st</sup> – May 31<sup>st</sup></i>	<i>Applicable Days</i>
On-Peak	Noon – 6:00 P.M.	Not Applicable.	Weekdays except Holidays.
Mid-Peak	8:00 A.M. – Noon	8:00 A.M. - 9:00 P.M.	Weekdays except Holidays.
	6:00 P.M. – 11:00 P.M.		Weekdays except Holidays.
Off-Peak	11:00 P.M. – 8:00 A.M.	6:00 A.M. – 8:00 A.M.	Weekdays except Holidays.
		9:00 P.M. – Midnight	Weekdays except Holidays.
	Midnight – Midnight	6:00 A.M. – Midnight	Weekends and Holidays.
Super-Off-Peak	Not Applicable.	Midnight – 6:00 A.M.	Weekdays, Weekends and Holidays.

<u>Energy Payment Allocation Factors</u>			
<i>Season</i>	<i>TOU Period</i>	<i>Calculation Method</i>	<i>Energy Payment Allocation Factor</i>
<u>Summer</u>	<u>On-Peak</u>	<u>Fixed Value</u>	<u>3.13</u>
	<u>Mid-Peak</u>	<u>Fixed Value</u>	<u>1.35</u>
	<u>Off-Peak</u>	<u>Fixed Value</u>	<u>0.75</u>
<u>Winter</u>	<u>Mid-Peak</u>	<u>Fixed Value</u>	<u>1.00</u>
	<u>Off-Peak</u>	<u>Fixed Value</u>	<u>0.83</u>
	<u>Super-Off-Peak</u>	<u>Fixed Value</u>	<u>0.61</u>

“Holiday” is defined as New Year’s Day, Presidents’ Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, or 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.

<u>Energy Payment Allocation Factors</u>			
<i>Season</i>	<i>TOU Period</i>	<i>Calculation Method</i>	<i>Energy Payment Allocation Factor</i>
<u>Summer</u>	<u>On-Peak</u>	<u>Fixed Value</u>	<u>3.13</u>
	<u>Mid-Peak</u>	<u>Fixed Value</u>	<u>1.35</u>
	<u>Off-Peak</u>	<u>Fixed Value</u>	<u>0.75</u>
<u>Winter</u>	<u>Mid-Peak</u>	<u>Fixed Value</u>	<u>1.00</u>
	<u>Off-Peak</u>	<u>Fixed Value</u>	<u>0.83</u>
	<u>Super-Off-Peak</u>	<u>Fixed Value</u>	<u>0.61</u>

~~"Holiday" is defined as New Year's Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, or 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 Appendix E] \*\*\*



**APPENDIX F  
NOTICE LIST**

<b>[PRODUCER'S NAME]</b>	<b>SOUTHERN CALIFORNIA EDISON COMPANY</b>
All Notices are deemed provided in accordance with Section 11 if made to the applicable address(es), facsimile number(s) or e-mail address(es) provided below:	All Notices are deemed provided in accordance with Section 11 if made to the applicable address(es), facsimile number(s) or e-mail address(es) provided below:
Contract Sponsor: Attn: Street: City: Phone: Facsimile: E-mail:	Contract Sponsor: Attn: Vice-President, Renewable and Alternative Power Street: 2244 Walnut Grove Avenue City: Rosemead, California 91770 Phone: (626) 302-1212 Facsimile: (626) 302-1103
Reference Numbers: Duns: Federal Tax ID Number:	Reference Numbers: Duns: 006908818 Federal Tax ID Number: 95-1240335
Contract Administration: Attn: Phone: Facsimile: E-mail:	Contract Administration: Attn: Phone: (626) 302- Facsimile: (626) 302-
Forecasting: Attn: Control Room Phone: Facsimile: E-mail:	Generation Operations Center: Phone: (626) 307-4453 or Phone: (626) 307-4410
Day-Ahead Forecasting: Phone: Facsimile: E-mail:	Day-Ahead Scheduling: Manager. Attn: Manager of Day-Ahead Operations Phone: (626) 302-1323 Facsimile: (626) 302-3409 Scheduling Desk. Phone: (626) 307-4425 Backup: (626) 307-4420 Fax: (626) 302-3409 Email: PreSched@SCE.com
Real-Time Forecasting: Phone: Facsimile: E-mail:	Real-Time Scheduling: Manager. Attn: Manager of Real-Time Operations Phone: (626) 302-3308 Facsimile: (626) 302-3409 Operations Desk. Phone: (626) 307-4453 Back-up: (626) 307-4410 Fax: (626) 302-3409 Email: RealTime@SCE.com
Payment Statements: Attn: Phone: Facsimile:	Payment Statements: Attn: Power Procurement Finance Phone: (626) 302-3277 Facsimile: (626) 302-3276

E-mail:	Email: PPFDPowerSettle@SCE.com
Payments: Attn: Phone: Facsimile: E-mail:	Payments: Attn: SCS Payments Phone: (626) 302- Facsimile: (626) 302-3276 Email: PPFDPowerSettle@SCE.com
Wire Transfer: BNK: ABA: ACCT:	Wire Transfer: BNK: JP Morgan Chase Bank ABA: 021000021 ACCT: 323-394434
Credit and Collections: Attn: Phone: Facsimile: E-mail:	Manager of Credit and Collateral: Attn: Manager of Credit Phone: (626) 302-3383 Facsimile: (626) 302-2517
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: (626) 302-1212 Facsimile: (626) 302-1904
Lender: Attn: Phone: Facsimile: E-mail:	
Insurance: Attn: Phone: Facsimile: E-mail:	Insurance: Attn: Vice President, Renewable & Alternative Power Address: 2244 Walnut Grove Avenue P.O.: Box: 800 City: Rosemead, CA 91770

\*\*\* [End of Appendix F] \*\*\*

Document comparison done by DeltaView on Monday, February 08, 2010 2:19:35 PM

Input:	
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Document 2	file://J:/RAP Contract Origination/2010 SPVP-IPP/PPA/Solar PV Standard Agreement 02 08 10.doc
Rendering set	Standard

Legend:	
<u>Insertion</u>	
<del>Deletion</del>	
<del>Moved from</del>	
<u>Moved to</u>	
Style change	
Format change	
<del>Moved-deletion</del>	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
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Deletions	178
Moved from	12
Moved to	12
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Format changed	0
Total changes	402