



SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

REQUEST FOR PROPOSALS FOR

AUDITING SERVICES

**ISSUANCE
DATE:**

January 16, 2026

**PROPOSAL
DEADLINE:**

February 13, 2026

I. INTRODUCTION

The Southern California Public Power Authority (SCPPA) is hereby soliciting competitive proposals from qualified respondents (Respondents), certified public accounting firms, to provide independent professional **Auditing Services** for fiscal years ending June 30, 2026, 2027 and 2028, as described below in Section III, with an option to extend for an additional three years by written amendment.

SCPPA seeks proposals related to the specified Areas of Interest set forth in Section III below, to enable informed decisions and to potentially proceed to more specific negotiations on contract development with one or more qualified Respondents to this Request for Proposals (RFP).

Responses to this RFP are due on or before **February 13, 2026**, as described below in Sections IV, VI and VII.

II. BACKGROUND

SCPPA is a joint powers authority and a public entity organized under the California Joint Exercise of Powers Act found in Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, and through the SCPPA Joint Powers Agreement, for the purposes of planning, financing, developing, acquiring, constructing, operating and maintaining projects for the generation or transmission of electric energy. SCPPA also facilitates joint service contracts, at the request of its Members, to aggregate like project efforts among its Members for the purposes of developing energy efficiency, demand response and resource procurement programs or projects to improve operating efficiencies and reduce costs.

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Membership of SCPPA consists of eleven cities and one irrigation district, which supply electric energy within Southern California, including the municipal utilities of the cities of Anaheim, Azusa, Banning, Burbank, Cerritos, Colton, Glendale, Los Angeles, Pasadena, Riverside, and Vernon, and the Imperial Irrigation District. SCPPA is governed by its Board of Directors (Board), which consists of representatives from each of its Members. The management of SCPPA is under the direction of an Executive Director who is appointed by the Board. Additional information about SCPPA, its Members, and the major SCPPA projects can be found on the SCPPA website at www.scppa.org.

SCPPA Accounting

The Los Angeles Department of Water and Power's (LADWP) Finance and Risk Control Division currently performs SCPPA's accounting and investment functions and works closely with SCPPA's Chief Financial and Administrative Officer (CFO/CAO) to coordinate the various activities. LADWP's staff of professional accountants maintains the accounting system and prepares individual and combined financial statements for SCPPA's projects and funds. Financial statements are presented in conformity with generally accepted accounting principles and Governmental Accounting Standards Board. They are also substantially in conformity with uniform system of accounts prescribed by the Federal Energy Regulatory Commission and the California Public Utilities Commission. Fund flows and account balances for individual projects and funds are performed and maintained in accordance with bond indentures and the annual budget, respectively.

SCPPA Projects and Financial Report

SCPPA currently owns or manages the following projects and Power Purchase Agreements (PPAs) for its Members, ranging from conventional natural gas-fired generation to utility-scale wind, solar, storage, and geothermal projects:

Projects

Palo Verde Project
San Juan Project (mine reclamation
& decommissioning)
Magnolia Power Project
Canyon Power Project
Apex Power Project
Tieton Hydropower Project
Milford I Wind Project
Milford II Wind Project
Windy Point Project
Linden Wind Energy Project
Clean Energy Project (Prepaid PPA)

Power Purchase Agreements

Antelope Big Sky Ranch and Solar
Antelope DSR 1 Solar
Antelope DSR 2 Solar
Astoria 2 Solar
Ameresco Chiquita Landfill Gas
Columbia Two Solar
Coso Geothermal Energy
Copper Mountain Solar 3
Daggett Solar 2 + Storage
Desert Harvest II Solar
Don Campbell I Geothermal Energy
Don Campbell II Geothermal Energy

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|--|-------------------------------------|
| Southern Transmission System Project | Eland Solar 1 + Storage |
| Southern Transmission System Renewal Project | Eland Solar 2 + Storage |
| Mead-Phoenix Project | Heber I Geothermal Energy |
| Mead-Adelanto Project | Kingbird Solar B |
| Pinedale Project | Mammoth Casa Diablo IV Geothermal |
| Barnett Project | Ormat Northern Nevada Geothermal |
| Prepaid Natural Gas Project | Ormesa Geothermal Complex Energy |
| | Pebble Springs Wind |
| | Puente Hills Landfill Gas-to-Energy |
| | Red Cloud Wind |
| | Roseburg Biomass |
| | Star Peak Geothermal |
| | Springbok 1 Solar |
| | Springbok 2 Solar |
| | Springbok 3 Solar |
| | Summer Solar |
| | Whitegrass Geothermal |

New projects and PPAs may be added from time to time.

SCPPA utilizes a variety of fund types/account groups in its accounting transactions pertaining to the projects and PPAs. SCPPA's annual financial report consists of a combined and individual financial statements for the projects and PPAs listed above, with the PPAs as one opinion unit in the financial statements. In addition, the financial report also contains individual financial statements for Project Development Fund, Projects' Stabilization Fund and SCPPA Fund. Additional information on the projects, PPAs, and miscellaneous Funds can be found on SCPPA's audited financial statements, which are available on SCPPA's website at <https://scppa.org/about-us/annual-report-financial-statements/>

Prior Audit Reports and Working Papers

The audit firm providing the audit opinion for the fiscal year 2024-25 financial report was Baker Tilly US LLP (formerly Moss Adams US LLP) from its Portland, Oregon location. No internal control or management advice findings were noted during the June 30, 2025 audit.

III. AREAS OF INTEREST

The firm selected will be required to provide the following services:

1. Scope of Work to be Performed

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- Audit and express an opinion on the fairness of presentation of SCPPA's combined and individual project statements of net position, statements of revenues, expenses and changes in net position, and statements of cash flow in conformity with generally accepted accounting principles. The audit is to be performed in accordance with auditing standards generally accepted in the United States of America and the California Code of Regulations, Title 2, Section 1131.2, State Controller's *Minimum Audit Requirements* for California Special Districts. The audit firm is not required to audit the supplemental schedules contained in the comprehensive financial statement report. However, the audit firm is to provide "in-relation-to" reports on the supplemental schedules based on the audit procedures applied during the audit of the basic financial statements and provide related certifications to SCPPA's Trustees (see sample copy in **Attachment B**).
- While the Power Purchase Agreement projects listed in Section II are considered one opinion unit in the financial statements, the audit firm is to expand its testing in the individual power purchase agreement projects and set individual materiality for each individual power purchase agreement project. The audit firm will report any adjustments or passed adjustments as a result of this additional testing within its letter to those charged with governance.
- Assist SCPPA in the resolution of complex accounting issues and the implementation of Governmental Accounting Standards Board (GASB) standards.
- Assist SCPPA in drafting the combined and individual project financial statements and related footnotes and supplementary schedules. The audit firm will provide 20 printed copies and one PDF copy of the audited financial report to SCPPA upon audit completion.
- Assist in the preparation of the management representation letters.
- Engage with SCPPA's Audit Sub-Committee prior to the start of the audit for audit planning, during the audit for progress updates, and the end of the audit to present the audit results and recommendations.
- Attend SCPPA's regularly scheduled Finance Committee and Board meetings in October or November to present the final audit results and recommendations.
- Be available to provide consultation and advice regarding generally accepted accounting practices as needed throughout the year to facilitate the audit process.

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2. Reports to be Issued

Following the completion of the fiscal year audit, the auditor shall issue the following reports no later than 115 days after June 30th (by October 23rd). Please note that 115 days after June 30th is an absolute requirement due to SCPPA's annual bond indenture compliance filing obligations.

- A report on the fairness of the presentation of the financial statements in conformity with generally accepted accounting principles for each project and fund.
- A report on internal controls based on the auditor's understanding of the internal control structure and assessment of control risk for each project and each fund.
- A report addressed to the SCPPA Board of Directors on Communications with Those Charged with Governance and Communications of Internal Control Related Matters.
- A management letter listing suggestions for improvement for SCPPA.

By responding to this RFP, the responding firm acknowledges that SCPPA will use SCPPA's audited financial statements in its official statements and other public documents without obtaining the prior consent of SCPPA's auditor.

3. Irregularities and Illegal Acts

The audit firm shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to SCPPA's Executive Director.

4. Reporting to the Board of Directors

The audit firm shall assure itself that the SCPPA Board is informed of each of the following:

- The auditor's responsibility under generally accepted auditing standards.
- Significant accounting policies.
- Management judgments and accounting estimates.
- Significant audit adjustments.
- Other information in documents containing audited financial statements.
- Disagreements with management.
- Management consultation with other accountants.

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- Major issues discussed with management prior to retention.
- Difficulties encountered in performing the audit.

5. Assistance to be Provided to the Auditor

- Staff Assistance

SCPPA Accounting and responsible management personnel will be available during the audit to assist the firm by providing information, documentation, and explanations.

- Statements and Schedules to be prepared by SCPPA Accounting

SCPPA Accounting staff will prepare reasonably required statements and schedules for the auditor. The auditor shall provide sample formats of each work paper during the planning stage of the audit.

6. Annual Audit Schedule

- Audit commencement: SCPPA will have its records ready for audit by August 1st.
- Detailed Audit Plan: The auditor shall provide SCPPA with a detailed audit plan including timeline for draft reports and a list of all schedules and documents to be provided by SCPPA Accounting for both interim and year-end audit work.
- Final Reports: The auditor shall have the final reports issued by October 23rd (115 days after June 30th).
- Entrance, progress and final conferences with the Audit Sub-Committee.
- Audit presentations to Finance Committee and Board of Directors in October or November.
- Entrance, progress and exit conferences with SCPPA Accounting staff.
- Exit conference with SCPPA Executive Director and CFO/CAO and communicate any observations for improvements made during the audit and provide best practices recommendations.

7. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum number of years as provided in the terms of the pro forma Professional Services Agreement in **Attachment C** (see Section V.7. below regarding SCPPA Agreement), unless the firm is notified in writing by

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SCPPA of the need to extend the retention period. The auditor may be required to make working papers available, upon request, to parties specifically designated by SCPPA.

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

8. New Developments

It is expected that the selected firm will keep SCPPA informed of new state and national developments, including new GASB pronouncements affecting municipal utility finance and reporting, standards and trends.

IV. TIMELINE / SCHEDULE*

| SCPPA RFP FOR AUDITING SERVICES SELECTION PROCESS | |
|---|--|
| SCHEDULE OF REQUIREMENTS | TARGET DATE(S) |
| Issue RFP | Friday, January 16, 2026 |
| Clarification Questions Due | Friday, January 30, 2026 |
| Responses to Clarification Questions Due | Thursday, February 5, 2026 |
| Proposal Deadline | Friday, February 13, 2026 – 4:00 PM (PT) |
| Review of Proposals | February 2026 |
| Interviews (If Necessary) | March 2026 |
| Selection of Respondent(s) for negotiation | March 2026 |
| Notice of Intent to Award (following contract negotiation, but prior to any Board approval) | April 2026 |

*Timeline/Schedule is subject to change.

V. PROPOSAL SUBMISSION REQUIRED ELEMENTS

To achieve a uniform review process and obtain the maximum degree of comparability, it is requested that the proposal be organized as follows:

(Please note that reference to firm shall include firms if joint proposals or subcontractors are to be used.)

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1. TRANSMITTAL LETTER CONTENT:

- A. A brief statement of the Respondent's understanding of the work to be done and commitment to perform the work as scheduled, including:
 - I. Statement of work specifications; and
 - II. reference to any proposed contractual terms and conditions required by the Respondent; and
 - III. a summary of any exceptions taken to the RFP requirements.

- B. An officer authorized to bind the Respondent must sign the proposal on behalf of the Respondent and must include the following declarations on the transmittal letter:

“This proposal is genuine, and not sham or collusive, nor made in the interest or in behalf of any person not herein named; the Respondent has not directly or indirectly induced or solicited any other Respondent to put in a sham bid, or any other person, firm or corporation to refrain from submitting a proposal; and the Respondent has not in any manner sought by collusion to secure for themselves an advantage over any other Respondent.”

2. RESPONDENT INFORMATION:

Provide legal name of firm, physical street address, the name(s) and title(s) of the individual(s) authorized to represent the Respondent, including telephone number(s) and email address(es).

3. TABLE OF CONTENTS

Clearly identify the material by section and page number.

4. TECHNICAL PROPOSAL

The purpose of the Technical Proposal is to demonstrate the qualifications, competence, and capacity of the firm seeking to undertake an independent audit for SCPPA in conformity with the requirements of this RFP. The Technical Proposal should address all the points outlined in the RFP. The Proposal should be prepared simply and economically, providing a straightforward, concise description of the Respondent's capabilities to satisfy the requirements of the RFP. While additional data may be presented, the following subjects, items A through H, must be included. They represent the criteria against which the proposal will be evaluated.

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A. Independence

The firm should provide an affirmative statement that it is independent of SCPPA as defined by generally accepted auditing standards and the U.S. General Accounting Office's Government Auditing Standards.

The firm should also provide an affirmative statement that it is independent of SCPPA's Members; Anaheim, Azusa, Banning, Burbank, Cerritos, Colton, Glendale, Los Angeles Department of Water and Power, Pasadena, Riverside, and Vernon, and the Imperial Irrigation District, as defined by these same standards.

The firm should also list and describe the firm's professional relationships involving SCPPA and/or any of its Members for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the selected firm shall give SCPPA written notice of any professional relationships entered into during the period of this agreement.

B. License to Practice in California

An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed to practice in California.

The selected firm will be required to obtain a City of Los Angeles business license.

C. Firm Qualifications and Experience

The firm should provide a profile of the company including background, the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed, the number and nature of the professional staff to be employed in this engagement, and a description of relevant audit experience particularly with municipal electric utilities and/or joint powers agencies.

The firm should also state whether subcontractors will be used to perform any portion of the audit engagement. Should the use of subcontractors be offered, the Respondent shall provide the assurances of competence of the subcontractor, plus the demonstrated ability to manage and supervise the subcontracted work. The Respondent will be responsible for the satisfactory performance of all subcontractors performing work on the engagement. All subcontractors must be identified in the proposal submitted.

The firm is required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.

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The firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

D. Partner, Supervisory and Staff Qualifications and Experience

A list of people who will directly work on this engagement and a brief summary of their background. The list should include partners, managers, other supervisors, and specialists who would be assigned to this engagement. Indicate whether each person is licensed to practice as a certified public accountant in California, the government auditing experience of each person, the auditing of municipal electric utilities and/or joint powers agencies experience of each person, and the person's relevant training and professional organization membership.

Indicate how the quality of staff over the term of the agreement will be assured, how and when a change in audit staff may occur, and how the engagement will be managed as it relates to consistent and qualified staffing.

E. Similar Engagements with Other Municipal Electric Utilities and/or Joint Powers Agencies

For the firm's office that will be assigned the responsibility for the audit, list the most significant engagements performed in the last five years that are similar to the engagement described in this RFP. Indicate the scope of work, dates, engagement partners, any key personnel identified in section 4D, total hours, and the contact name, title, and phone number of the principal client. SCPPA reserves the right to contact any or all of the listed engagement clients regarding the auditing services performed by the firm.

F. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in this RFP.

The Respondent should include the following information on its audit approach:

- I. Proposed segmentation of the engagement
- II. Level of staff and number of hours to be assigned to each proposed segment of the engagement
- III. Sample size and the extent to which statistical sampling is to be used in the engagement
- IV. Type and extent of analytical procedures to be used in the engagement
- V. Approach to be taken to gain and document an understanding of SCPPA's internal control structure.

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G. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems, and any special assistance that will be requested from SCPPA.

H. Report Format

The proposal should include sample formats for required reports.

5. FEES AND COSTS:

A. Total All-Inclusive Maximum Price

The fee proposal should contain all pricing information relative to performing the audit engagement as described in this RFP. The total all-inclusive maximum price to be proposed is to contain all direct and indirect costs including all out-of-pocket expenses for each year to be audited, including the three optional extension years.

SCPPA will not be responsible for expenses incurred in responding to this RFP. Such costs should not be included in the proposal.

B. Rates by Partner, Specialist, Supervisory and Staff Level Times Hours Anticipated for Each

The fee proposal should include a schedule of professional fees and expenses, presented in the format provided in **Attachment A**, that supports the total all-inclusive maximum price.

C. Out-of-pocket Expenses Included in the Total All-inclusive Maximum Price and Reimbursement Rates

Out-of-pocket expenses for firm personnel (e.g., travel, lodging and subsistence) will be reimbursed at reasonable rates. Estimated out-of-pocket expenses to be reimbursed should be separately presented.

D. Rates for Additional Professional Services

If it should become necessary for SCPPA to request the auditor to render any additional services to either supplement the services requested in this RFP or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between SCPPA and the firm. Any such additional work agreed to between SCPPA and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the fee proposal.

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E. Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's fee proposal. Interim billing shall cover a period of not less than a calendar month.

6. CONFLICTS OF INTEREST AND COLLUSION

- A. Respondent must address in its Proposal possible conflicts of interest with SCPPA and SCPPA Members. Such conflicts may include, but are not limited to, representation of clients that are adverse to SCPPA or SCPPA Members or the existence of lawsuits between Respondent and SCPPA or SCPPA Members. Although the Respondent will not be automatically disqualified by every circumstance that may raise a conflict of interest, SCPPA reserves the right to consider the nature and extent of such work in evaluating the proposal.
- B. Respondent must not offer nor provide SCPPA's or its Members' respective elected or appointed officials, officers, employees, or representatives with gifts or promises of remuneration, no matter how small, while Respondent's proposal is under consideration.
- C. Respondent must not collude, directly or indirectly, with or among other respondents in regard to the amount, terms, or conditions of its proposals. Respondent must not share its proposal with any other entity other than SCPPA until SCPPA notifies all respondents that negotiations with the successful respondent are complete via SCPPA's Notice of Intent to Award.

7. EXCEPTIONS TO SCPPA AGREEMENT:

The Respondent recommended for award under this solicitation will be subject to the terms and conditions of the SCPPA **Professional Services Agreement**. A pro forma copy of the Agreement has been attached hereto for reference as "**Attachment C**". Respondent must provide a redline of the pro forma Agreement, and supporting commentary, identifying any exceptions to the terms and conditions identified therein. The redline is required to be included as an attachment to the proposal submitted in response to the solicitation and will be considered in the evaluation of the Proposals.

VI. CLARIFICATION QUESTIONS AND COMMUNICATIONS

There will not be an initial Respondent's conference associated with this RFP. The deadline to submit clarification questions on this RFP is specified in Section IV of this RFP. All questions should be submitted electronically via email to AuditRFP@scppa.org referencing **Auditing Services RFP** in the subject line. Answers to questions that SCPPA, at its sole determination and discretion, deems to be substantive or that would place the inquisitor at a distinct and unfair advantage to other potential Respondents will be

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posted on SCPPA's website alongside the solicitation at <https://scppa.org/rfps-bids/rfps-finance/> as soon as a practicable after the date received, but no later than **Thursday, February 5, 2026**. It is the responsibility of potential Respondents to review this website for any and all postings.

During the RFP period, communications with SCPPA or its Members other than in the manner specified in this solicitation are prohibited. No contact shall be made with the SCPPA Board of Directors, SCPPA staff, committees, or working group representatives, or SCPPA Members concerning this RFP. Failure to abide by this requirement may result in disqualification of the Proposal.

VII. PROPOSAL SUBMISSION DELIVERY REQUIREMENTS

One (1) electronic copy of your proposal and any supporting documentation must be received by **AuditRFP@scppa.org** by no later than **4:00PM (PT) – Friday, February 13, 2026**.

Additionally, one (1) hard copy of your proposal, including a transmittal letter of authentic offer, and any supporting documentation may be, but is not required to be, submitted with the electronic copy of your submittal, by no later than the time and date referenced above, to:

Southern California Public Power Authority
Auditing Services RFP
Attention: Aileen Ma, Chief Financial & Administrative Officer
1160 Nicole Court
Glendora, California 91740

VIII. CONFIDENTIALITY; CALIFORNIA PUBLIC RECORDS ACT

All information received by SCPPA in response to this RFP is subject to the California Public Records Act and may be subject to the California Brown Act and all submissions may be subject to review in the event of an audit. Generally, such information may become subject to public disclosure upon completion of evaluations and release of a Notice of Intent to Award.

Respondent must identify all copyrighted material, trade secrets, or other proprietary information ("protectable documents") that the Respondent included in its Proposal which Respondent believes should be exempt from disclosure under the California Public Records Act. By listing the documents, Respondent agrees to indemnify, defend, and hold harmless SCPPA, its Members, and their respective officers, agents, and employees from and against any action, claim, lawsuit, or proceeding, including costs and expenses, arising out of or connected with SCPPA's refusal to disclose the protectable documents to any party making a request for those items.

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SCPPA will treat any Respondent who fails to identify documents that the Respondent believes should be exempt from disclosure as having waived its right to an exemption from disclosure, as the Public Records Act provides.

IX. TERMS AND CONDITIONS

1. SCPPA reserves the right to cancel this RFP at any time, reject any and all proposals and to waive irregularities.
2. SCPPA shall determine at its sole discretion the value of any and/or all proposals including price and non-price attributes.
3. Proposals may be sub-divided or combined with other proposals, at SCPPA's sole discretion.
4. SCPPA shall perform an initial screening evaluation to identify and eliminate any proposals that are, for example, not responsive to the RFP, do not meet the minimum qualifications, if any, or minimum requirements set forth in the RFP, are not economically competitive with other proposals, or are submitted by Respondents that lack appropriate creditworthiness, sufficient financial resources, or qualifications to provide dependable and reliable services for this RFP.
5. SCPPA reserves the right to submit follow up questions or inquiries to request clarification of information submitted and to request additional information from any one or more of the Respondents.
6. SCPPA reserves the right, without qualification and in its sole discretion, to accept or reject any or all proposals for any reason without explanation to the Respondent, or to make any award to that Respondent, who, in the opinion of SCPPA, will provide the most value to SCPPA and its Members.
7. SCPPA may decline to enter into any potential engagement agreement or contract with any Respondent, terminate negotiations with any Respondent, or to abandon the request for proposal process in its entirety.
8. SCPPA reserves the right to make an award, at its sole discretion, irrespective of price or technical ability, if SCPPA determines that to do so would result in the greatest value to SCPPA and its Members.

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9. Those Respondents who submit proposals agree to do so without legal recourse against SCPPA, its Members, their directors, officers, employees and agents for rejection of their proposal(s) or for failure to execute or act on their proposal for any reason.
10. SCPPA shall not be liable to any Respondent or party in law or equity for any reason whatsoever for any acts or omissions arising out of or in connection with this RFP.
11. SCPPA shall not be liable for any costs incurred by any Respondents in preparing any information for submission in connection with this RFP process or any and all costs resulting from responding to this RFP. Any and all such costs whatsoever shall remain the sole responsibility of the Respondent.
12. SCPPA may require certain performance assurances from Respondents prior to entering into negotiations for work that may result from this RFP. Such assurances may potentially include a requirement that Respondents provide some form of performance security.
13. Prior to contract award, the successful Respondent shall, upon request, supply a detailed breakdown of the applicable overheads and fringe benefit costs that are part of the labor rates and other direct costs associated with the services to be performed.
14. SCPPA is not responsible or liable for individual Members' interactions with the Respondent which are not entirely conducted through SCPPA or at SCPPA's option or election to engage the Respondent as defined within the RFP.
15. Submission of a Proposal constitutes acknowledgement that the Respondent has read and agrees to be bound by the terms and specifications of this RFP and any addenda subsequently issued by SCPPA.
16. Information in this RFP is accurate to the best of SCPPA's and its Members' knowledge but is not guaranteed to be correct. Respondents are expected to complete all of their due diligence activities prior to entering into any final contract negotiations with SCPPA.
17. SCPPA reserves the right to reject any Proposal for any reason without cause. SCPPA reserves the right to enter into relationships with more than one Respondent, can choose not to proceed with any Respondent with respect to one or more categories of services, and can choose to suspend this RFP or to issue a new RFP that would supersede and replace this RFP.
18. Respondents understand and acknowledge that proposals submitted in response to this RFP will be valid for a period of twelve (12) months from the "Proposal Deadline" date indicated in the RFP Schedule. Respondents must clearly identify in their proposals if the proposal will be valid for a term

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lesser than the twelve (12) month term. After the twelve (12) month term, proposals from Respondent are no longer valid.

X. ADDITIONAL REQUIREMENTS FOR PROPOSAL

1. CONSIDERATION OF PROPOSALS:

Submitted proposals should be prepared simply and economically, without the inclusion of unnecessary promotional materials. Where hard copy proposals are submitted, such proposals should be submitted on recycled paper that has a minimum of thirty percent (30%) post-consumer recycled content and duplex copied (double-sided pages) where possible.

2. INSURANCE, LICENSING, OR OTHER CERTIFICATION:

If selected, the Respondent and any subcontractors performing work under the Agreement will be required to maintain sufficient insurance, licenses, or other required certifications for the type of work being performed. Such licenses and certifications shall be specific to the State of California, where applicable, and must be applicable to the Respondent's services, work, and deliverables pursuant to the Agreement. SCPPA or its Members may require specific insurance coverage to be established and maintained during the course of work and as a condition of award or continuation of contract.

3. NON-DISCRIMINATION/EQUAL EMPLOYMENT PRACTICES/AFFIRMATIVE ACTION PLAN:

If selected, the Respondent and each of its known subcontractors may be required to complete and file an acceptable Affirmative Action Plan, if and as required by a SCPPA Member. The Affirmative Action Plan may be set forth in the form required as a business practice by the Department of Water and Power of the City of Los Angeles which is SCPPA's largest Member.

4. LIVING WAGE ORDINANCE:

If selected, the Respondent may be required to comply with the applicable provisions of SCPPA Members' living wage ordinances or requirements. For example, the City of Los Angeles has adopted a Living Wage Ordinance and a Service Contract Workers Retention Ordinance. The Living Wage Ordinance provisions are found in Section 10.36 of the Los Angeles City Administrative Code; and the Service Contract Workers Retention Ordinance are found in Section 10.37 of the Los Angeles Administrative Code (SCWRO/LW0).

5. CHILD SUPPORT POLICY:

If selected, Respondent may be required to comply with Member child support requirements, including the City of Los Angeles Ordinance No. 172401, which requires all contractors and subcontractors performing work to comply with any applicable Wage and Earnings Assignment Orders, Notices of Assignment, and State and Federal employment reporting requirements.

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6. SUPPLIER DIVERSITY:

Respondents shall take reasonable steps to ensure that all available business enterprises, including Small Business Enterprises (SBEs), Disabled Veteran Business Enterprises (DVBES), Emerging Business Enterprises (EBEs), Women-Owned Business Enterprises (WBEs), Minority-Owned Business Enterprises (MBEs), Disadvantaged Business Enterprises (DBEs), Lesbian, Gay, Bisexual, or Transgender Business Enterprise (LGBTBES), and Other Business Enterprises (OBEs) have an equal opportunity to participate in the performance of all work being requested by this RFP. Efforts to obtain participation of these business enterprises may reasonably be expected to produce a twenty-five percent (25%) participation goal for SBEs and a three percent (3%) participation goal for DVBES. The bidder shall assist in implementing this policy by taking all reasonable steps to ensure that all available business enterprises, including SBEs, DVBES, EBEs, WBEs, MBEs, DBEs, and LGBTBES have an equal opportunity to compete for and participate in this RFP. For the purpose of this RFP, SCPPA's Supplier Diversity program is modeled after that of the Los Angeles Department of Water and Power. Further information concerning the Supplier Diversity Program may be obtained from the Supply Chain Services Division of the Los Angeles Department of Water and Power.

7. SCPPA-FURNISHED PROPERTY:

SCPPA's or a Member's utility drawings, specifications, and other media or information furnished for the Respondent's use shall not be furnished to others without written authorization from SCPPA or the applicable Member(s).

8. CONTRACTOR-FURNISHED PROPERTY:

Upon completion of all work under any agreement developed as a result of this RFP, ownership and title to reports, documents, drawings, specifications, estimates, and any other document produced as a result of the agreement shall automatically be vested to SCPPA and no further agreement will be necessary for the transfer of ownership to SCPPA. SCPPA has the sole right to distribute, reproduce, publish, license, or grant permission to use all or a portion of the deliverable documentation, work product or presentations as it determines in its sole discretion.

9. LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE REQUIRED:

The Respondent represents that it shall obtain or presently hold a Business Tax Registration Certificate(s) required by the City of Los Angeles Business Tax Ordinance (Article 1, Chapter II, Article 21.00 and following, of the Los Angeles Municipal Code). For the term covered by this Agreement, the Respondent shall maintain, or obtain as necessary, all such Certificates required under said ordinance and shall not allow any such Certificate to be revoked or suspended.

10. TAXPAYER IDENTIFICATION NUMBER (TIN):

The Respondent represents that it shall obtain and presently have a Tax Identification Number (TIN). For the term covered by this Agreement, the Respondent shall maintain, or obtain as necessary, a TIN. No payment will be made under this Agreement without a valid TIN number.

11. EQUAL BENEFITS ORDINANCE:

Unless otherwise exempted in accordance with the provisions of the Los Angeles Ordinance, the Respondent must certify compliance with Los Angeles Administrative Code (LAAC) Section 10.8.2.1 prior to the execution of a City agreement subject to the Equal Benefits Ordinance (EBO). The EBO requires City Contractors who provide benefits to employees with spouses to provide the same benefits to employees with domestic partners. Domestic Partner means any two adults, of the same or different sex, who have registered as domestic partners with a governmental entity pursuant to state or local law authorizing this registration, or with an internal registry maintained by the employer of at least one of the domestic partners.

12. CONTRACTOR RESPONSIBILITY PROGRAM:

Unless otherwise exempt in accordance with the provisions of the Los Angeles Ordinance, this Contract is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 et seq., of the Los Angeles Administrative Code, which requires Contractor to update its responses to the responsibility questionnaire within thirty calendar days after any change to the responses previously provided if such change would affect Contractor's fitness and ability to continue performing the contract. In accordance with the provisions of this Ordinance, by signing this Contract, Contractor pledges, under penalty of perjury, to comply with all applicable federal, state and local laws in the performance of this contract, including but not limited to, laws regarding health and safety, labor and employment, wages and hours, and licensing laws which affect employees.

13. MUNICIPAL LOBBYING ORDINANCE:

The City of Los Angeles Municipal Code Section 48.01 et seq. requires certain individuals and entities to register with the City Ethics Commission and requires public disclosure of certain lobbying activities, including money received and spent. Therefore, all bidders for all construction contracts, public leases, or licenses of any value and duration and bidders for goods or service contracts with a value of more than \$25,000 and a term of at least 3 months, shall comply with the City Ethics Commission's "CEC Form 50" (1 page) affidavit. A copy of the City of Los Angeles Municipal Lobbying Ordinance is available for download on the City Ethics Commission's webpage and additional information regarding the Municipal Lobbying Ordinance may be obtained from the City Ethics Commission at (213) 978-1960 or at the City of Ethics Commission's webpage.

14. CONTRACTOR CODE OF CONDUCT (SWEAT-FREE PROCUREMENT):

Contractors shall make a good faith effort to ensure that they and their subcontractors shun sweatshop practices and adhere to workplace and wage laws. All contractors subject to the Los

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Angeles Sweat-free Procurement Ordinance certify that they and, to the best of their knowledge, their subcontractors will comply with Los Angeles's Contractor Code of Conduct. The successful Respondent(s) will be required to execute and submit the form titled, "Contractor Code of Conduct".

15. AMERICANS WITH DISABILITIES ACT:

Respondents must comply with the Americans with Disabilities Act 42, U.S.C. Section 12101 et seq., and its implementing regulations. Reasonable accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services and activities shall be provided and the Respondent will not discriminate against persons with disabilities or against persons due to their relationship or association with a person with a disability.

16. SAFETY COMPLIANCE CERTIFICATE:

The successful Respondent(s) will be required to execute and submit the form titled, "Safety Compliance Certificate". The form certifies that the Respondent has an effective Injury and Illness Prevention Program, which meets the requirements of all applicable laws and regulations, including but not limited to, California Labor Code Section 6401.7 and the Respondent agrees that it is fully responsible for the acts and omissions of parties either directly or indirectly employed by the Respondent. Such certification shall be made by the person with the authority and responsibility for implementing and administering Respondent's Injury and Illness Prevention Program.

17. NON-INTERFERENCE:

The Respondent's performance of the work under this agreement shall not interfere unnecessarily with the operation of SCPPA, its Members or any of their municipal departments.

XI. EVALUATION CRITERIA

Proposals will be evaluated according to the following principles:

1. An evaluation team, composed of qualified reviewers, will judge the merits of the proposals received in accordance with the criteria defined in the RFP.
2. The Proposal will first be assessed as to whether it has met the following mandatory requirements on a pass or fail basis:
 - A. The audit firm is independent and licensed to practice in California.
 - B. The firm has no conflicts of interest with regard to any other work performed by SCPPA or any of its Members.
 - C. The firm submits a copy of its most recent external quality control review report.
3. The Proposals will then be evaluated on the basis of pre-defined criteria including the following:
 - A. Qualifications and experience of the firm
 - B. Qualifications and experience of personnel assigned to the audit engagement

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- C. Methodology and audit approach
 - D. Competitive pricing
 - E. Exceptions to Contract Terms and Conditions
4. At SCPPA's discretion, depending upon the volume of proposals received, SCPPA may choose to hold interviews with the most qualified Respondents. The evaluation team members will independently score the Interviewed Respondents.
 5. Depending on whether the SCPPA Board of Directors or Executive Director's approval is required under the SCPPA Procurement Code, the evaluation team will make a recommendation to the Board or Executive Director, and the Board or Executive Director will determine whether to adopt or reject the evaluation team's recommendation.

XII. PROTEST PROCEDURE

1. SCPPA will issue a Notice of Intent to Award to each Respondent via email. Any Respondent receiving the aforementioned Notice of Intent to Award may protest the award. A written protest must be received by the Purchasing Manager via email at PurchasingManager@scppa.org within three (3) working days of the date of the Notice of Intent to Award. The written protest must specify the specific reasons for the protest and provide all relevant documentation.
2. The Purchasing Manager shall review any timely protest and provide the protesting Respondent with a written decision regarding the protest within three (3) working days from the receipt of the timely written protest.
3. Any appeal of the Purchasing Manager's decision may be made to the SCPPA Executive Director within three (3) working days of the date of the final decision. The Executive Director will render a decision within three (3) working days from receipt of the timely appeal.
4. The decision of the SCPPA Executive Director may be appealed to the SCPPA Board of Directors. If appealed, the appeal must be filed within three (3) working days of the date of the Executive Director's decision. The Board shall calendar the appeal on its agenda or may refer the matter to a designated hearing officer. The decision of the Board or hearing officer shall be binding and final.
5. In circumstances of urgent need and when it is in the best interest of SCPPA to do so, the Executive Director may dispense with the protest procedure provided for in this section and recommend or make the award of contract in accordance with SCPPA's Procurement Code.

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6. The procedure and time limits set forth in this section are mandatory and are the Respondent's sole and exclusive remedy in the event of protest. The Respondent's failure to comply with these procedures shall constitute a waiver of any right to further pursue a protest, including filing a Government Code claim or initiation of legal proceedings.

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
FOR THE AUDIT OF THE 2026 FINANCIAL STATEMENTS**

| | <u>Hours</u> | <u>Standard Hourly Rates</u> | <u>Quoted Hourly Rates</u> | <u>Total</u> |
|---|--------------|--------------------------------------|------------------------------------|--------------|
| Partners | _____ | _____ | _____ | _____ |
| Managers | _____ | _____ | _____ | _____ |
| Supervisory Staff | _____ | _____ | _____ | _____ |
| Staff | _____ | _____ | _____ | _____ |
| Other Staff (specify): _____ | _____ | _____ | _____ | _____ |
| Subtotal | | | | _____ |
| Out-of-pocket expenses: | | | | |
| Meals and lodging | | | | _____ |
| Transportation | | | | _____ |
| Other Expenses (specify): _____ | | | | _____ |
| Subtotal | | | | _____ |
| Total All-Inclusive Maximum Price for 2026, 2027, and 2028 Audits: | | | | |
| | | | 2026 | ===== |
| | | | 2027 | ===== |
| | | | 2028 | ===== |

NOTE: The rate quoted should not be presented as a general percentage of the standard hourly rate, or as a gross deduction from the total all-inclusive maximum price. **USE THE SAME FORMAT FOR THE THREE SUBSEQUENT YEARS OF THE SIX-YEAR CONTRACT.**



Southern California Public Power Authority
1160 Nicole Court
Glendora, CA 91740
(626) 793-9364

Sample Certification

October 28, 2025

Ms. Abigail Manoni
Trust Review Analyst
Global Corporate Trust
U.S. Bank
1420 5th Avenue, 7th Floor
PD-WA-T7CT
Seattle, WA 98101
Email: abigail.manoni@usbank.com

Re: Apex Power Project Certificate of No Default

Dear Ms. Manoni:

Attached is the statement of no knowledge of any event of default from Baker Tilly US, LLP. This document is being furnished to you pursuant to the following Indentures of Trust between the Authority and U.S. Bank:

- Section 713 of the Indenture of Trust for the 2014 Series A and 2014 Series B, dated March 01, 2014, as supplemented and amended by Third Supplemental Indenture of Trust, dated as of June 1, 2024 (2024 A Bonds)

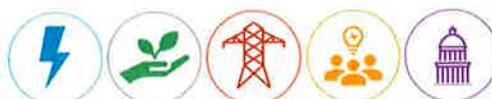
To the best of my knowledge and belief, the Authority has kept, observed, performed, and fulfilled its covenants and obligations contained in the Indenture, and there does not exist as of the date hereof any default by the Authority under the Indenture or any event of default.

Sincerely,

Daniel E Garcia
Executive Director

Attachment
cc: Grace Mao
Francisco J. Olivares

The Members of Southern California Public Power Authority work together to power reliable and sustainable communities.



Sample Certification

Report of Independent Auditors

To the Board of Directors and Participants
of the Southern California Public Power Authority
and US Bank:

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of Southern California Public Power Authority (the Authority), which comprise the combined and individual statements of net position as of June 30, 2025, and the related combined and individual statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the combined and individual financial statements, and have issued our report thereon dated October 28, 2025.

In connection with our audit, nothing came to our attention that caused us to believe that the Authority failed to comply with the terms, covenants, provisions, or conditions of Article VII, inclusive of the Apex Power Project Indenture of Trust (the Indenture) dated March 1, 2014, related to the Apex Power Project, Revenue Bonds, 2024 Series A with US Bank insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Authority's noncompliance with the above-referenced terms, covenants, provisions, or conditions of the Indenture, insofar as they relate to accounting matters.

This report is intended solely for the information and use of the Board of Directors, management of the Authority, and US Bank and is not intended to be, and should not be, used by anyone other than these specified parties.

Baker Tilly US, LLP

Portland, Oregon
October 28, 2025

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY
AND
[CONSULTANT NAME]**

This PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is dated and effective [DATE], by and between [CONSULTANT NAME] ("Consultant"), [LEGAL CAPACITY], located at [ADDRESS], and Southern California Public Power Authority ("SCPPA"), a joint powers agency created pursuant to the laws of the State of California, with offices at 1160 Nicole Court, Glendora, California 91740. SCPPA and Consultant are also referred to herein individually as “Party” and together as “Parties.” Any of the terms defined herein may, unless the context otherwise requires, be used in the singular or the plural, depending on the reference.

WHEREAS, SCPPA member utilities (“Members”) are engaged in the generation, transmission, and distribution of electrical energy to retail customers; and

WHEREAS, SCPPA has been formed for the purpose of undertaking the planning, financing, development, acquisition, construction, reconstruction, improvement, enlargement, betterment, operation, or maintenance of projects involving the generation, transmission, and distribution of electrical energy for the benefit of its Members (“Purpose”); and

WHEREAS, SCPPA has a need for professional and technical services including studies and reports to facilitate SCPPA’s Purpose and that support its Members’ procurement of generation and transmission resources and their obligation to first acquire energy efficiency and demand reduction resources that are cost effective, reliable, and feasible as mandated by Section 9615 of the California Public Utilities Code; and

WHEREAS, Consultant is qualified and capable of providing the services specified herein which are consistent with SCPPA’s Purpose.

NOW, THEREFORE, in consideration of the premises herein and for other good and valuable consideration, the Parties agree as follows:

1. Services to be Provided:

SCPPA engages Consultant to provide the services and related tasks (“Services”) outlined in Exhibit A. The Services performed and provided by Consultant shall be based upon the price terms listed in Exhibit B, provided that in no event shall the payments to Consultant exceed the designated maximum amount listed in Exhibit B.

2. **Consultant's Services and Personnel:**

- (a) Independent Contractor. Consultant is an independent contractor. Neither the Consultant nor the Consultant's employees or agents are employees of SCPPA or any Member and shall not be entitled to any employment benefits or rights afforded by SCPPA or Members to their employees, including, but not limited to, sick leave, vacation leave, paid leave, holiday pay, retirement benefits, worker's compensation, or other insurance benefits. Consultant hereby warrants that: (1) The Consultant and its employees and agents are free from the control and direction of SCPPA and its Members in connection with the performance of the Services, both under this contract and in fact, (2) The Consultant and its employees and agents perform work that is outside the usual course of SCPPA's business, and (3) the Consultant and its employees and agents performing Services under this Agreement are customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the Services to be performed under this Agreement. Consultant shall furnish the Services according to its own manner and methods except as required by applicable laws and this Agreement. Consultant shall have no authority, express or implied, to act on behalf of or bind SCPPA or Members to any obligation in any capacity whatsoever as agent or otherwise.
- (b) Subcontractors. Consultant may use the services of subcontractors to perform a portion of its obligations under this Agreement with the prior written approval of SCPPA. All subcontractors retained by Consultant shall be duly licensed as required by law. Subcontractors shall be provided with a copy of this Agreement and Consultant shall cause all subcontractors to comply with the same and agree in a separate writing to be bound by its terms. Consultant shall be the responsible party with respect to all actions of its subcontractors. Consultant's visit to and time spent at SCPPA, Member, or project site locations shall be subject to normal business hours, appropriate safety standards, and security requirements.
- (c) Prevailing Wages. Services by persons deemed to be employees of Consultant may be subject to prevailing wages under California Labor Code 1770 et seq. Consultant is solely responsible for compliance with prevailing wage requirements, where applicable.
- (d) Indemnity. Consultant shall indemnify, defend, and hold harmless SCPPA and Members, and their respective officers, employees, assigns, and successors in interest from and against any and all liability, claims, suits, demands, damages, fines, penalties, wages, costs or expenses pertaining to (i) prevailing wage laws and (ii) the payment of any employee and/or employer contributions for the California Public Employees Retirement System ("PERS") benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions which would otherwise be the responsibility of SCPPA or Members. This indemnification is intended to

supplement and is not intended to limit or exclude the application of the indemnification requirements provided in Section 8 hereof.

3. Standard of Care:

The Consultant will perform Services under this Agreement with the degree of skill and diligence normally practiced in the same industry by consultants performing the same or similar work. Consultant shall comply with all Federal, State, County, local and other governing laws, rules and regulations applicable to the performance of the Services under this Agreement, including but not limited to, equal opportunity practices, living wage ordinances, applicable business licenses, taxpayer protection acts (limiting gifts or campaign contributions), and assignment of antitrust causes of action. Consultant represents and warrants that it is appropriately licensed, qualified, and experienced to provide the Services. Consultant acknowledges that it may be subject to the requirements of the California Consumer Privacy Act (“CCPA”) and the California Privacy Rights Act and represents that all Services performed hereunder shall comply with such requirements where applicable. If requested, Consultant agrees to execute a non-disclosure agreement or other ancillary agreement to document Member-specific requirements for purposes of addressing CCPA, California Public Records Act (“CPRA”), California Privacy Rights Act, confidentiality and/or cybersecurity concerns.

4. Amendments:

Amendments to this Agreement must be in writing and signed by both Parties.

5. Payment:

SCPPA shall pay Consultant for Services in accordance with the terms of this Agreement. Consultant is not authorized to perform any Services or incur any costs whatsoever until: (1) a written purchase order providing authorization for the start of Services has been issued to the Consultant by the SCPPA designated representative. In addition, each invoice from Consultant shall include the following:

- a. A reference to the purchase order number issued by SCPPA for such Services to be performed under the Agreement and any other number assigned by SCPPA for invoices under this Agreement;
- b. The basis for the amount invoiced, including a description of the Services provided.

Consultant shall submit all invoices to SCPPA. Invoices delivered to SCPPA shall be sent to ap@scppa.org. Invoices received by SCPPA on or before the 15th day of a given month and subsequently approved on or before the 25th day of the same month, shall be paid by SCPPA before the end of the following month. All other properly invoiced amounts shall be paid not more than sixty (60) calendar days after delivery of an invoice. SCPPA shall inform Consultant of any disputed invoice amounts within thirty (30) calendar days of receipt of the invoice by

SCPPA. SCPPA may withhold payment of such disputed amounts until both Parties have reached agreement on the proper amount of the invoice.

6. Taxes:

All taxes imposed on Consultant's income, imposed, or assessed by reason of this Agreement or its performance, including but not limited to sales or use taxes, shall be paid by Consultant. Consultant shall be responsible for any taxes or penalties assessed by reason of any claims that Consultant is an employee of SCPPA.

7. Audit:

During the Agreement's term and for a period of four years after the termination or expiration of the Agreement, Consultant shall (a) maintain all records, books, papers, or documents related to Consultant's performance of the Agreement ("Records"); and (b) provide SCPPA or its representatives, at all reasonable times, the right to examine, excerpt, photocopy, photograph, or transcribe such Records, including but not limited to direct and indirect charges and detailed documentation for Services that Consultant has performed or will perform under the Agreement.

8. Indemnity:

To the maximum extent permitted by law, Consultant shall defend, indemnify, and hold harmless SCPPA and Members and their respective officers, employees, assigns and successors in interest (collectively, "Indemnified Parties") from and against any and all suits and causes of action, claims, charges, damages, demands, judgments, civil fines and penalties, or losses of any kind or nature whatsoever, whether actual or alleged, arising out of, or incident to, the performance of Services under this Agreement ("Claims"), excluding only those Claims arising from the gross negligence or willful misconduct of Indemnified Parties. Consultant shall promptly notify SCPPA of any Claim(s) against the Consultant or any of Consultant's directors, employees, subcontractors of any tier, or agents, arising out of or related to Services being performed under this Agreement.

9. Intellectual Property Infringement:

Consultant shall defend, indemnify, and hold harmless SCPPA from and against any loss, cost, and expense that SCPPA incurs because of a claim that any deliverables, materials, software, or hardware or equipment (hereinafter "Product") provided pursuant to this Agreement infringes on the intellectual property rights of others. Consultant's indemnification obligation under this Section 9 is conditioned on the following: (i) SCPPA must notify Consultant of any such claim and (ii) the claim must not arise from modifications to or misuse of the Product by SCPPA. In the event of an infringement claim, Consultant, at its sole option and expense, may (A) retake title and possession of the Product and refund all compensation paid by SCPPA, or (B) obtain for SCPPA the right to continue using the Product under the terms of this Agreement as was being used prior to the infringement claim; or (C) replace for SCPPA the Product with

another that is substantially equivalent in function, or modify the Product so that it becomes non-infringing and substantially equivalent in function. Consultant's election in response to an infringement claim as described in this Section 9 shall not result in any additional costs or liability to SCPPA.

10. Insurance:

Consultant shall at its sole cost and expense procure, provide, and maintain, and shall require each subcontractor (regardless of tier) to provide and maintain, in effect during the performance of any Services under this Agreement, and with respect to subparagraphs (d) and (e) below, the period of time specified therein, insurance coverage with carriers reasonably satisfactory to SCPPA, as follows:

- (a) Workers' Compensation insurance in accordance with statutory limits, as required by the state in which the services are to be performed, including a waiver of subrogation favoring SCPPA, and Employer's Liability insurance with limits of not less than one million dollars (\$1,000,000) each employee for accident, \$1,000,000 each employee for disease, and \$1,000,000 policy limit for disease.
- (b) Commercial General Liability insurance providing coverage for bodily injury, property damage, personal injury, advertising liability, blanket contractual liability, Consultant's obligations under this Agreement, products and completed operations, and coverage for independent contractors with limits of not less than one million dollars (\$1,000,000) for each occurrence. Such policy shall cover SCPPA as an additional insured, include a severability of interest provision, and be primary and not contributory with respect to any insurance carried by SCPPA.
- (c) Commercial Automobile Liability insurance providing coverage for all owned, non-owned, and hired automobiles used by Consultant in the performance of the Services with a combined single limit of not less than one million dollars (\$1,000,000) for each occurrence of bodily injury and property damage.
- (d) Errors & Omissions/Professional Liability insurance, including coverage for liability arising from intellectual property infringement, information technology and software development services, with limits of one million dollars (\$1,000,000) per claim and in the aggregate. The policy must be kept in force during the life of the contract and for three years (either as a policy in force with "prior acts" coverage covering the Agreement's term, or under an extended reporting provision) after contract termination.
- (e) Cyber Security Coverage including technology / professional liability insurance, intellectual property infringement, and data protection liability insurance. Consultant shall procure and maintain coverage for cyber liabilities and financial loss resulting or arising

from acts, errors, or omissions, in connection with data maintenance, hosting, software development and other information technology services provided under this agreement. Coverage shall include protection for liability arising from:

1. intellectual property infringement arising out of software and/or content (excluding patent infringement and misappropriation of trade secrets);
2. breaches of security;
3. violation or infringement of any right, privacy, breach of federal, state, or foreign security and/or privacy laws or regulations; and,
4. data theft, damage, destruction, or corruption, including without limitation, unauthorized access, unauthorized use, identity theft, theft of personally identifiable information or confidential corporate information, transmission of a computer virus or other type of malicious code; and participation in a denial of service attack on a third party.

The minimum limits shall be three million dollars (\$3,000,000) for each claim and in the aggregate.

Such insurance must address all of the foregoing without limitation if caused by an employee of the Consultant or an independent contractor working on behalf of the Consultant in performing Services under this contract. Policy must provide coverage for wrongful acts, claims, and lawsuits anywhere in the world. The policy must be kept in force during the life of the contract and for three years (either as a policy in force with “prior acts” coverage covering the Agreement’s term, or under an extended reporting provision) after contract termination.

- (f) All required policies shall provide not less than thirty (30) calendar day notice of cancellation to SCPPA.

The insurance to be provided by Consultant under this Agreement shall not include any of the following: except for Professional Liability Insurance, any claims-made insurance policies; any self-insured retention or deductible amount greater than two hundred fifty thousand dollars (\$250,000) unless approved in writing by SCPPA; any endorsement limiting coverage available to SCPPA that is otherwise required by this Section 10; and any policy or endorsement language that (i) negates coverage to SCPPA for SCPPA’s own negligence; (ii) limits the duty to defend SCPPA under the policy; (iii) provides coverage to SCPPA only if Consultant is negligent, or (iv) permits the recovery of defense costs from any additional insured. The insurance provided under this Agreement shall not contain any restrictions or limitations which are inconsistent with SCPPA’s or the rights under this Agreement.

Consultant shall furnish SCPPA proof of all specified insurance evidencing the required coverages prior to commencement of Services under this Agreement. Consultant shall provide SCPPA a new or renewed certificate of insurance upon any changes or modifications to coverage including any extension or renewal of required insurance coverage; provided that any

changes or modifications to coverage shall be consistent with the requirements of this Agreement.

The insurance requirements set forth in this Section 10 are separate and independent from the indemnification and defense provisions of this Agreement. The insurance provisions do not limit the applicability, scope, or obligations of indemnification and defense obligations of this Agreement, and this Agreement's indemnification and defense obligations do not limit the insurance coverage requirements of this Agreement.

11. Term and Termination; Survival:

- (a) The term of this Agreement shall be three (3) years from the date hereof at which time it shall either expire or be extended by written agreement of the Parties for one (1) or more additional terms totaling no more than three (3) years, unless sooner terminated in accordance with this Section 11.

- (b) Either Party may terminate this Agreement, with or without cause, upon thirty (30) calendar days' written notice to the other Party. Upon such termination, (i) Consultant shall reimburse SCPPA for all payments made by SCPPA for Services not yet completed and supplied, or (ii) if outstanding payments are owed to Consultant, SCPPA shall pay Consultant for all Services satisfactorily performed and supplied in accordance with this Agreement up to the date of termination.

- (c) Termination for Conflicts of Interest. Consultant confirms that it understands the conflicts of interest codes and requirements applicable to its profession, as well as the requirements of California Government Code Section 1090, et seq. and Section 87100, et seq. Consultant represents and certifies that it is unaware of any conflict of interest relating to this Agreement and that SCPPA, its Members, and their respective officers, agents, employees, representatives, and elected and appointed officials do not, and will not, have any indirect or indirect financial interest in this Agreement. Consultant will immediately inform SCPPA about any conflict of interest that may arise as a result of any change in circumstances. Notwithstanding any other provision of this Agreement, it is further understood and agreed that if such conflict of interest does exist or develop, SCPPA may immediately terminate this Agreement by giving Consultant written notice thereof.

- (d) Survival. Any rights or obligations pursuant to Sections 2(d) 3, 5-12, 14, 17-19 shall survive the termination or expiration of this Agreement.

12. Use and Ownership of Work Product:

- (a) As used in this agreement, the term "Work Product" means any and all deliverables or

materials fixed in a tangible medium of expression, including software code, written procedures, written documents, abstracts, and summaries thereof, or any portions or components of the foregoing created, written, developed, conceived, perfected, or designed in connections with the Services provided under this Agreement.

(b) SCPPA shall retain all rights, title, and interest in and to the Work Product, including all intellectual property rights therein and any and all enhancements, improvements, and derivative works thereof, and Consultant obtains no rights therein.

13. Information Provided by Others:

To the extent reasonably available to SCPPA, and not otherwise subject to any confidentiality requirement, SCPPA, upon Consultant's request, shall provide to the Consultant in a timely manner any information reasonably needed to perform the Services hereunder. Consultant may rely on the accuracy of information provided by SCPPA. Any Customer Data (as defined in Section 13 herein) furnished to Consultant by SCPPA shall be deemed Confidential Information subject to Section 14 of this Agreement.

14. Confidential Information:

As used herein, "Customer Data" shall mean any and all data that describes anything whatsoever about an individual customer of a Member, such as address, employment, contact information, usage history, financial transactions and/or credit history, or that affords a clear basis for inferring things done by or to an individual or entity such as a record of a person's presence in a place, or requests for temporary changes in service. "Customer Responses" shall be all information or opinion collected or gathered from an individual customer of a Member, either verbally, in writing, or electronically.

Either Party (as to information disclosed, the "Disclosing Party") may provide the other (as to information received, the "Receiving Party") with information in connection with this Agreement that it may deem to be "Confidential Information" as defined herein. Confidential Information shall mean any and all: (1) Customer Data provided by SCPPA or any Member to Consultant or any of Consultant's subcontractors; (2) Customer Responses collected by Consultant or any of Consultant's subcontractors from customers of any Members; and (3) any information provided to one Party from another that is labeled and/or marked confidential. Receiving Party agrees: (a) to use or reproduce the Confidential Information only as necessary to realize the benefits of or perform its obligations under this Agreement and for no other purpose, (b) to take reasonable measures to prevent disclosure of the Confidential Information to third parties, and (c) not to disclose the Confidential Information to a competitor of Disclosing Party.

Notwithstanding the foregoing, Confidential Information does not include information which (i) at the time of disclosure is within the public domain through no breach of this Agreement by either Party; (ii) has been known or independently developed by and is currently in the possession of recipient prior to disclosure or receipt thereof; (iii) was or is acquired by recipient from a third party (other than from a Member or from a Member customer contacted by Consultant in the course of performance of this Agreement) or (iv) disclosed pursuant to a legal requirement or order. The recipient may disclose the Confidential Information on a need-to-know basis to its contractors, agents and affiliates who agree to confidentiality and non-use terms that are substantially similar to these terms.

In the case of a *bona fide* request received by SCPPA under the California Public Records Act (“CPRA,”) Cal. Gov’t Code § 7920.000 et seq.) from a third party for access to Consultant’s Confidential Information subject to this Agreement, or as may otherwise be required by the California Ralph M. Brown Act (“Brown Act”) (California Government Code §§ 54950 et. seq.), SCPPA shall notify Consultant of such request and shall seek to follow Consultant’s reasonable instructions in responding thereto subject to the understanding that SCPPA cannot delegate the responsibilities imposed on it by the CPRA or Brown Act to Consultant. SCPPA’s responsibilities under both the CPRA and Brown Act shall be determined in the sole discretion of SCPPA. In the event access to such Confidential Information is denied and the third party requesting the same initiates litigation to compel access under the CPRA, SCPPA shall promptly advise Consultant of such litigation, and SCPPA shall have no other duty or obligation to Consultant under this Agreement with respect to the denial of access to such Confidential Information or to oppose or defend any such litigation. Consultant, at its own cost and expense, shall indemnify, defend, and hold SCPPA free and harmless from such litigation or any claim, suit, cost, expense, attorneys’ fees, judgment, or order related thereto or otherwise arising from the denial of access to Consultant’s Confidential Information to said third party.

If Consultant is requested or required, pursuant to any order, rule, ruling, discovery request, subpoena, civil investigation or similar process to disclose any of SCPPA’s or Members’ Confidential Information, Consultant shall provide prompt written notice to each of SCPPA and the affected Members of such request or requirement so that SCPPA and the affected Members may, at their own expense, seek a protective order or other appropriate remedy concerning such disclosure.

Confidential Information must be kept in a secure location. Consultant shall implement and maintain reasonable security procedures and practices appropriate to the nature of the information to protect the personal information from unauthorized access, destruction, use, modification, or disclosure. Consultant shall, when directed by SCPPA, create aggregated data derived from Confidential Information in such a way that individual customer responses or data cannot be determined. Consultant shall retain the Confidential Information only so long

as it is necessary to perform Consultant's tasks under the Agreement, and after such time, the Confidential Information shall be returned to SCPPA or at SCPPA's written request, destroyed, and Consultant shall retain no copies of the Confidential Information. Under no circumstance may Consultant, or its officers, employees, subcontractors, or agents use Confidential Information of SCPPA or its Members for any commercial purpose not related to the primary purpose of this Agreement.

Consultant shall be responsible for ensuring that any subcontractors used to provide Services that have access to Confidential Information or who shall collect Customer Responses comply with the provisions of this Section 13.

Notwithstanding these restrictions, only where permitted by law, including as limited by Section 1798.98 of the California Civil Code and Section 8381 of the California Public Utilities Code, (a) Consultant may disclose Confidential Information to its affiliates and subcontractors to the limited extent necessary for the performance of the Agreement, (b) a Receiving Party may disclose Confidential Information to its auditors, (c) SCPPA may disclose Confidential Information to Members, and (d) a Receiving Party may disclose Confidential Information to any other third party with the prior written permission of Disclosing Party, and in each case, only so long as the Receiving Party obtains a non-disclosure commitment from any such subcontractors, auditors, lenders or other permitted third party that prohibits disclosure of the Confidential Information and provided further that the Receiving Party remains responsible for any unauthorized use or disclosure of the Confidential Information. Each Disclosing Party warrants that it has the right to disclose the information that it discloses.

15. Dispute Resolution:

In the event of a dispute between the Parties either Party may deliver to the other Party a notice of dispute with a detailed description of the underlying circumstances for the dispute. The dispute notice shall include a schedule of availability of the notifying Party's officers having a title of senior vice president or equivalent or higher duly authorized to settle the dispute during the thirty (30) calendar day period following delivery of the dispute notice. The recipient Party shall, within five (5) business days of receipt of the dispute notice, provide to the notifying Party a parallel schedule of availability of its officers having a title of senior vice president or equivalent or higher duly authorized to settle the dispute. The senior officers of the Parties shall meet and confer as often as reasonably necessary during the thirty (30) day period in good faith negotiations to resolve the dispute. In the event the dispute is not resolved within the thirty (30) calendar day period then either Party may pursue any legal remedy available to it; provided further, however, nothing herein shall prohibit either Party from pursuing temporary, injunctive, or equitable relief during this thirty (30) calendar day period.

16. Representatives:

SCPPA’s representative for administration of this Agreement:
[fill in], (626) 793-9364, and e-mail address is [fill in]. All questions to SCPPA pertaining to this Agreement shall be referred to the person named above.

Consultant’s representative for this Agreement:
[fill in], [telephone number], and [e-mail address is].
All questions to Consultant pertaining to this Agreement shall be referred to the person named above.

The representatives set forth herein shall have authority to give all notices required herein.

17. Notices:

Notices, requests, demands and other communications made pursuant to this Agreement shall be deemed given only if in writing signed by an authorized representative of the sender and delivered by first class mail, electronic mail, or by a courier or service guaranteeing overnight delivery to the receiving party, addressed as follows:

To SCPPA:

Executive Director
1160 Nicole Court
Glendora, CA 91740
ExecutiveDirector@scppa.org

To Consultant:

[fill in name]
[Title]
Street Address
City, State Zip
XXX@YYY.com-net-org-gov

Either party may change its contact information for the purposes of this Agreement by giving written notice of such change to the other party in the manner provided in this Section.

Notice shall be deemed effective: 1) immediately, upon personal delivery or upon transmission by electronic mail accompanied by a telephone call to the intended recipient; 2) one (1) calendar day after transmission by electronic mail not accompanied by a telephone call; 3) five (5) calendar days after deposit in first class mail, if mailed within the United States; and 4) ten (10) calendar days after deposit in the mail, if mailed from outside the United States.

18. Miscellaneous:

(a) Assignment – This Agreement is binding upon and shall inure to the benefit of SCPPA and Consultant and their respective successors and assigns. Neither Party may assign its rights or obligations hereunder without the prior written consent of the other Party; provided, however, that either Party may assign this Agreement to a successor of the Party’s entire business relating to this Agreement.

(b) Integration; Conflicts – This Agreement, including Exhibits hereto, contains the entire

agreement between the Parties and supersedes all prior negotiations, representations, or agreements, whether written or oral. In the event of any conflict between the terms of this Agreement and the Exhibits hereto, or purchase order issued hereunder, the order of precedence shall be (1) the Agreement; (2) the Exhibits; and (3) any purchase order issued hereunder, with the Agreement having the highest precedence.

- (c) Waiver – The failure to enforce any terms of this Agreement or the waiver of any breach of this Agreement shall not constitute a waiver of any other breach or a relinquishment of right to enforce the same or any other provision of this Agreement.
- (d) Severability – If any provision of this Agreement is rendered invalid or unenforceable under any circumstance, the remainder of this Agreement shall continue to be in full force and effect and the provision declared invalid or unenforceable shall continue to be in full force and effect as to other circumstances in accordance with the laws of the State of California.
- (e) Governing Law – This Agreement is entered into in Los Angeles County in the State of California and shall be governed by, and construed in accordance with, the laws of the State of California.
- (f) Venue – All litigation arising out of, or relating to this Agreement, shall be brought in a state or federal court in the County of Los Angeles in the State of California, and both Parties waive any defense of forum non conveniens.

19. Execution in Counterparts, Electronic Signatures and Document Transmission:

This Agreement may be executed in counterparts, and, upon execution by each signatory, each executed counterpart shall have the same force and effect as an original instrument and as if all signatories had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signature thereon, and may be attached to another counterpart of this Agreement identical in form hereto by having attached to it one or more signature pages.

The Parties may execute this Agreement by manual signature or by electronic signature, each of which shall have the same force and effect. A signed copy of this Agreement transmitted by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement for all purposes, to the extent provided under applicable law, including California's Uniform Electronic Transactions Act.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first written above.

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

By: _____

DANIEL E GARCIA
Executive Director

Approved as to Legal Form:

CHRISTINE GODINEZ [ARMANDO
ARBALLO] General Counsel
[Assistant General Counsel]

[LEGAL ENTITY NAME]

By: _____

[PRINTED NAME IN CAPS]
[Printed Title]

EXHIBIT A

SCOPE OF SERVICES TO BE PROVIDED UNDER THIS AGREEMENT

Services not expressly set forth in this Exhibit A are excluded.

[To Be Completed]

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

[To Be Completed]

In no event shall SCPPA's payment obligations to Consultant for all Services performed or for any other reason exceed **[INSERT DOLLAR AMOUNT (the "Not to Exceed Amount")]**. Consultant shall provide notice to SCPPA prior to reaching the Not to Exceed Amount. Any Services provided by Consultant in excess of this authorization, and without prior execution of an amendment hereto by the Parties, shall be at Consultant's sole risk and without payment. For avoidance of doubt SCPPA shall not be liable for any unauthorized excess billings whatsoever.

All travel must be preapproved in writing by SCPPA. As a public agency, SCPPA shall not reimburse Consultant for travel, food, and related costs in excess of those permitted by the Internal Revenue Service.