SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY
NOTICE OF REGULAR MEETING
Board of Directors

NOTICE IS HEREBY GIVEN by the undersigned, as the Executive Director of the Southern California Public Power Authority, that a regular meeting of the Board of Directors is to be held as follows:

Thursday, September 17, 2026

10:00 AM

Southern California Public Power Authority

1160 Nicole Court

Glendora, CA 91740

Any writings or documents provided to the Board of Directors regarding any item on this agenda subsequent to distribution of the agenda packet will be made available for public inspection at SCPPA's Office set forth above, during normal business hours. Members of the public may participate in the meeting in person or via teleconferencing and may also view any documents made available during the meeting, using the following information:

Call	Meeting
Call-In Number: 888-788-0099	Zoom: Join Meeting
Meeting ID: 923 7238 1802	Meeting Materials: Access Here
Passcode: 914368	

SCPPA, upon request, will provide reasonable accommodation to the disabled to ensure equal access to its meetings. To ensure availability, such request should be made 72 hours in advance of the Meeting by contacting the Authority at (626) 793-9364 or administration@scppa.org during business hours.

The following matters are the business to be transacted and considered by the Board of Directors:

1. **NOTICE / AGENDA AND OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD**
   Members of the public may address the Board at this time on any item on today's agenda or any other item that is within the subject matter jurisdiction of the Board. Comments from members of the public shall be limited to three (3) minutes unless additional time is approved by the Board. Any member of the Board may request that items on the agenda be taken out of order, or that items be added to the agenda pursuant to the provisions of Section 54954.2(b) of the California Government Code.

2. **EXECUTIVE DIRECTOR REPORT**
   The Executive Director will report on the activities of the Authority since the last Board Meeting.

3. **CONSENT CALENDAR**
   All matters listed under the Consent Calendar are considered to be routine and will all be enacted by one motion. There will be no separate discussion of these items prior to the time the Board votes on the motion, unless one or more Board members, staff, or a member of the public requests that specific items be discussed and/or removed for separate discussion or action.

   A. Minutes of the Board of Directors Meeting
   - Regular Meeting Minutes: August 20, 2026

   B. Receive and File:
   1. Finance Committee Meeting Minutes: August 3, 2026
   2. Monthly Investment Report: July 2026
   3. SCPPA A&G Budget Comparison Report: July 2026
   4. Quarterly Renewables Report
   5. Working Group Update: September 2026
   6. Magnolia Power Project Operations Report: August 2026
   7. Palo Verde Nuclear Generating Station Status Report: July 2026
   8. Federal Legislative Report: August 2026

   C. Resolution 2026-095
   Approve Amendment No. 5 to Master Professional Services Agreement for Energy Efficiency Audits and Direct Installation Services with Eagle Systems International, Inc. DBA Synergy Companies, to Extend the Term of the Agreement to January 21, 2027

4. **CHIEF FINANCIAL & ADMINISTRATIVE OFFICER**

   A. Resolution 2026-096
   Authorizing Preparation of All Documents Necessary or Appropriate to Sell and Issue Renewable Energy Prepayment Bonds, Proceeds of which will be used to Finance Prepayments for the Purchase of Supplies of Renewable Energy for the Benefit of the City of Pasadena; and Authorizing Related Actions

   B. Presentation Regarding SCPPA Training Program

5. **ASSET MANAGEMENT REPORT**

   A. Resolution 2026-097
   Authorizing Execution of a WSPP Confirmation Agreement with Tenaska Power Services, Co. for the Sale of Certain Environmental Attributes Associated with Geothermal Projects Located in the State of Nevada

6. **PROGRAM DEVELOPMENT REPORT**

   A. Resolution 2026-098
   Award and Authorize Execution of a Master Professional Services Agreement to The Cadmus Group LLC for Consulting Services Related to Energy Efficiency and Demand Response Programs and Electric Utility Fleet Electrification; Providing for Additional Contributions to the Authority's Revolving General Fund, and Authorizing Certain Related Action

7. **GOVERNMENT AFFAIRS REPORT**

The Director of Government Affairs will report on regional, state, and/or federal legislative and regulatory activities affecting Southern California public power utilities, including climate change, air quality, wildfire mitigation, renewable energy and traditional energy resources, transportation and building electrification, alternative energy supplies, resource planning, market and utility operations, and joint powers agreements.

A. **State Legislative Update Including Wildfire Reform and Other End of Session Actions**
B. **August California Energy Commission Tour Recap**

8. **BOARD MEMBER COMMENTS**

A. **Opportunity for Board Members to bring up informational items or request that an item be added to a future Board Agenda.**

9. **ADJOURNMENT**

Signed by:
DAE0F3A6ECDE496...

Daniel E Garcia
Executive Director
Southern California Public Power Authority

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

A regular meeting of the Board of Directors was held on ***August 20, 2026,*** *at Southern California Public Power Authority*, 1160 Nicole Court, Glendora, CA 91740.

The meeting was called to order at **10:00 AM** by the Board President, Mandip Samra. Daniel E Garcia, Executive Director, went through the emergency safety protocols for the in-person meeting participants. Ms. Samra went through the web conference protocol. Salpi Ortiz took attendance.

The following Board Members (B) or Alternates (A) were present:

Anaheim: Brian Beelner (B)
Azusa: Tikan Singh (B)
Banning: Fred Lyn (B)
Burbank: Mandip Samra (B)
Cerritos: Sergio Huizar (A)
Colton: Thomas Miller (B)
IID: Sabrina Barber (A)
Glendale: Scott Mellon (B)
LADWP: Ashkan Nassiri (A)
Pasadena: David Reyes (B), Kelly Nguyen (A)
Riverside: Scott Lesch (A)
Vernon: Todd Dusenberry (B)

1. **NOTICE/AGENDA AND OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD**
   Ms. Samra noted that the meeting was noticed and posted as required under the Brown Act. He invited public comment on any items on the agenda. There were no public comments.

2. **EXECUTIVE DIRECTOR REPORT**
   Mr. Garcia announced that registration is now open for the two-day Annual Conference. He noted that Salpi Ortiz sent an email to the Board with information to assist with the registration process. Early registration is encouraged to support conference planning efforts. The goal is to have 300 attendees.

3. **CONSENT CALENDAR**
   A. Minutes of the Board of Directors Meeting
      - Regular Meeting Minutes: July 16, 2026

   B. Receive and File:
      1. Finance Committee Meeting Minutes: July 13, 2026
      2. Monthly Investment Report: June 2026

3. Quarterly Investment Report: June 2026
4. SCPPA A&G Budget Comparison Report: Preliminary June 2026
5. Working Group Update: July 2026
6. Magnolia Power Project Operations Report: July 2026
7. Palo Verde Nuclear Generating Station Status Report: June 2026
8. Federal Legislative Report: July 2026

C. Resolution 2026-091

Providing Authorization to Executive Director to Execute Agreements to Implement Southern California Public Power Authority's Annual Conferences and Authorizing Certain Related Action

Moved by: Tom Miller, *Colton Electric Utility*
Seconded: Ashkan Nassiri, *Los Angeles Department of Water & Power*

Ms. Ortiz took a Roll Call vote:

	Yes	***No***	***Present, Not Voting***	***Absent***
Anaheim	***X***			
Azusa	***X***			
Banning	***X***			
Burbank	***X***			
Cerritos	***X***			
Colton	***X***			
Glendale	***X***			
IID	***X***			
LADWP	***X***			
Pasadena	***X***			
Riverside	***X***			
Vernon	***X***			

Kelly Nguyen, Alternate, voted for Pasadena Water & Power on this item.

4. ASSET MANAGEMENT REPORT

A. Resolution 2026-092

Amendment No. 1 to Tieton Hydropower Project Budget

Charles Guss, Senior Asset Manager, presented Resolution 2026-092 to the Board for consideration and approval.

Moved by: Mandip Samra, *Burbank Water & Power*
Seconded: Sabrina Barber, *Imperial Irrigation District*

Ms. Ortiz took a Roll Call vote:

	Yes	*No*	*Present, Not Voting*	*Absent*
Anaheim	***X***			
Azusa	***X***			
Banning	***X***			
Burbank	***X***			
Cerritos	***X***			
Colton	***X***			
Glendale	***X***			
IID	***X***			
LADWP	***X***			
Pasadena	***X***			
Riverside	***X***			
Vernon	***X***			

Kelly Nguyen, Alternate, voted for Pasadena Water & Power on this item. David Reyes, Board Member for Pasadena Water & Power, arrived after this item and voted on remainder of Agenda items on behalf of Pasadena.

B. Resolution 2026-093

Authorizing a Pseudo-Tie Arrangement Relating to the Authority's share of the Arizona Nuclear Power Project Generation through a Dynamic Transfer Balancing Authority Operating Agreement between Arizona Public Service Company and the City of Los Angeles by and through the Los Angeles Department of Water & Power; Authorizing Certain Related Action; Finding Such Action Exempt from California Environmental Quality Act.

Mr. Guss presented Resolution 2026-093 to the Board for consideration and approval and responded to questions from the Board.

Moved by: Ashkan Nassiri, *Los Angeles Department of Water & Power*

Seconded: Margie Otto, *Vernon Public Utilities*

Ms. Ortiz took a Roll Call vote:

	Yes	***No***	***Present, Not Voting***	***Absent***
Anaheim	***X***			
Azusa	***X***			
Banning	***X***			
Burbank			***Abstained***	
Cerritos	***X***			
Colton	***X***			
Glendale	***X***			
IID	***X***			
LADWP	***X***			
Pasadena	***X***			
Riverside	***X***			
Vernon	***X***			

5. PROGRAM DEVELOPMENT REPORT

A. Resolution 2026-094

Authorizing the Executive Director to Execute Amendment No. 2 to the Master Goods and Services Agreement with Resource Innovations, Inc. for Energy Efficiency-Related Services and Products and Authorizing Certain Related Action

Brandon Czworniak, Senior Utility Analyst presented Resolution 2026-094 to the Board for consideration and approval.

Moved by: Tikan Singh, *Azusa Light & Water*
Seconded: Mandip Samra, *Burbank Water & Power*

Ms. Ortiz took a Roll Call vote:

	Yes	***No***	***Present, Not Voting***	***Absent***
Anaheim	***X***			

Azusa	***X***			
Banning	***X***			
Burbank	***X***			
Cerritos	***X***			
Colton	***X***			
Glendale	***X***			
IID	***X***			
LADWP	***X***			
Pasadena	***X***			
Riverside	***X***			
Vernon	***X***			

David Reyes, Board Member, Pasadena Water & Power voted on this item.

6. **PROJECT DEVELOPMENT REPORT**
   A. **Project Development Update Regarding Requests for Proposals for Renewable Energy and Storage Projects**

John Quan, Principal Utility Analyst, presented an update on Request for Proposals for Renewable Energy and Storage Projects. Mr. Quan answered questions from the Board of Directors.

7. **GOVERNMENT AFFAIRS REPORT**
   A. **State Regulatory Update Including Advanced Clean Fleets**
      Elisabeth de Jong, Government Affairs Manager, provided a state regulatory update on Advanced Clean Fleets and responded to comments from the Board.
   B. **State Legislative Update Including Wildfire Reform and Other End of Session Actions**
      Natalie Seitzman presented a State Legislative Update including Wildfire Reform and other End of Session Actions, including a balcony solar bill, and responded to questions and comments from the Board.
   C. **Federal Update Including Nuclear Waste Policy**
      Mario De Bernardo, Government Affairs Director, presented a federal issues update including Nuclear Waste Policy.
   D. **SCPPA Advocacy Events, Including the 2026 SCPPA Policy Staff Tour Recap and August California Energy Commission Tour**
      Mr. De Bernardo provided an update on SCPPA advocacy events, including the 2026 Policy Staff Tour and the August California Energy Commission Tour. Mr. De Bernardo

thanked the Board for its support of the Policy Staff Tour and noted that the tour was a success. He shared positive feedback from participating staff members, who commended SCPPA for providing an informative and educational experience. Mr. De Bernardo also reminded the Board of the upcoming California Energy Commission Tour scheduled for August 27.

7. BOARD MEMBER COMMENTS

A. Opportunity for Board Members to bring up informational items or request that an item be added to a future Board Agenda.

Ms. Samra, Board President shared that on September 8th and 9th the Department of Energy will be visiting Burbank and invited SCPPA members to join. Ms. Samra also offered to serve as an extra utility stakeholder for SCPPA members, if desired, as part of their Integrated Resource Planning processes. Margie Otto, Alternate, Vernon Public Utilities, commended the SCPPA team for a very productive Policy Tour.

8. ADJOURNMENT

The meeting was adjourned at 11:31 a.m.

Respectfully Submitted,

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Daniel E Garcia
Executive Director

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY
1160 NICOLE COURT
GLENDORA, CA 91740
(626) 793-9364 – FAX: (626) 793-9461
WWW.SCPPA.ORG

MINUTES OF THE REGULAR MEETING OF THE FINANCE COMMITTEE OF SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

The meeting of the Finance Committee was held on **August 3, 2026**, at the SCPPA Glendora office and by teleconference from Imperial Irrigation District. The meeting commenced at 10:30 A.M. and adjourned at 11:00 A.M.

Mr. Lillio (Committee Chair) took attendance. **Committee members/Alternate Committee members present for the Finance Committee Meeting were:** Daniel Smith *(Azusa)*; Jim Steffens (*Banning*); Joseph Lillio *(Burbank)*; Kinda Salloum *(Colton)*; Adrine Isayan *(Glendale)*; Belen Valenzuela *(IID-Teleconference)*; John Equina *(LADWP)*; Lynne Chaimowitz *(Pasadena);* and Brian Seinturier *(Riverside).*

Others attendees were: Victor Hsu *(Norton Rose Fulbright*); Mike Berwanger, Louise Houghton and Jim Carbone (*PFM Financial Advisors-Teleconference*); Grace Mao and Francisco Olivares-Ortiz *(LADWP/SCPPA-LA);* Houbert Yousef and Leriza Flores (*LADWP/SCPPA-LA-Teleconference);* Daniel Garcia, Aileen Ma, Charles Guss, Christine Godinez and Anna Mendoza *(SCPPA)*; Arsineh Aghasian, Brian Leung and Luis Castaneda *(SCPPA-Teleconference);* Herman Leung *(Pasadena-Teleconference);* Claudia Huerta *(Riverside-Teleconference)*.

1. Opportunity for the Public to Address the Committee

Mr. Lillio invited any members of the public to provide comments. No public comments were made.

2. Consent Calendar

Mr. Lillio presented the Consent Calendar to the Committee for consideration. The Committee recommended forwarding the following reports to the Board of Directors (Board) for receipt and filing.

A. Minutes of the July 13, 2026 Finance Committee meeting

Moved By: Lynne Chaimowitz
Seconded By: Jim Steffens

The following roll call vote was taken:

	Yes	No	Present, Not Voting	Absent
Anaheim				X
Azusa	X			
Banning	X			
Burbank	X			
Colton	X			
Glendale	X			
IID			X	
LADWP	X			
Pasadena	X			
Riverside	X			
Vernon				X

3. **Investment Reports**

Grace Mao, LADWP/SCPPA-LA Manager of Finance, presented the Monthly and Quarterly Investment Reports for the period ended June 30, 2026, to the Committee for review and consideration. The Committee recommended forwarding the reports to the Board for receipt and filing.

Moved By: Lynne Chaimowitz
Seconded By: Adrine Isayan

The following roll call vote was taken:

	Yes	No	Present, Not Voting	Absent
Anaheim				X
Azusa	X			
Banning	X			
Burbank	X			
Colton	X			
Glendale	X			
IID			X	
LADWP	X			
Pasadena	X			
Riverside	X			
Vernon				X

4. **Administrative & General Expense Budget Comparison Report**

Anna Mendoza, SCPPA Senior Utility Analyst, presented the preliminary A&G Budget Comparison Report for the fiscal year ended June 30, 2026, to the Committee for review and consideration. The Committee recommended forwarding the report to the Board for receipt and filing.

Moved By: Daniel Smith
Seconded By: Brian Seinturier

The following roll call vote was taken:

	Yes	No	Present, Not Voting	Absent
Anaheim				X
Azusa	X			
Banning	X			
Burbank	X			
Colton	X			
Glendale	X			
IID	X			
LADWP	X			
Pasadena	X			
Riverside	X			
Vernon				X

5. **Tieton Hydropower Project Fiscal Year 2026-27 Budget Revision**

Charles Guss, SCPPA Senior Asset Manager, presented the revised project budget for the Tieton Hydropower Project for fiscal year 2026-27 to the Committee for review and consideration. The Committee recommended forwarding the project budget to the Board for approval. Project Vote with Burbank and Glendale as the project participants.

Moved By: Adrine Isayan
Seconded By: Joseph Lillio

The following roll call vote was taken:

	Yes	No	Present, Not Voting	Absent
Anaheim				X
Azusa	X			
Banning	X			
Burbank	X			

Colton	X			
Glendale	X			
IID	X			
LADWP	X			
Pasadena	X			
Riverside	X			
Vernon				X

6. Mead-Adelanto Project Right-of-Way Fee

Mr. Guss provided the Committee with information regarding an increase in the Right-of-Way (ROW) fee assessed by the Bureau of Land Management (BLM) for the Mead-Adelanto Project and responded to questions from the Committee.

7. Geothermal and/other Renewable Energy Prepayment

Ms. Ma provided the Committee with an update on the proposed financing of the new geothermal and/or other renewable energy prepayment on behalf of LADWP. The transaction documents are continued to be worked on by the financing team.

8. Market and Variable Rate Demand Obligation (VRDO) Update

Mike Berwanger, PFM, provided the Committee with a market update and VRDO status report.

9. Unsolicited Proposals

Mr. Berwanger provided a brief summary of the unsolicited proposals received.

10. Committee Member and Staff Comments

Mr. Lillio opened the item for comments and announced that, in observance of the Labor Day holiday on September 7, 2026, there will be no Committee meeting on that day. The Committee supported rescheduling the next meeting to Monday, September 14, 2026. Ms. Ma informed the Committee of the upcoming SCPPA Annual Conference scheduled for on October 21-22, 2026.

THE NEXT FINANCE COMMITTEE MEETING
WILL BE SEPTEMBER 14, 2026.

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

August 31, 2026

Mr. Daniel E Garcia
Executive Director
Southern California Public Power Authority
1160 Nicole Court
Glendora, California 91740

Dear Mr. Garcia:

Enclosed is the ***July 2026 Investment Report*** for the Palo Verde, Southern Transmission System (STS), Southern Transmission System Renewal, San Juan, Magnolia Power, Natural Gas, Natural Gas Prepaid, Mead-Adelanto, Mead-Phoenix, Don A. Campbell/Wild Rose Geothermal, Don A. Campbell 2 Geothermal, Canyon Power, Pebble Springs Wind, Tieton Hydropower, Linden Wind, Clean Energy, Clean Energy II, Milford Wind I, Milford Wind II, Windy Point/Flats, Ameresco, Apex Power, Copper Mountain Solar 3, Columbia 2 Solar, Eland 1, Eland 2, Heber 1 Geothermal, Ormat No. Nevada Geothermal, Ormesa Geothermal, Springbok 1 Solar, Springbok 2 Solar, Springbok 3 Solar, Kingbird Solar, Summer Solar, Astoria 2 Solar, Antelope Big Sky Ranch, Antelope DSR 1, Antelope DSR 2, Puente Hills Landfill Gas, Whitegrass No. 1 Geothermal, Star Peak Geothermal, Desert Harvest II, Roseburg Biomass, Red Cloud Wind, Coso Geothermal, Mammoth Casa Diablo IV, and Daggett Solar Power 2 Projects; and for the Project Stabilization, San Juan Mine Reclamation Trust, San Juan Decommissioning Trust, and the SCPPA Decommissioning Trust Funds. The Portfolios for the Projects and Funds included in the Investment Report are in compliance with the SCPPA Investment Policy.

During the month of July, the Investment Group coordinated variable debt service payments of $397,613 for the Magnolia Power, Linden Wind and Canyon Power Projects. Net swap payments of $266,138 were received in accordance with the Interest Swap agreements for Canyon Power, Magnolia Power, and Natural Gas Prepaid Projects. The net commodity swap receipt for the Natural Gas Prepaid Project was $1,468,635. On July 1, principal payments of $120.2 million and fixed interest payments of $63.8 million were made on various bond issues for Southern Transmission System, Magnolia, Mead-Adelanto, Mead-Phoenix, Natural Gas, Canyon Power, Tieton Hydropower, Windy Point/Flats, Milford Wind I, Milford Wind II, Southern Transmission System Renewal and Apex Power Projects.

$166.3 million cash and maturities were invested in the various SCPPA project trust funds. Assets managed by the Investment Group for these funds had a market value of $1.89 billion as of July 31, 2026, with an average yield of 3.8%. Total interest earned on the project funds for the month and year to date was $7.3 million.

Based upon anticipated expenditures for each Project and required receipts from each Participant, SCPPA believes that it will be able to meet all its expenditure requirements for the next six months.

Sincerely,

Grace Mao

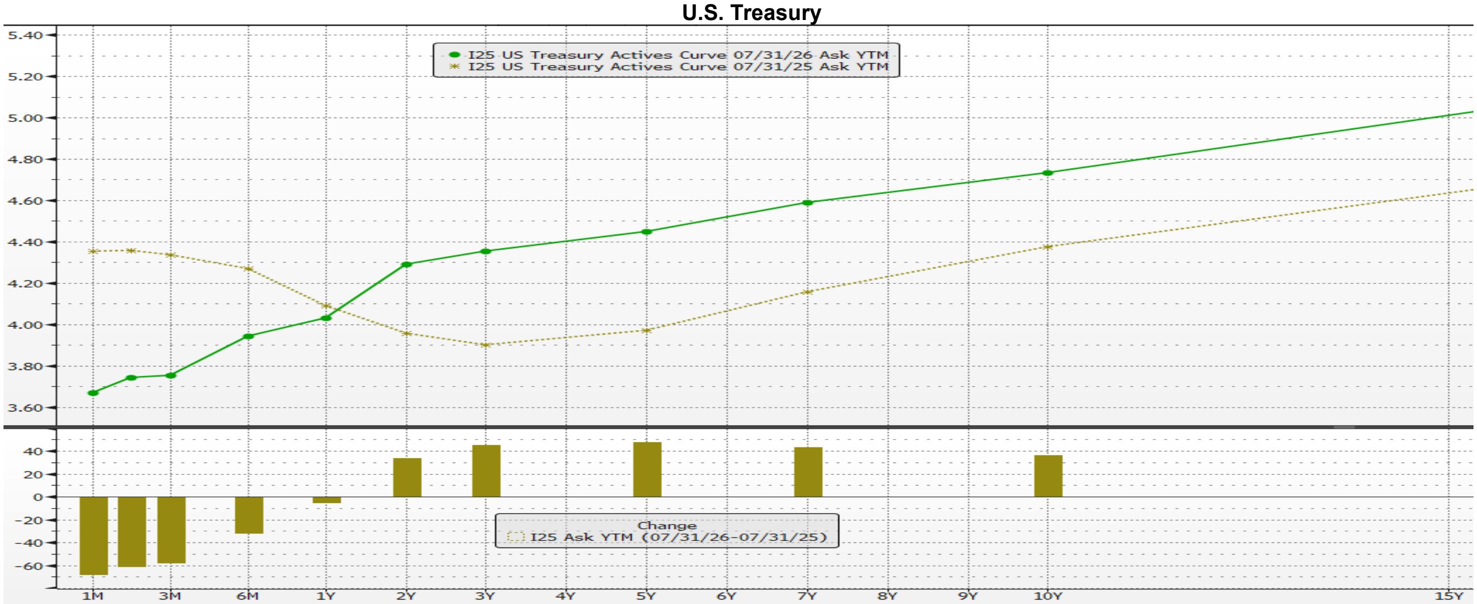
GRACE MAO
Manager of Finance
Los Angeles Department of Water & Power

Monthly Investment Report
July 31, 2026

Projects	Portfolio Yield	Investment Cost	Carrying Value	Market Value	Portfolio Life[2]	Cost of Capital[3]
Palo Verde	4.02%	22,843,029	22,844,200	22,537,966	2.08	N/A
San Juan	3.52%	454,100	454,100	454,100	0.00	N/A
Magnolia	3.83%	58,768,361	58,968,425	58,784,337	0.35	2.97%
STS	3.76%	9,217,241	9,217,241	9,171,406	1.08	4.70%
STS Renewal	3.82%	1,026,840,076	1,031,403,954	1,031,248,485	0.33	4.01%
Mead-Phoenix	3.75%	5,399,217	5,410,760	5,383,795	0.04	2.53%
Mead-Adelanto	3.69%	3,833,276	3,838,355	3,824,878	0.04	2.53%
Natural Gas	3.84%	49,044,306	49,057,509	48,406,982	1.12	6.06%
Natural Gas Prepaid[1]	4.67%	26,060,775	26,060,775	26,017,675	8.12	5.09%
Canyon Power	2.76%	11,587,437	11,629,991	11,629,210	0.03	2.74%
Apex Power	3.91%	35,928,718	35,994,424	35,687,369	2.15	4.32%
SCPPA Decomm Trust Fund	3.42%	208,284,934	208,378,875	205,458,314	1.77	N/A
Project Stabilization Fund	3.87%	181,513,131	181,592,745	178,957,810	1.79	N/A
Tieton	3.97%	3,221,827	3,221,827	3,185,455	2.77	2.67%
Clean Energy[1]	4.74%	27,947,951	27,947,951	27,947,951	3.64	N/A
Clean Energy II[1]	4.59%	47,704,256	47,704,256	47,704,256	2.15	N/A
Linden Wind	4.09%	21,691,582	21,702,911	21,456,391	3.47	3.15%
Milford Wind 1	3.64%	4,582,254	4,594,352	4,594,269	0.05	5.08%
Milford Wind 2	3.56%	3,345,332	3,347,306	3,347,265	0.01	1.05%
Windy Point Flats	3.66%	13,388,914	13,427,770	13,428,915	0.02	3.55%
Pwr Purchase Agreements Combined	**3.43%**	**119,572,997**	**119,915,065**	**119,908,088**	**0.10**	**N/A**
San Juan Reclaim Trust Fund	3.27%	12,910,609	12,914,339	12,814,811	1.62	N/A
San Juan Decomm Trust Fund	4.14%	535,892	535,892	527,162	4.11	N/A

[1] *Weighted average remaining portfolio life for NG Prepaid and Clean Energy Projects include Guaranteed Investment Contracts (GICs).*
[2] *In years*
[3] *Cost of capital as of January 31, 2024 as provided by PFM.*

U.S. Treasury



Tenor	I25 Ask YTM US Treasury Actives Curve 07/31/26	I25 Ask YTM US Treasury Actives Curve 07/31/25	I25 Ask YTM (Change) 07/31/26-07/31/25
1M	3.669	4.355	(68.60)
2M	3.743	4.357	(61.40)
3M	3.753	4.337	(58.40)
6M	3.942	4.268	(32.60)
1Y	4.033	4.092	(5.90)
2Y	4.291	3.957	33.40
3Y	4.352	3.900	45.20
5Y	4.449	3.972	47.70

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MEMO

To: SCPPA Finance Committee

From: Aileen Ma, Chief Financial & Administrative Officer

Date: September 14, 2026

Re: **FY 2026-27 Administrative & General (A&G) Expense Budget to Actual Comparison Report – July 2026**

As of July 31, 2026, total A&G expenditures were $1,042,038 which was $173,092 or 14.2% under the year-to-date budget.

Total Indirect A&G expenditures were $697,246, which was $134,276 or 16.1.% under budget. The under budget was primarily due to the timing of expenditures and invoices from vendors and consultants. The under budget was partially offset by slightly higher salaries due to the timing of the biweekly payroll schedule, creating a three-paycheck month for July. It is anticipated that salaries will trend back toward budget in the next few months. In addition, SCPPA elected to prepay the entire annual required contribution of $220,790 for CalPERS Miscellaneous Plans' Unfunded Accrued Liability in July, saving $7,383 in interest for FY 2026-27.

Total Direct A&G expenditures were $344,792, which was $38,816 or 10.1% under budget. The under budget was primarily due to the timing of expenditures for legal and consulting services. The under budget was partially offset by higher trustee fees because of the timing of invoices paid for annual trustee fees on various project fund accounts. Agent billable costs were also over budget primarily due to overtime costs incurred during year-end closing and the preparation of the year-end financial statements. It is anticipated that trustee fees will trend back toward budget as the fiscal year progresses and agent billable costs will trend back toward budget after the year-end audit is completed.

Southern California Public Power Authority
FY 2026-27 Adminstrative & General (A&G) Expense Budget to Actual
July 31, 2026

	ANNUAL BUDGET FY 2026-2027	YTD BUDGET 7/31/2026	YTD ACTUAL 7/31/2026	Under / (Over) Budget	% Variance
Salaries	$ 3,424,400	$ 368,270	$ 378,505	$ (10,235)	-2.8%
Employee Benefits	1,137,600	298,775	243,086	55,689	18.6%
Office Building Costs	245,050	16,256	7,042	9,214	56.7%
Office IT and Equipment/Furniture	156,700	18,494	15,447	3,047	16.5%
Office Expenses	54,540	4,321	1,413	2,908	67.3%
Insurance	181,690	4,451	2,733	1,718	38.6%
Meeting Expense	44,300	3,688	276	3,412	92.5%
Travel and Conferences	79,000	6,576	135	6,441	97.9%
Staff Training/Development	62,000	5,163	-	5,163	100.0%
Memberships and Dues	29,790	333	-	333	100.0%
Subscriptions	19,995	1,669	-	1,669	100.0%
Gov't Affairs (Sacramento Office)	237,960	19,819	6,532	13,287	67.0%
Legislative Advocacy	406,000	30,913	29,418	1,495	4.8%
Regulatory Advocacy	220,000	18,337	17,500	837	4.6%
General Legal Services	150,000	12,500	-	12,500	100.0%
Auditing Services	5,075	500	-	500	100.0%
Consulting & Other Services	187,000	15,587	850	14,737	94.5%
Financial Advisor	129,000	10,750	-	10,750	100.0%
Glendora Project Accounting - Direct A&G	(58,560)	(4,880)	(5,691)	811	-16.6%
Subtotal	**$ 6,711,540**	**$ 831,522**	**$ 697,246**	**$ 134,276**	**16.1%**
Budget Contingency	169,250	-	-	-	0.0%
TOTAL INDIRECT A&G	**$ 6,880,790**	**$ 831,522**	**$ 697,246**	**$ 134,276**	**16.1%**
Outside Counsels	$ 445,200	$ 37,100	$ 8,560	$ 28,540	76.9%
Auditing Services	380,985	20,000	-	20,000	100.0%
Consulting & Other Services	271,600	22,637	3,571	19,067	84.2%
Project Travel Costs	8,500	712	-	712	100.0%
WREGIS Fees	16,705	1,393	-	1,393	100.0%
Agent Billable Costs	3,182,350	265,195	287,000	(21,805)	-8.2%
Trustee Fees	320,300	26,692	39,971	(13,279)	-49.8%
Rating Agency Fees	170,000	5,000	-	5,000	100.0%
Glendora Project Accounting	58,560	4,880	5,691	(811)	-16.6%
TOTAL DIRECT A&G	**$ 4,854,200**	**$ 383,609**	**$ 344,792**	**$ 38,816**	**10.1%**
TOTAL A&G EXPENSES	**$ 11,734,990**	**$ 1,215,131**	**$ 1,042,038**	**$ 173,092**	**14.2%**

Renewable Project Q2 Performance Report

Prepared by:
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Luis Castaneda & Liam Reilly

August 18, 2026

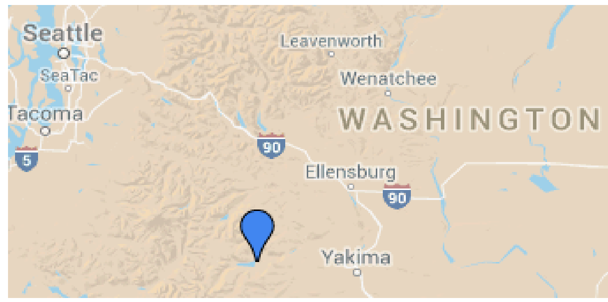
For The Period Beginning
April 2026 - June 2026

Table of Contents

TIETON SMALL HYDRO

Location: 40 miles west of Yakima, WA
Type: Hydro
Acquisition: 30-Nov-09
Capacity (MWs): 13.6
Term: Permanent Ownership

Participants:	%	MWs
Burbank	50%	6.8
Glendale	50%	6.8
	100%	13.6



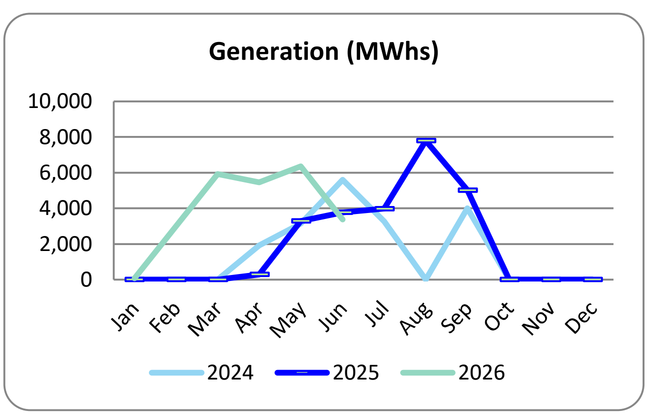
Operations Notes:

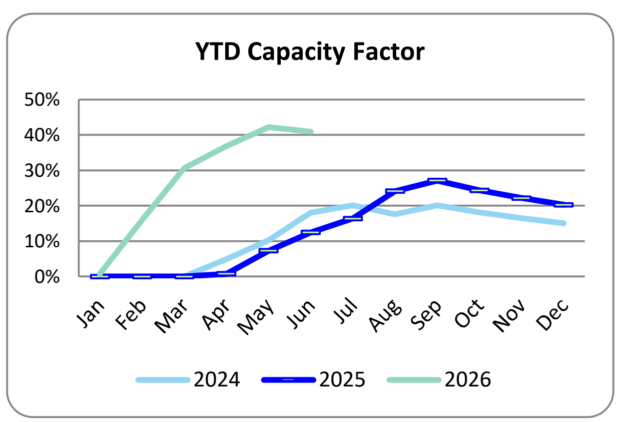
April 2026: Tieton Hydropower Project generated 5,526 MWh in April, bringing year-to-date generation to 14,526 MWh. Production was affected by changing river flow requirements and a Unit-2 trip early in the month, though operational adjustments and corrective actions minimized long-term impacts to generation.

May 2026: The project generated 6,446 MWh, increasing year-to-date generation to 20,898 MWh. Operations were driven by river flow management requirements and transmission scheduling constraints, including periods where generation was limited to 14 MW, resulting in some available flow being diverted away from generation.

June 2026: Tieton generated 3,429 MWh, bringing cumulative 2026 generation to 24,233 MWh. Reduced water flows limited generation opportunities during much of the month, while maintenance associated with turbine guide bearing contamination required Unit-2 to be taken offline at the end of June for repairs.

YTD NCF closed at 41%.





CHIQUITA CANYON

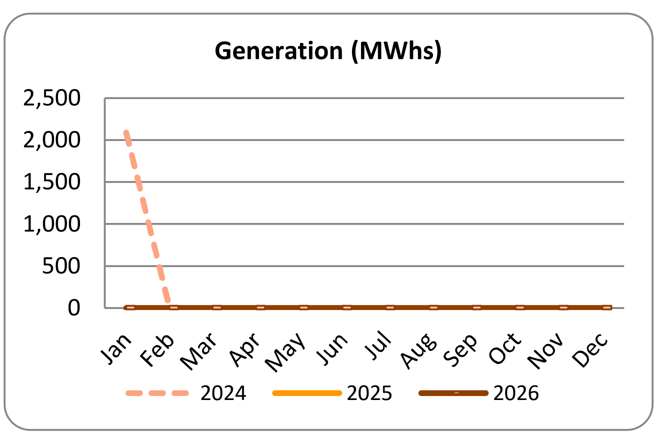
Location:	Valencia, CA	
Type:	Landfill Gas	
COD:	1-Nov-10	
Capacity (MWs):	7.8	(net)
Term:	20 years	
Participants:	%	MWs
Burbank	17%	1.3
Pasadena	83%	6.5
	100%	7.8

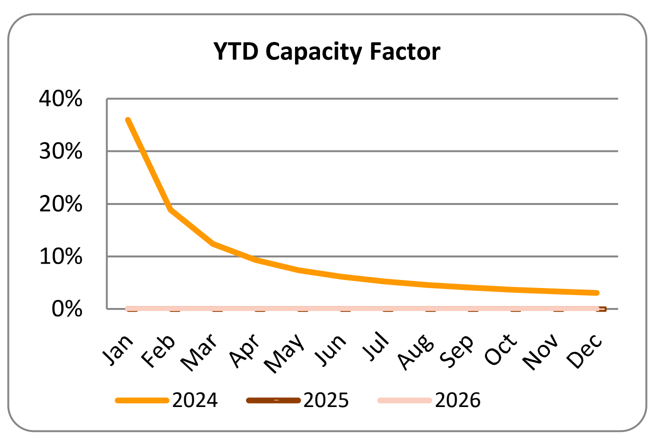
Operations Notes:

SCPPA received a Force Majeure notice from Ameresco, the project operator, on February 22, 2024. In the notice, the shutdown was attributed to a subsurface chemical reaction within the existing landfill. This reaction has reduced the availability of methane, increased water vapor in the landfill gas, and altered the composition of sulfur compounds—from hydrogen sulfide to dimethyl sulfide. The facility is not designed to treat or remove dimethyl sulfide; consequently, this compound passes through the system and is emitted into the atmosphere, resulting in non-compliance with the facility's current air permit.

Based on discussions among SCPPA, the Project Participants, and Ameresco, PPA payments for FY 2025–2026 have been reduced to zero. As a result of the shutdown and the Force Majeure event, generation has been significantly impacted.

During the second period, state agencies overseeing Waste Connections' response to the reaction determined that the affected area has doubled or tripled in size. This expansion has rendered the current containment strategy ineffective, necessitating immediate action to prevent further growth of the reaction and to mitigate risks to the environment and public health and safety.

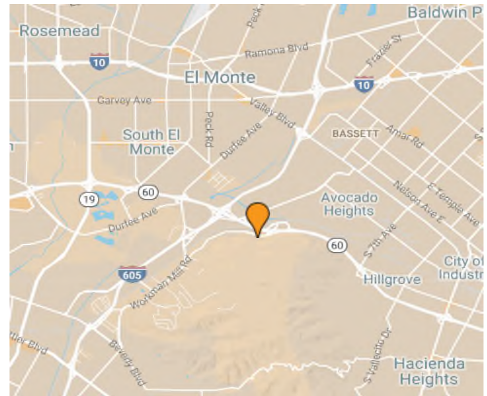




PUENTE HILLS

Location:	City of Industry, CA	
Type:	Landfill Gas	
COD:	1-Jan-17	(start of SCPPA deliveries)
Capacity (MWs):	41.5	
Term:	10 years	

Participants:	%	MWs
Banning	23.2558%	9.65
Colton	23.2558%	9.65
Pasadena	30.2326%	12.55
Vernon	23.2558%	9.65
	100%	41.5

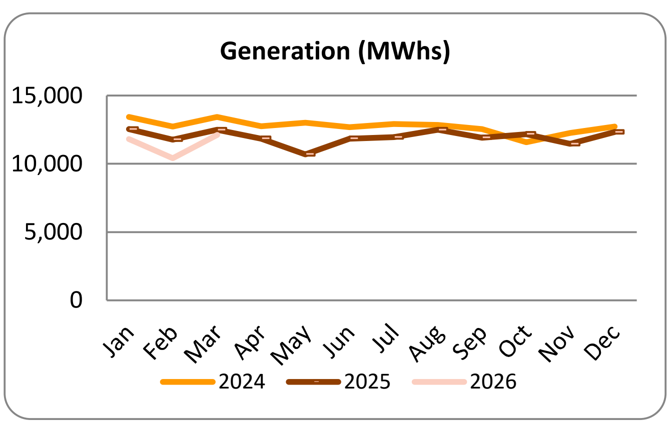


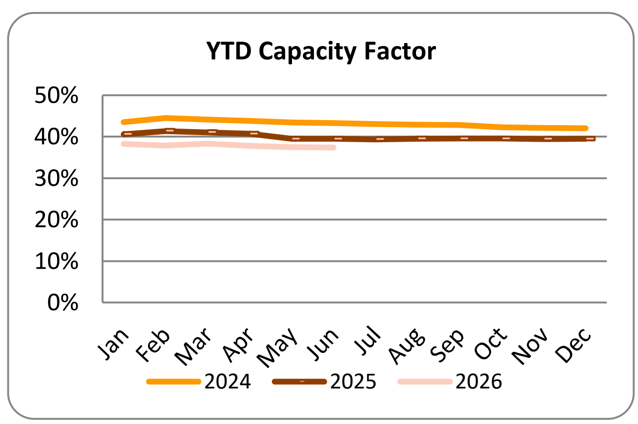
Operations Notes:

April 2026: PERG completed a planned maintenance outage on April 28 that resulted in 33 hours of downtime. During the outage, the facility attempted a DCS software upgrade, completed repairs to critical valves and actuators, performed boiler feedwater control valve replacements, and conducted maintenance on the continuous emissions monitoring system before returning the plant to service.

May 2026: PERG operated reliably during May following the April maintenance activities. Upgraded and repaired control equipment remained in service, contributing to stable operations and supporting the plant's strong quarterly availability performance.

June 2026: PERG continued stable operations through June, helping the facility achieve 98.1% availability for the second quarter with an average net output of 16,039 kW. Total downtime for the quarter was limited to 42 hours, demonstrating strong overall plant performance and reliability.





CASA DIABLO IV

Location:	Mono County, CA	
Type:	Geothermal	
COD:	14-Jul-22	
Capacity (MWs):	16	
Term:	25 years	
Participants:	%	MWs
Colton	100%	16
	100%	16

Operations Notes:

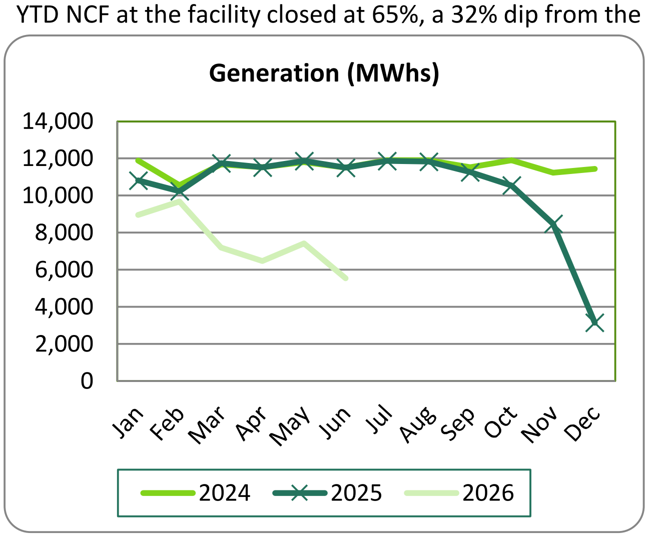
Casa Diablo IV is a 30 MW net capacity geothermal facility located in Mono County, California. SCPPA, on behalf of the City of Colton, entered into a 25-year Power Purchase Agreement for a 16 MW share of the facility.

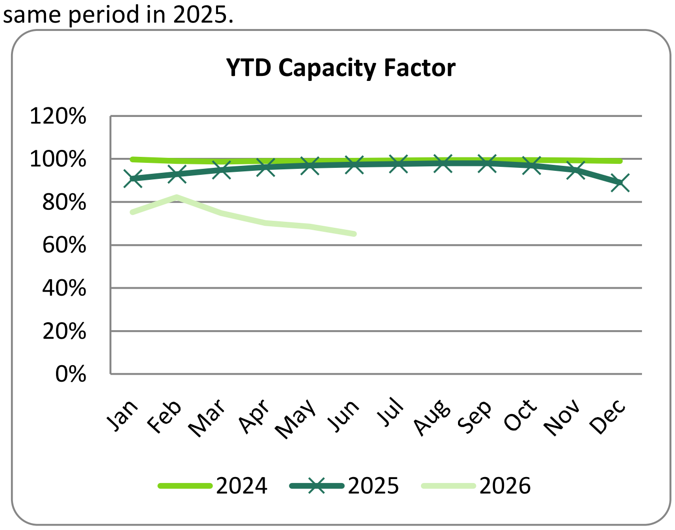
April 2026: Casa Diablo IV generated 15,740 MWh, finishing 26% below forecast despite maintaining 97% availability. Production was reduced by NDAMP/CAISO negative market pricing and ADS DOT restrictions, resulting in partial generation throughout the month.

May 2026: The plant produced 15,206 MWh, or 15% below forecast, while maintaining 100% availability. Generation continued to be constrained by NDAMP/CAISO negative market pricing and ADS DOT restrictions, although overall plant operations remained stable.

June 2026: Casa Diablo IV generated 8,707 MWh, finishing 47% below forecast with availability declining to 89%. Continued market-related restrictions and reduced operating levels significantly impacted production during the month.

Casa Diablo IV has curtailed generation due elevated CAISO locational marginal prices (LMPs) have made it untenable to dispatch energy to the grid, hence the drop in NCF for the year 2026.
YTD NCF at the facility closed at 65%, a 32% dip from the same period in 2025.





COSO

Location: Inyo County, CA
Type: Geothermal
DCD 1-Jan-22
Capacity (MWs): 17.8
Term: 20 years

Participants:	%	MWs
Banning	45%	8.01
Riverside	55%	9.79
Pasadena	0%	0.00
	100%	17.8

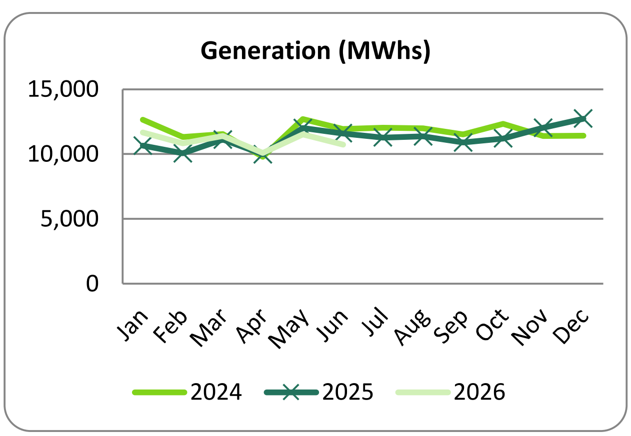
Operations Notes:

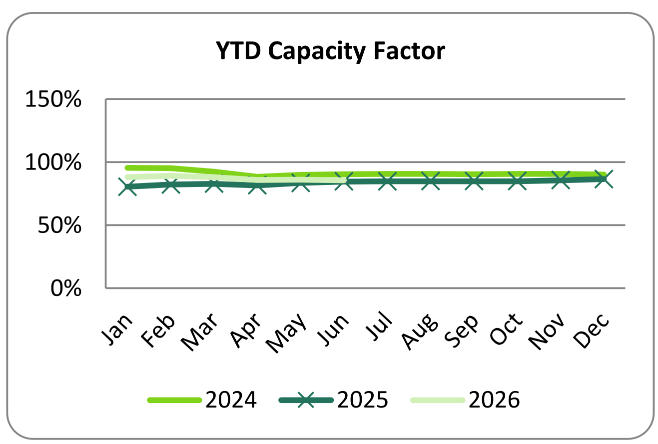
April 2026: Coso generated 66,681 MWh in April with 88.3% availability and a 74.9% capacity factor. Production was impacted by planned outages and turbine overhauls at Navy 1 and BLM East, along with SCE and CAISO transmission curtailments that affected operations for portions of four days during the month.

May 2026: The facility generated 78,008 MWh, achieving 98.7% availability and an 84.8% capacity factor. Performance remained strong, with only a brief outage of Navy 1 Unit 3 at the end of the month due to a main oil pump issue.

June 2026: Coso generated 73,714 MWh in June with 98.3% availability and an 82.8% capacity factor. Production was slightly reduced by a four-day outage of Navy 1 Unit 3 related to a main oil pump issue, but overall plant performance remained strong throughout the month.

YTD NCF at the facility closed at 86%, a 1% increase from the same period in 2025.

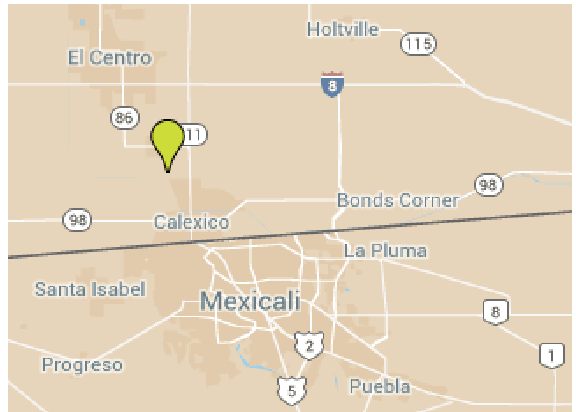




HEBER-1

Location: Heber, CA
Type: Geothermal
COD: 2-Feb-16 (SCPPA deliveries began)
Capacity (MWs): 62.5
Term: 10 years

Participants:	%	MWs
IID	22%	13.75
LADWP	78%	48.75
	100%	62.5



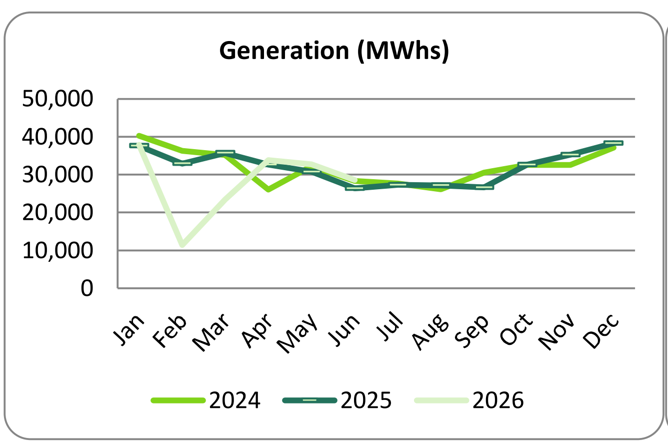
Operations Notes:

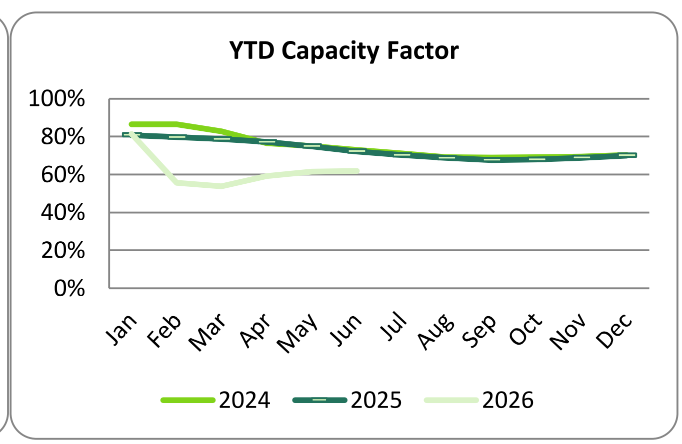
April 2026: Heber 1 generated 33,776 MWh, slightly exceeding forecast by 1% while maintaining 99% availability. Plant operations remained stable, although HGU 252 was offline throughout the month due to a casing leak.

May 2026: The plant produced 32,446 MWh, finishing 3% below forecast with 100% availability. Generation was reduced by ongoing issues with HGU 252 and a failure of VFD capacitors on HGU 10.

June 2026: Heber 1 generated 28,573 MWh, approximately 1% below forecast, while maintaining 99% availability. Production was impacted by the continued outage of HGU 252 and a production pump replacement on HGU 16, though overall plant operations remained stable.

Year-to-date net capacity factor (NCF) was 62%, representing a 10% decrease compared to performance during the same period last year.





DON A. CAMPBELL 1

Location: Mineral County, NV
Type: Geothermal
COD: 1-Jan-14
Capacity (MWs): 25
Term: 20 years

Participants:	%	MWs
Burbank	15%	3.8
LADWP	85%	21.2
	100%	25

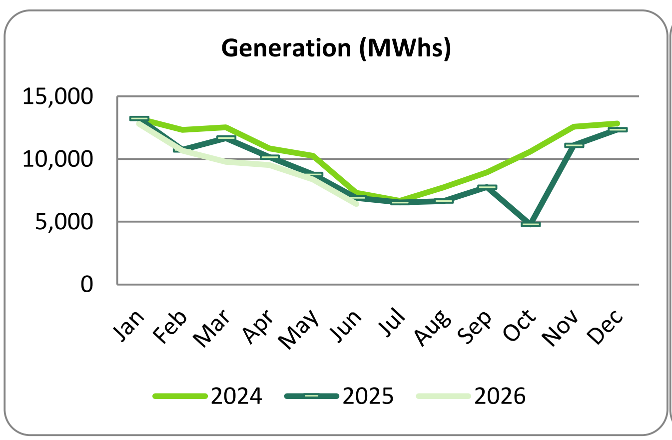
Operations Notes:

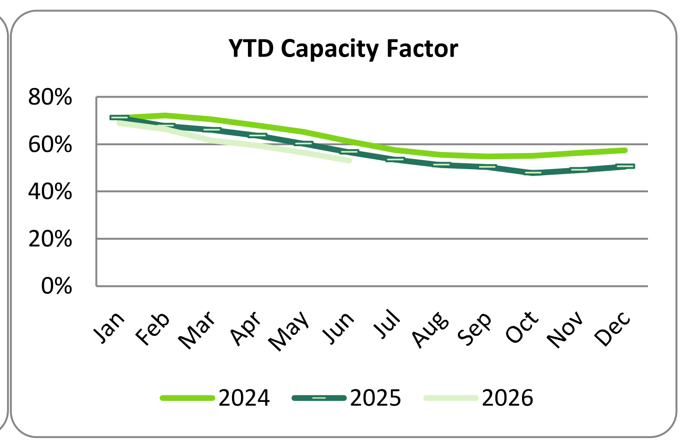
April 2026: Don A. Campbell 1 generated 9,508 MWh, finishing just 1% below forecast with 98.4% availability. The facility operated under normal conditions and delivered stable performance throughout the month.

May 2026: The plant produced 8,369 MWh, approximately 1% below forecast, while maintaining 99.6% availability. Aside from a brief four-hour NERC maintenance outage, operations remained stable during the month.

June 2026: Don A. Campbell 1 generated 6,495 MWh, exceeding forecast by 2% and maintaining 99% availability. Despite an offline production well, the facility continued to operate reliably and achieved stable monthly performance.

Year-to-date net capacity factor (NCF) closed at 53%, representing a 4% decrease compared to the same period in 2025.





DON A. CAMPBELL 2

Location: Mineral County, NV
Type: Geothermal
COD: 17-Sep-15
Capacity (MWs): 25
Term: 20 years

Participants:	%	MWs
LADWP	100%	25
	100%	25

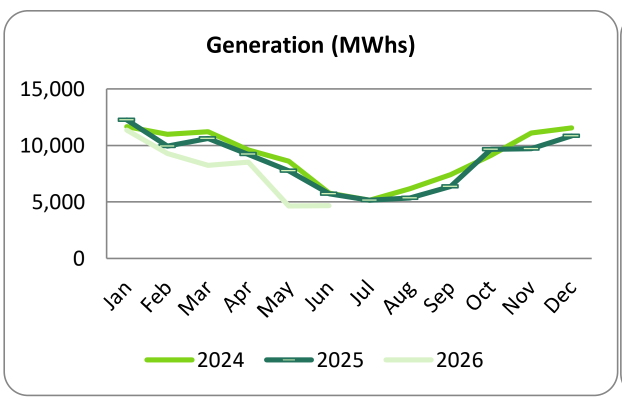
Operations Notes:

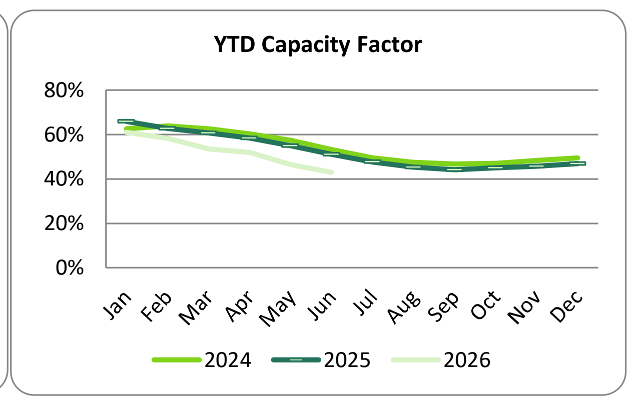
April 2026: Don A. Campbell 2 generated 8,529 MWh, slightly exceeding forecast by 1% while maintaining 100% availability. Overall plant performance was stable with no significant operational impacts during the month.

May 2026: The plant produced 4,639 MWh, essentially in line with forecast, but availability declined to 66% due to a planned outage for a generator swap and silencer replacements. The maintenance work was completed by month end and the plant returned to service on May 31.

June 2026: Don A. Campbell 2 generated 4,659 MWh, finishing 8% below forecast with 97% availability. Production was impacted by several short-duration outages related to a speed sensor failure, transmission line constraints, and lube oil system maintenance, though overall plant performance remained stable.

YTD NCF at the facility closed at 43%, a 8% dip from the same period in 2025.





Northern Nevada Geothermal Portfolio

Location: Churchill & Washoe County, NV
Type: Geothermal
COD: 1-Dec-17
Capacity (MWs)*: 168.65
Term: 25 years

Participants:	%	MWs
LADWP	100%	168.65
	100%	168.65

Operations Notes:

Brady: Brady generated 21,428 MWh in Q2 and maintained 99-100% availability. Production was below forecast in April and May due to equipment failures but rebounded to 10% above forecast in June, resulting in stable overall performance.

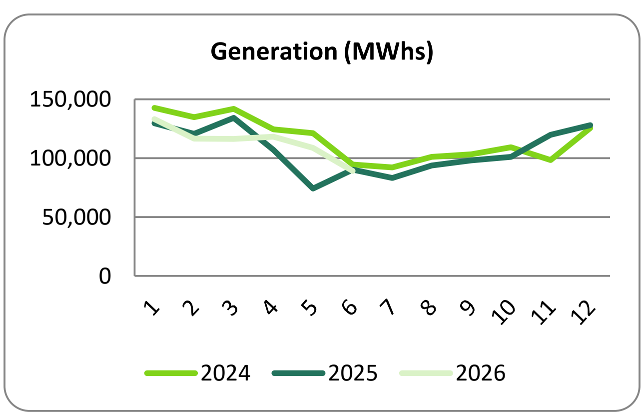
Galena 2: Galena 2 generated 9,157 MWh and underperformed forecast throughout the quarter. Strong availability was offset by recurring solar tracking issues and several outage events that continued to limit production.

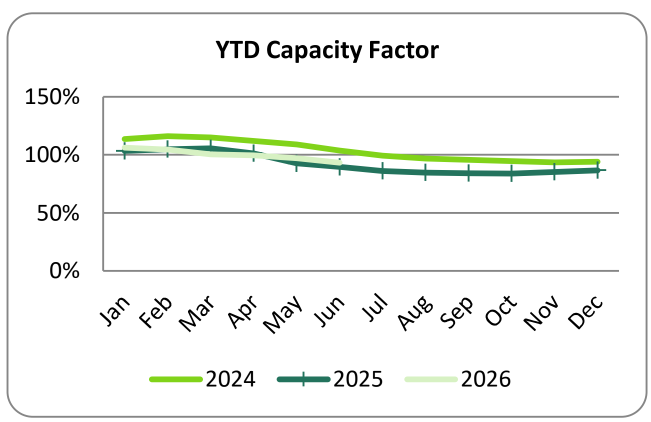
McGinness Hills 3: McGinness Hills 3 delivered a strong quarter, generating 125,416 MWh and outperforming forecast in all three months. Availability remained near 100%, and the project ended June 5% above year-to-date forecast generation.

Steamboat Hills Repower: Steamboat Hills Repower generated 58,809 MWh and performed largely in line with expectations. Availability remained above 99%, with only minor equipment issues affecting production during the quarter.

Steamboat 2/3: Steamboat 2/3 produced 36,413 MWh during Q2, outperforming forecast in April and May before finishing below forecast in June. Solar tracking and inverter issues reduced output, though availability remained strong throughout the quarter.

Tungsten Mountain: Tungsten Mountain generated 67,710 MWh while maintaining approximately 100% availability. Inverter-related issues contributed to below-forecast production during the quarter, though overall plant performance remained stable.





* Capacity increases with each development period. Max capacity is capped at 185 MW.

ORMESA

Location: Imperial County, CA
Type: Geothermal
COD: 1-Jan-18
Capacity (MWs): 35
Term: 25 years

Participants:	%	MWs
IID	14%	5
LADWP	86%	30
	100%	35

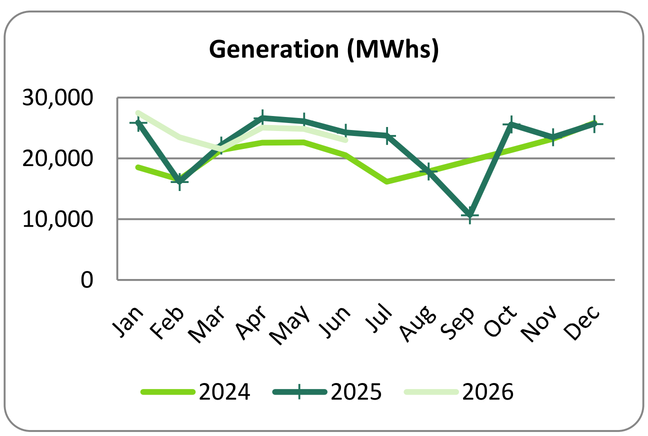
Operations Notes:

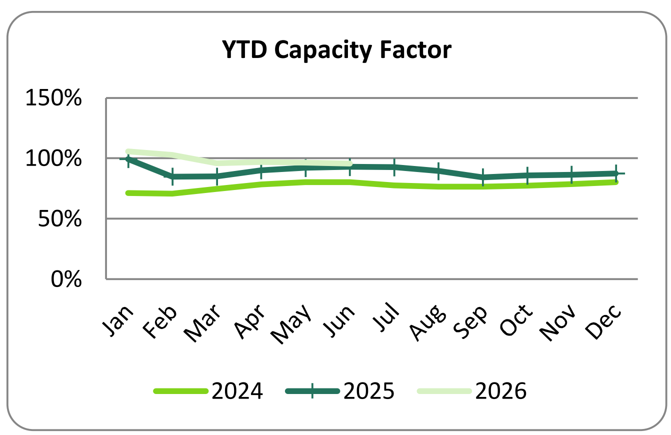
April 2026: Ormesa generated 25,074 MWh in April, finishing 8% below forecast with a 48.4% net capacity factor. Despite several planned maintenance activities and short-duration equipment outages, the facility maintained 100% turbine and commercial availability throughout the month.

May 2026: The plant produced 25,104 MWh, which was 6% below forecast, while maintaining 100% turbine and commercial availability. Generation was impacted by a PLC communication fault at Ormesa 1 and a complex-wide outage caused by a fire under a transmission line.

June 2026: Ormesa generated 23,019 MWh, finishing 3% below forecast and achieving a 44.4% net capacity factor. The facility continued to maintain 100% turbine and commercial availability, with only minor well-related outages affecting overall production.

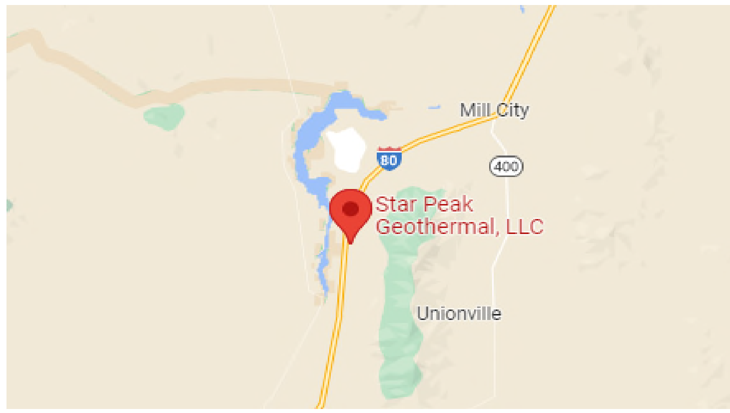
YTD NCF is 96%, a 3% increase compared to the same period last year in 2025.





STAR PEAK

Location:	Pershing County, NV	
Type:	Geothermal	
COD:	28-Sep-22	
Capacity (MWs):	12.5	
Term:	25 years	
Participants:	%	MWs
Glendale	100%	12.5
	100%	12.5



Operations Notes:

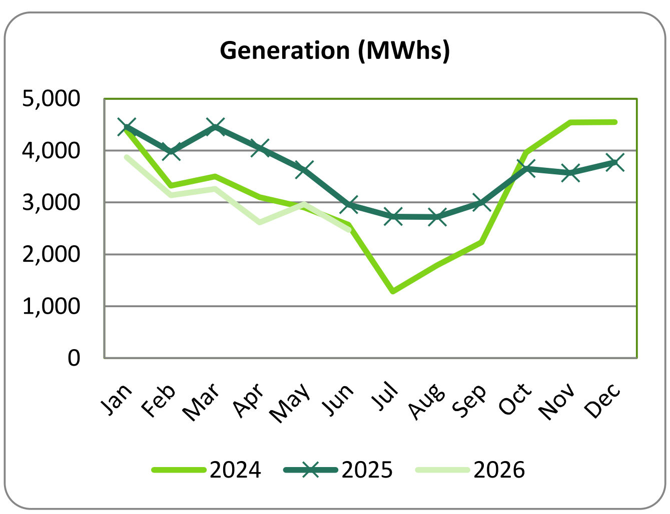
Star Peak is a 12.5 MW geothermal power plant located in Pershing County, Nevada. The facility reached commercial operation status on September 28th, 2022.

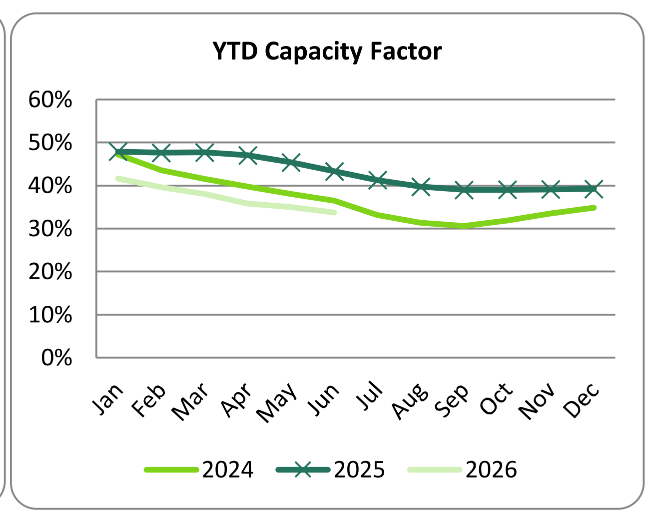
April 2026: Star Peak generated 2,613 MWh, achieving 49.3% of guaranteed production. Plant availability remained strong at 99.6%, but generation was significantly impacted by a lightning-related outage, maintenance on R1, extended downtime on R3, and continued steam resource limitations that kept S1 offline.

May 2026: The plant produced 2,967 MWh, improving to 57.0% of guaranteed production. Plant availability reached 100%, and unit availability across the ORC units remained near perfect, with production primarily constrained by ongoing wellfield and steam resource limitations rather than equipment availability.

June 2026: Star Peak generated 2,484 MWh, achieving 53.8% of guaranteed production while maintaining 100% plant availability. Minor maintenance activities and weather-related unit trips had limited impact on operations, with overall performance continuing to be constrained by resource limitations and the continued unavailability of the steam unit.

YTD NCF is 34%, representing a 10% decrease from the same period last year in 2025.





WHITEGRASS No. 1

Location: Lyon County, NV
Type: Geothermal
COD: 1-Apr-20
Capacity (MWs): 3
Term: 25 years

Participants:	%	MWs
Glendale	100%	3
	100%	3

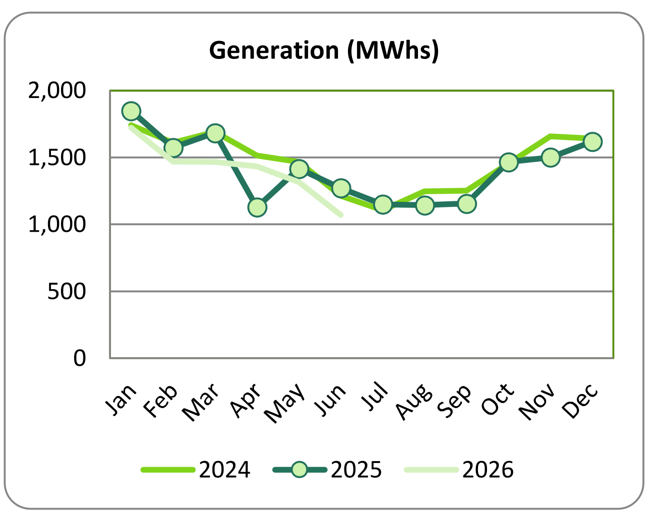
Operations Notes:

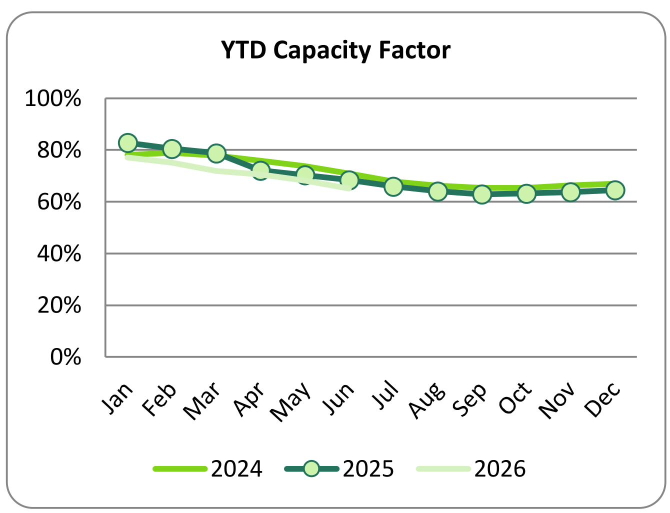
April 2026: Whitegrass generated 1,433 MWh, achieving 86.2% of target generation and slightly below the guaranteed level (99.3% of guarantee). Plant availability remained strong at 98.9%, and performance was consistent with expected operating conditions despite ongoing geothermal resource temperature and flow rate shortfalls

May 2026: The plant produced 1,321 MWh, reaching 81.6% of target generation while exceeding the guaranteed level at 100.1% of guarantee. Whitegrass maintained 100% availability during the month, with performance continuing to be constrained by resource temperature and flow rate limitations.

June 2026: Whitegrass generated 1,077 MWh, achieving 73.3% of target generation and 97.7% of the guaranteed level. Plant availability remained high at 98.2%, though ongoing resource temperature and flow rate shortfalls continued to limit overall generation performance.

YTD NCF at the facility closed at 65%, a 3% dip from the same period in 2025.





PEBBLE SPRINGS

Location:	Gilliam County, OR	
Type:	Wind	
COD:	31-Jan-09	
Capacity (MWs):	98.7	
Term:	18 years	
Participants:	%	MWs
Burbank	10%	10.0
Glendale	20%	20.0
LADWP	70%	68.7
	100%	98.7

Operations Notes:

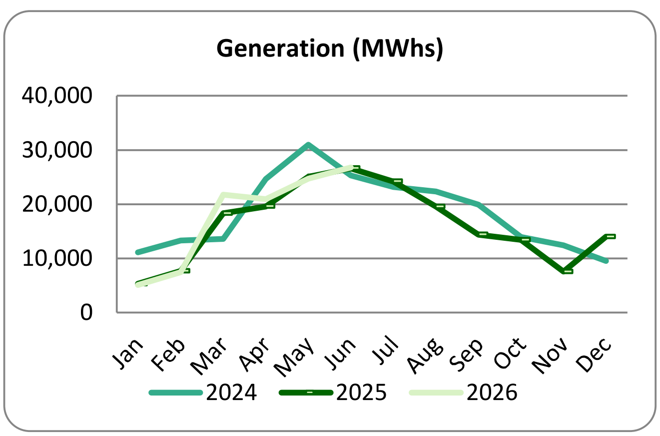
April generation closed at 20,955 MWh.

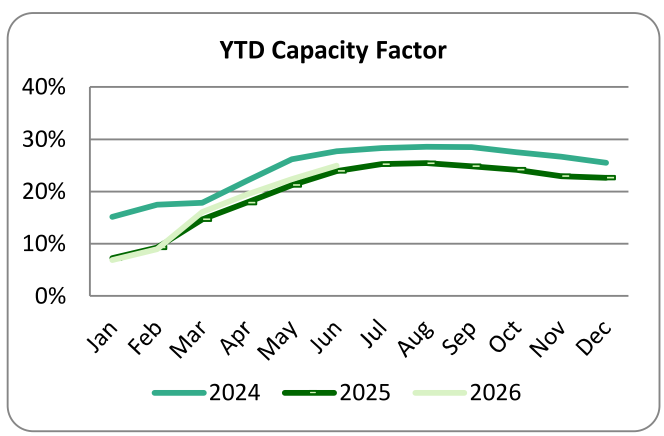
May generation closed at 24,753 MWh.

June generation closed at 26,799 MWh.

YTD Production in the second quarter reached 72,508 MWh and YTD NCF closed at 25%, representing a 1% increase from the same period in 2025.

The SCPPA team is currently renegotiating an extension ahead of the agreement's expiration in February 2027 and will present an amended PPA and PSA to the Board in the coming months.





WINDY FLATS

Location: Klickitat County, WA
Type: Wind
COD: 25-Jan-10
Capacity (MWs): 262.2
Term: 20 years

Participants:	%	MWs
LADWP	92%	242.19
Glendale*	8%	20.01
	100%	262.2

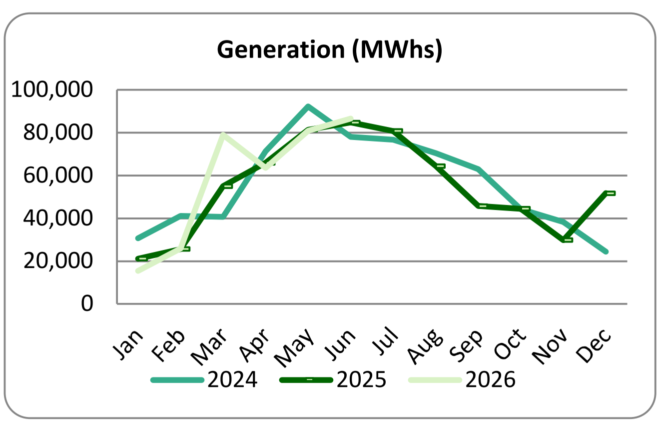
Operations Notes:

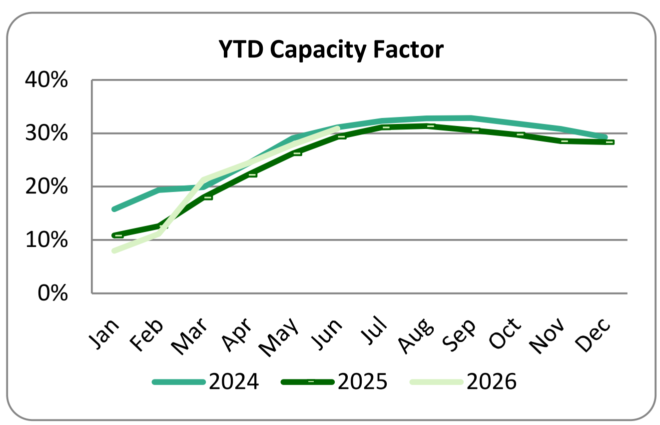
April 2026: Windy Flats generated 63,612 MWh, exceeding the P50 budget by 3% and the P99 budget by 29%, with a 34% capacity factor. Strong wind conditions and 95.0% runtime availability supported solid performance, while progress on annual maintenance and lift installations helped maintain reliable operations.

May 2026: The project produced 80,984 MWh, outperforming the P50 budget by 15% and the P99 budget by 44%, achieving a 42% capacity factor. Above-average wind conditions and 96.6% runtime availability drove strong generation despite ongoing generator replacements and maintenance activities.

June 2026: Windy Flats generated 86,615 MWh, exceeding the P50 budget by 16% and the P99 budget by 45%, with a 46% capacity factor, marking the strongest month of the quarter. Strong wind resource conditions and 96.0% runtime availability supported exceptional production while the site completed its annual service campaign and several major maintenance projects.

YTD NCF at the facility closed at 31%, a 2% increase from the same period in 2025.





*Through a separate layoff agreement, the City of Glendale sold 100% of its entitlement to capacity and energy to LADWP.

LINDEN

Location: Klickitat County, WA
Type: Wind
COD: 30-Jun-10
Capacity (MWs): 50
Term: Permanent Ownership

Participants:	%	MWs
LADWP	90%	45
Glendale*	10%	5
	100%	50

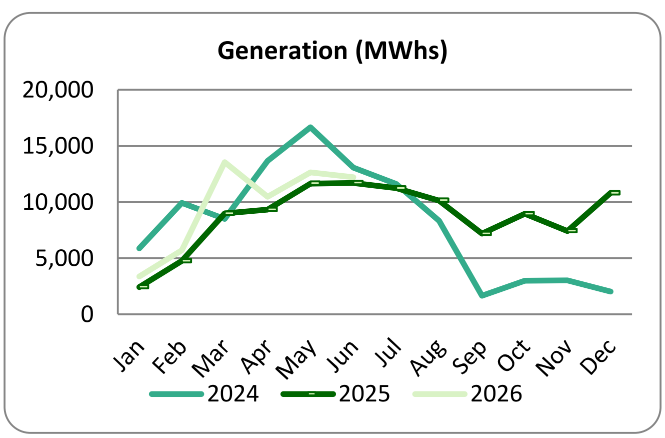
Operations Notes:

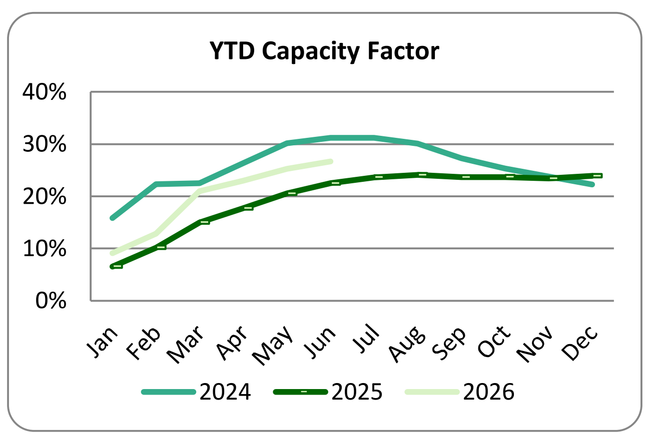
April 2026: Linden generated 10,471 MWh during April, exceeding the P99 budget by 21% but finishing 15% below the P50 budget. Commercial availability remained strong at 96.0%, and production reflected average wind conditions, while ongoing turbine outages and major component repairs limited the site's ability to achieve P50 generation levels.

May 2026: The project produced 12,636 MWh, outperforming the P99 budget by 17% but remaining 18% below the P50 budget. Commercial availability held at 96.0%, and solid wind conditions supported stronger production, though several long-term turbine outages continued to constrain overall performance.

June 2026: Linden generated 12,208 MWh, exceeding the P99 budget by 21% while finishing 15% below the P50 budget. Wind speeds were above average and commercial availability remained at 95.3%, but ongoing turbine outages and a BPA curtailment event reduced overall generation despite otherwise favorable resource conditions.

YTD NCF closed at 27%, a 4% increase from the same period in 2025.



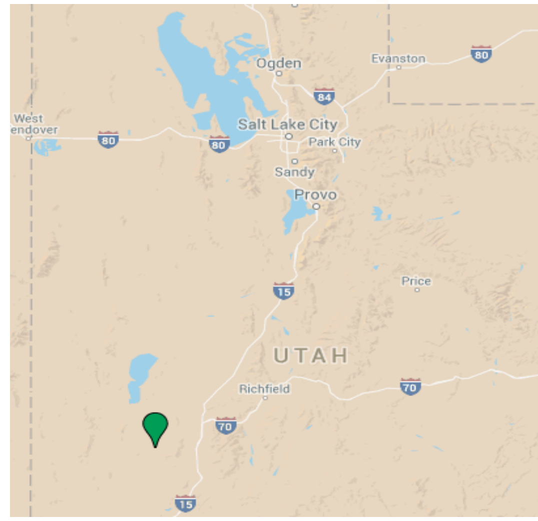


*Through a separate layoff agreement, the City of Glendale sold 100% of its entitlement to capacity and energy to LADWP.

MILFORD I

Location: Milford, UT
Type: Wind
COD: 16-Nov-09
Capacity (MWs): 203.5
Term: 20 years

Participants:	%	MWs
Burbank	5.00%	10.18
LADWP	92.50%	188.24
Pasadena	2.50%	5.09
	100%	203.5



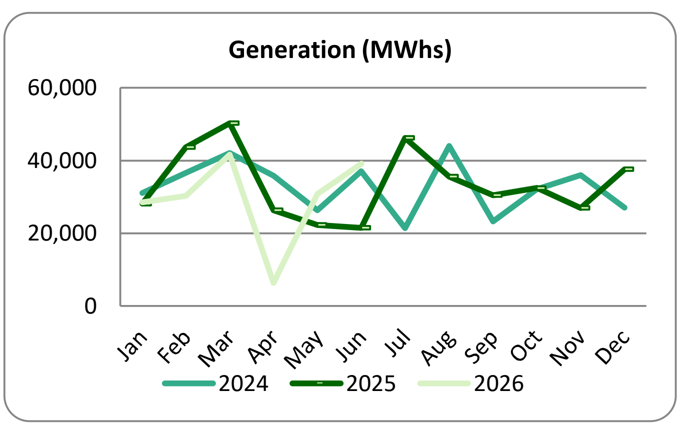
Operations Notes:

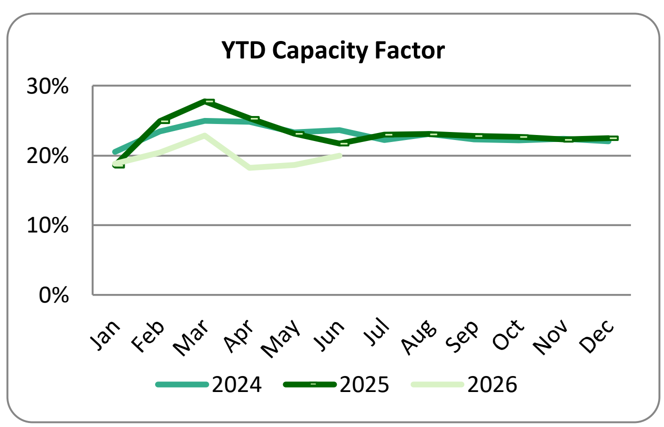
April 2026: Milford 1 generated 21,154 MWh, which was 49.0% below budget, primarily due to below-budget wind speeds (6.0 m/s vs. 6.6 m/s budgeted) and prolonged LADWP and Fervo outage events. Despite the production shortfall, the project maintained 96.0% availability throughout the month.

May 2026: The project produced 30,823 MWh, improving significantly from April but still finishing 21.4% below budget. Availability declined to 90.8%, while below-budget wind resource conditions and equipment-related losses continued to impact overall generation.

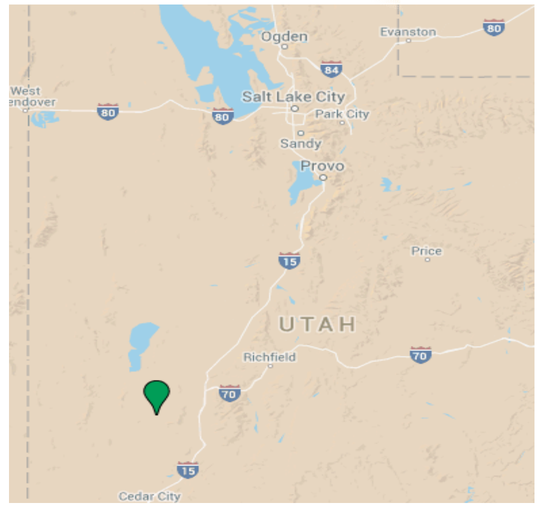
June 2026: Milford 1 generated 39,204 MWh, its strongest month of the quarter, reducing the production variance to 9.1% below budget. Strong wind conditions (7.6 m/s versus 6.8 m/s budgeted) and improved turbine availability (97.4%) drove significantly better performance, although outage-related losses continued to affect production.

YTD NCF at the facility closed at 20%, a 2% decrease when compared to the same period in 2025.





MILFORD II



Location: Milford, UT
Type: Wind
COD: 2-May-11
Capacity (MWs): 102
Term: 20 years

Participants:	%	MWs
Glendale*	5%	5.1
LADWP	95%	96.9
	100%	102

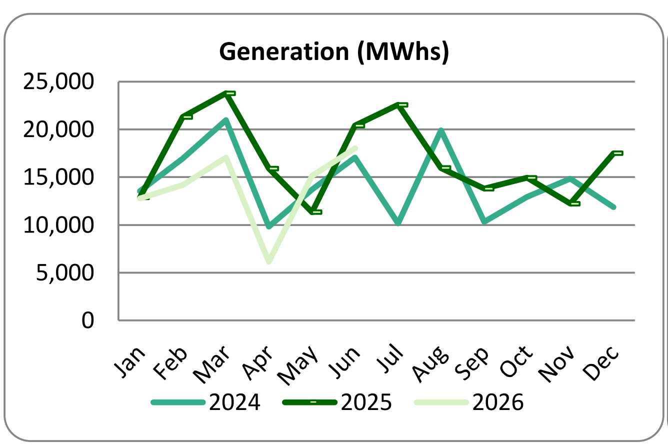
Operations Notes:

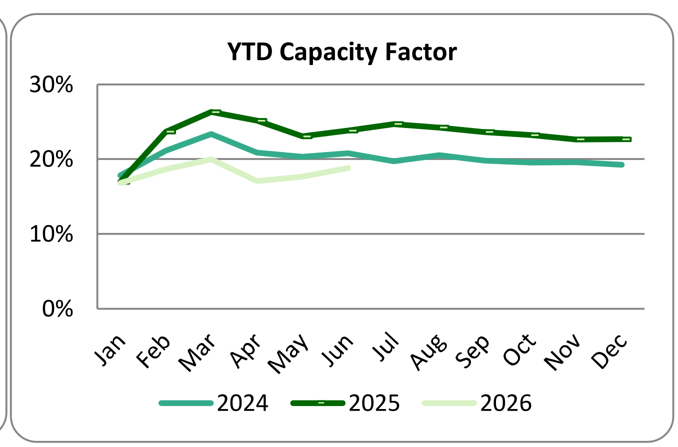
April 2026: Milford 2 generated 6,145 MWh, which was 68.9% below budgeted production despite strong turbine mechanical availability of 99.3%. Performance was primarily impacted by below-budget wind speeds and extended LADWP/Fervo-related outage and curtailment events during the month.

May 2026: The project produced 13,828 MWh, reducing the production shortfall to 25.5% below budget while maintaining 97.0% turbine availability. Performance improved significantly from April, although lower-than-budget wind conditions and curtailment events continued to impact generation.

June 2026: Milford 2 generated 18,030 MWh, finishing 12.4% below budget while benefiting from strong wind resources of 6.8 m/s, well above the budgeted 6.1 m/s. Turbine availability remained solid at 97.2%, and the project delivered its strongest production month of the quarter despite outage and performance-related losses.

YTD NCF at the facility closed at 19%, a 5% decrease from the same period in 2025.





*Through a separate layoff agreement, the City of Glendale sold 100% of its entitlement to capacity and energy to LADWP.

RED CLOUD

Location: Lincoln, Guadalupe, Torrance Counties, NM
Type: Wind
COD: 22-Dec-21
Capacity (MWs): 331
Term: 20 years

Participants:	%	MWs
LADWP	100%	331
	100%	331

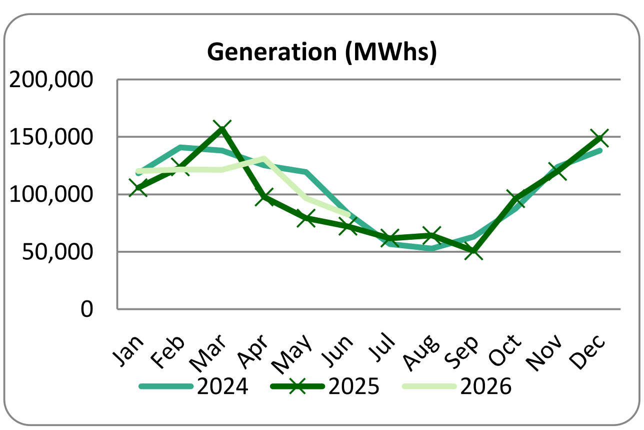
Operations Notes:

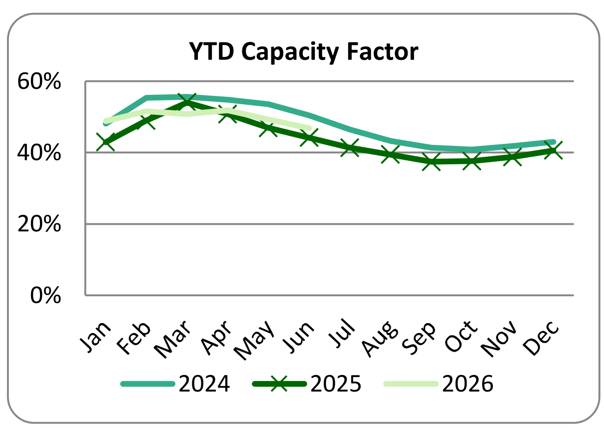
April 2026: Red Cloud generated 131,104 MWh, exceeding budget by 4.0%, driven by stronger-than-expected wind resource conditions (102.7% of budget). Plant energy availability reached 92.1%, slightly above budget, enabling the project to outperform production targets despite ongoing turbine maintenance, curtailments, and transmission outages during the month.

May 2026: The project produced 96,598 MWh, which was 11.0% below budget, primarily due to reduced turbine availability. Wind resource conditions were near plan at 98.8% of budget, but availability declined to 82.6% as major component repairs, blade replacements, and turbine maintenance activities significantly impacted generation.

June 2026: Red Cloud generated 82,244 MWh, remaining below budget as plant availability fell to 70.9% despite exceptionally strong wind resource conditions (122.4% of budget). Performance was heavily affected by turbine outages, blade repair campaigns, major component work, and the late-June turbine collapse event that resulted in a large number of turbines being taken offline pending investigation.

YTD NCF closed at 47%, a 3% increase from the same time last year in 2025.





ANTELOPE BIG SKY RANCH

Location: Lancaster, CA
Type: Solar
COD: 19-Aug-16
Capacity (MWs): 20
Term: 25 years

Participants:	%	MWs
Azusa	17.5%	3.5
Pasadena	32.5%	6.5
Riverside	50%	10.0
	100%	20

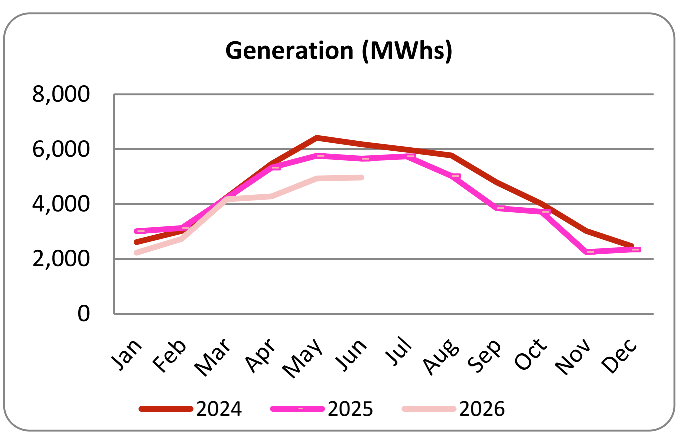
Operations Notes:

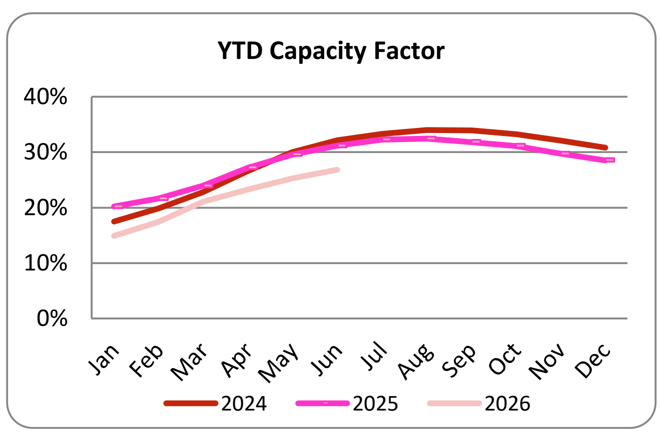
April 2026: Antelope Big Sky Ranch generated 4,283 MWh, finishing 9.1% below expected production, while maintaining 97.1% availability. Performance was impacted by below-average resource conditions (87.4% resource index) and additional site underperformance losses during the month.

May 2026: The project produced 4,930 MWh, which was 23.6% below expected production despite above-average resource conditions (104.7% resource index). Availability declined to 89.5%, and outage-related and performance losses significantly reduced monthly generation.

June 2026: Antelope Big Sky Ranch generated 4,971 MWh, finishing 25.6% below expected production while benefiting from strong resource conditions (106.1% resource index). Although availability improved to 98.0%, performance losses continued to materially impact overall production.

YTD NCF at the facility closed at 27%, a 4% dip from the same period in 2025.





ANTELOPE DSR 1 & 2

Location: Lancaster, CA
Type: Solar
COD: 20-Dec-2016 & 6-Dec-2016
Capacity (MWs): 55 (50 MWs DSR1 & 5 MWs DSR2)
Term: 20 years

Participants:	%	MWs
Riverside	45.5%	25
Vernon	45.5%	25
Azusa	9.1%	5
	100%	55

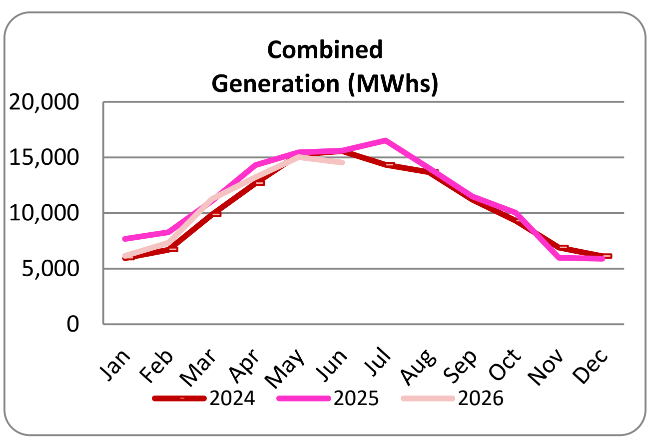
Operations Notes:

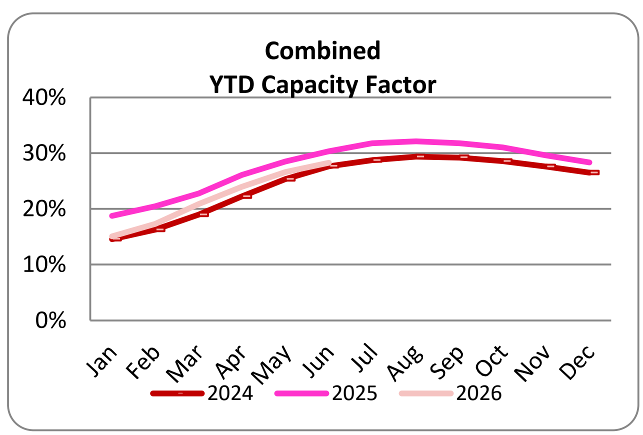
April 2026: Antelope DSR 1 and DSR 2 generated a combined 13,214 MWh and maintained excellent availability above 99%. Both projects underperformed expectations, with production finishing 6.4% below expected at DSR 1 and 11.6% below expected at DSR 2, largely due to performance-related losses.

May 2026: The projects produced a combined 15,041 MWh, supported by near-perfect availability. DSR 1 finished only 2.4% below expected production, while DSR 2 was 11.6% below expected, resulting in mixed overall performance for the month.

June 2026: Antelope DSR 1 and DSR 2 generated a combined 14,537 MWh. Favorable resource conditions were offset by performance losses, with DSR 1 and DSR 2 finishing 15.9% and 14.1% below expected production, respectively, while lower availability at DSR 1 further impacted results.

YTD NCF closed at 28%, a 2% decrease from the same period in 2025.





ASTORIA 2

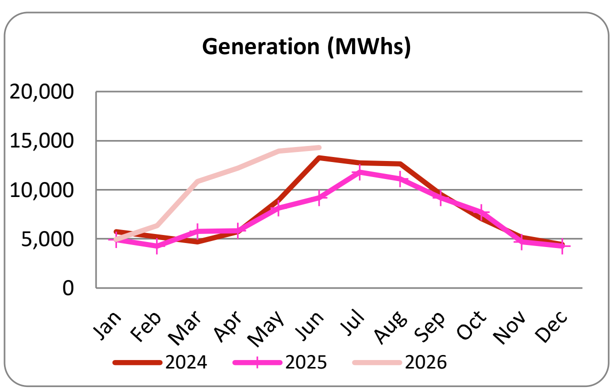
Location:	Kern County, CA	
Type:	Solar	
COD:	9-Dec-16	
Capacity (MWs):	45	
Term:	20 years	
Participants:	%	MWs
Banning	17.78%	8
Colton	15.56%	7
Vernon	66.67%	30
	100%	45

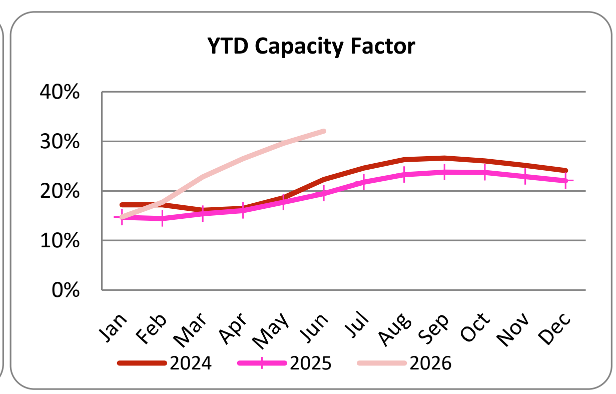
Operations Notes:

April 2026: Astoria 2 generated 20,371 MWh in April, which was 4.7% below expected production, despite solar irradiance finishing 3.5% above modeled levels. The project achieved 95.0% effective availability and an OPI of 95.3%, indicating performance was primarily impacted by operational factors rather than resource conditions.

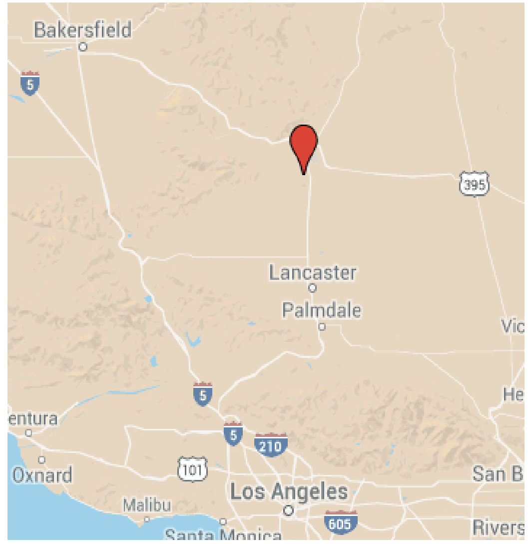
May 2026: The project produced 23,255 MWh in May, significantly outperforming expectations with an OPI of 137.7% despite irradiance being 28.5% below modeled conditions. Astoria 2 achieved 96.3% effective availability, demonstrating exceptionally strong energy production relative to the available solar resource.

June 2026: Astoria 2 generated 23,817 MWh during June, finishing 4.3% below expected production while irradiance was 1.1% below modeled levels. The project maintained 94.0% effective availability and an OPI of 95.7%, with performance remaining relatively close to expectations despite several outage events during the month.





COLUMBIA TWO



Location:	Kern County, CA	
Type:	Solar	
COD:	31-Dec-14	
Capacity (MWs):	15	
Term:	20 years	
Participants:	%	MWs
Azusa	9%	1.35
Pasadena	17%	2.55
Riverside	74%	11.10
	100%	15

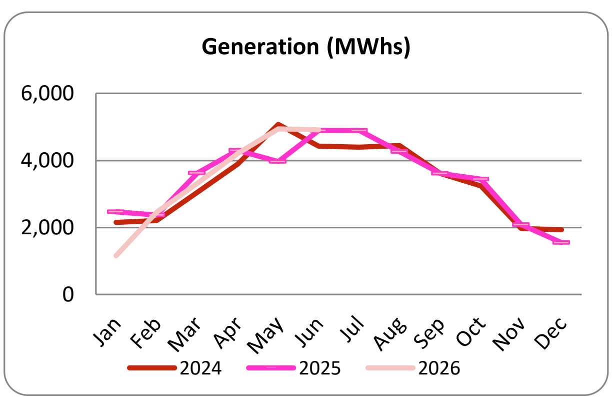
Operations Notes:

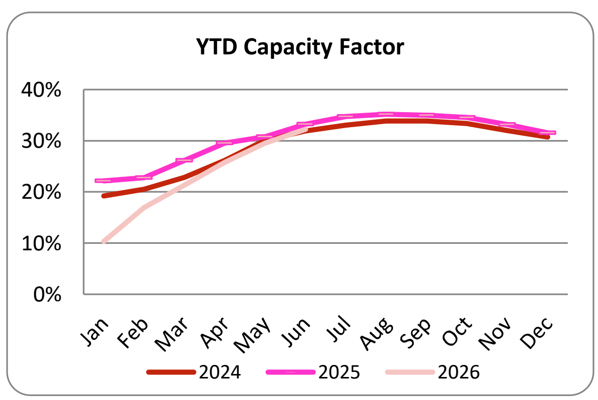
April 2026: Columbia II delivered 3,729 MWh during April, achieving a 34.5% capacity factor and 95.6% availability. Minor inverter fault events were resolved quickly, limiting operational impacts and supporting stable overall performance for the month.

May 2026: The project generated 4,941 MWh in May, with a 44.3% capacity factor and 100% availability. Strong solar resource conditions and minimal curtailment supported improved production, while inverter startup trips were resolved through standard recovery procedures.

June 2026: Columbia II produced 4,911 MWh in June, achieving a 45.0% capacity factor and 99.2% availability. Strong irradiance levels, no curtailment, and rapid resolution of temporary inverter outages contributed to another month of strong operational performance.

NCF closed at 26%, a 4% decrease from 2025.





COPPER MOUNTAIN 3

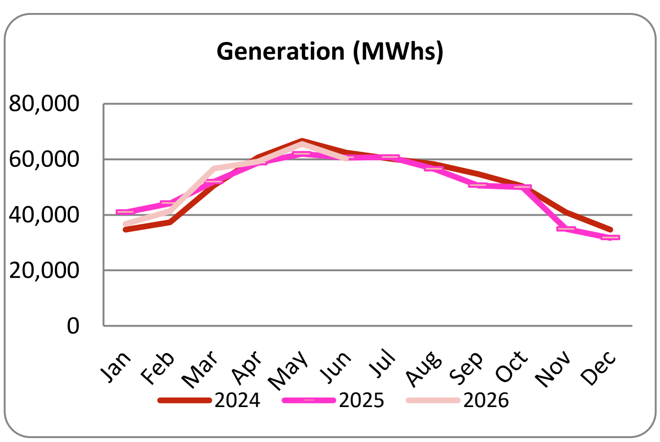
Location:	Boulder City, NV	
Type:	Solar	
COD:	9-Apr-15	
Capacity (MWs):	250	
Term:	20 years	
Participants:	%	MWs
Burbank	16%	40
LADWP	84%	210
	100%	250

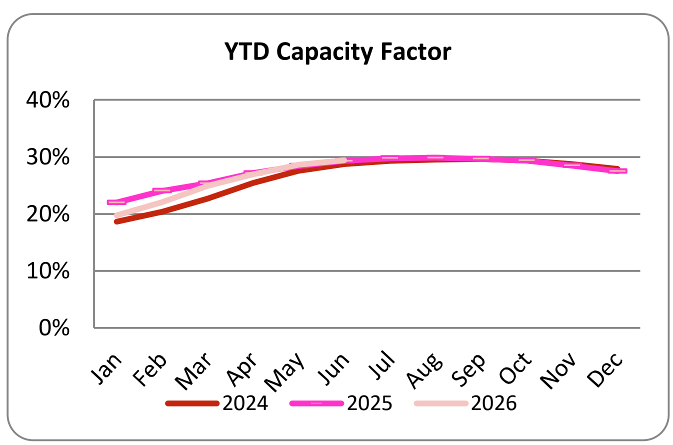
Operations Notes:

Copper Mountain Solar 3 generated 184,786 MWh during the second quarter, finishing 2% above plan despite solar resource conditions that were 1% below planned **insolation**. This performance highlights the project's ability to exceed production expectations even under less favorable resource conditions.

The plant remained online throughout the quarter except for limited downtime events and achieved 98.74% commercial availability, slightly below the planned level of 99.5%. Scheduled and corrective maintenance activities were completed as needed to support reliable operations, and overall plant performance remained strong, resulting in generation that exceeded quarterly production targets.

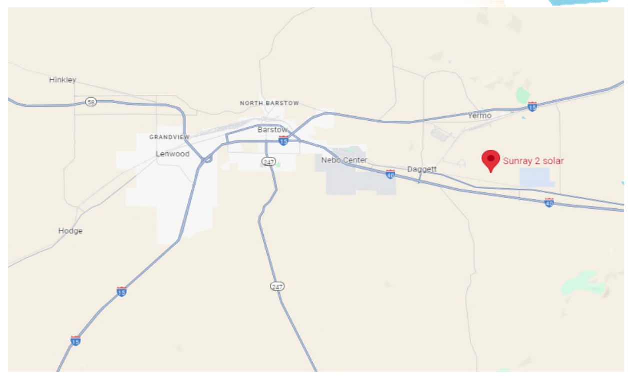
YTD generation was above historical averages by approximately 1435 MWh with YTD NCF closing the period at 29%; equal to last year's period.





DAGGETT SOLAR 2

Location:	Daggett, CA	
Type:	Solar	
COD:	12-Dec-23	
Capacity (MWs):	65	
Term:	20 years	
Participants:	%	MWs
Cerritos	8%	5.30
Vernon	92%	59.70
	100%	65



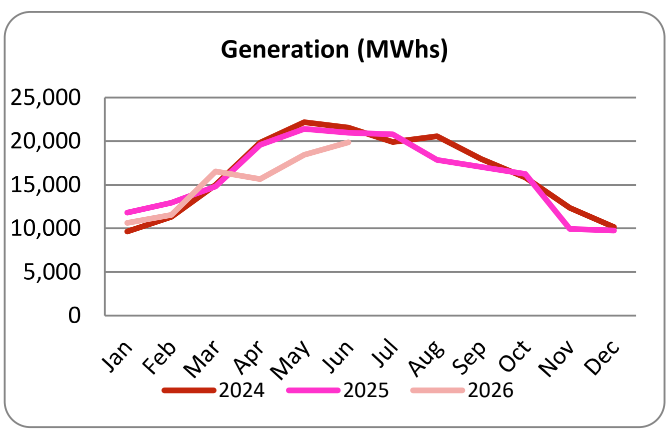
Operations Notes:

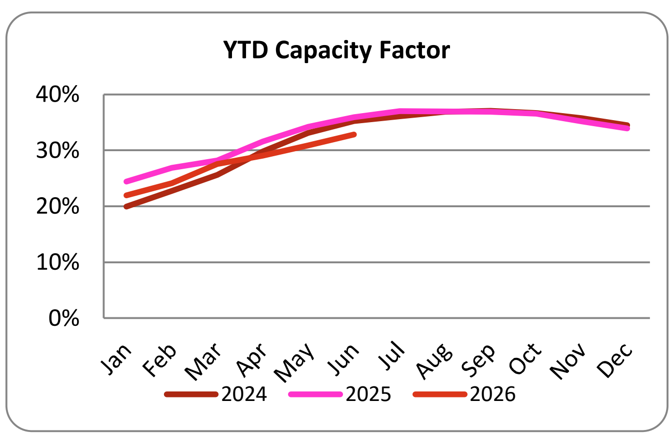
April 2026: Daggett 2b generated 15,657 MWh with strong PV availability of 99.0%. The BESS discharged 3,668 MWh, completed 30 effective cycles, and maintained 97.8% availability, supporting reliable site performance throughout the month.

May 2026: The project generated 18,418 MWh while achieving 99.5% PV availability. The BESS discharged 3,896 MWh with 99.8% availability and 89.4% round-trip efficiency, contributing to strong overall solar-plus-storage performance.

June 2026: Daggett 2b produced 19,863 MWh, its highest output of the quarter, while maintaining 99.0% PV availability. The BESS discharged 3,654 MWh, achieved 99.8% availability, and improved round-trip efficiency to 91.0%, delivering strong and consistent storage performance.

YTD NCF for the period closed at 33%, a 3% dip compared to the same period in 2025.

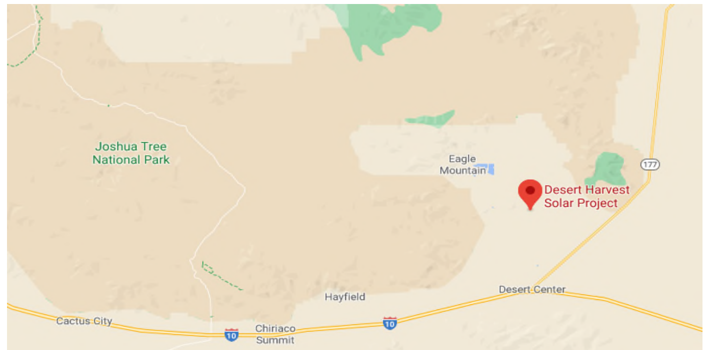




Desert Harvest II

Location: Riverside County, CA
Type: Solar
COD: 17-Dec-20
Capacity (MWs): 70
Term: 25 years

Participants:	%	MWs
Anaheim	51.43%	36
Burbank	31.43%	22
Vernon	17.14%	12
	100%	70



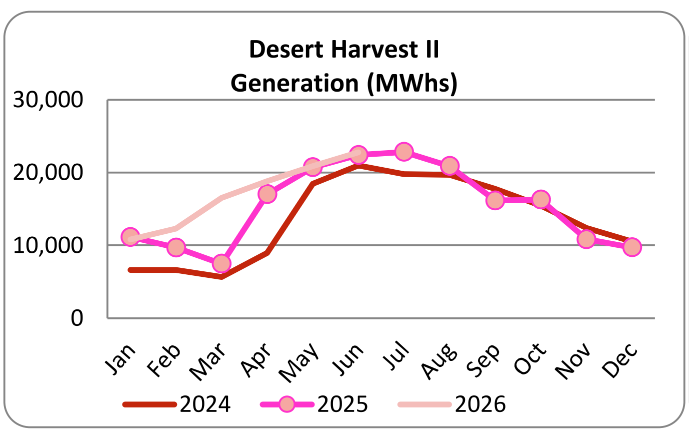
Operations Notes:

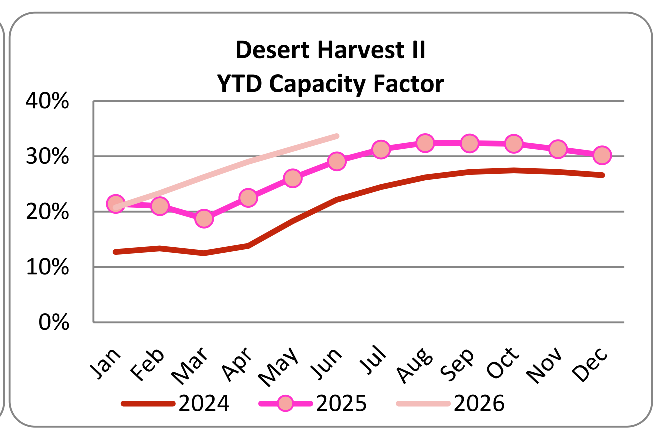
April 2026: Desert Harvest II generated 18,842 MWh, exceeding budgeted production by 13.8% despite solar resource conditions coming in 18.1% below budget. The project achieved a 37.4% net capacity factor, demonstrating strong operational performance and effective conversion of available solar resource.

May 2026: The project generated 20,906 MWh, essentially matching budget with 0.0% variance, and achieved a 40.1% net capacity factor. Although insolation was 11.9% below budget, Desert Harvest II maintained expected production levels through strong plant performance.

June 2026: Desert Harvest II continued strong performance through June, maintaining year-to-date generation of 79,156 MWh, which was 13.2% above budget, while operating without any reported outages. Limited curtailment of 27 MWh and stable plant operations supported continued outperformance against annual production targets.

The facility reached a YTD NCF of 34%, which represents a 5% increase from 2025.





ELAND I SOLAR & STORAGE

SCPPA

Location: Mojave, CA
Type: Solar
COD: 18-Nov-24
Capacity (MWs): 200
Term: 25 years

Participants:	%	MWs
Glendale	12.50%	25
LADWP	87.50%	175
	100%	200

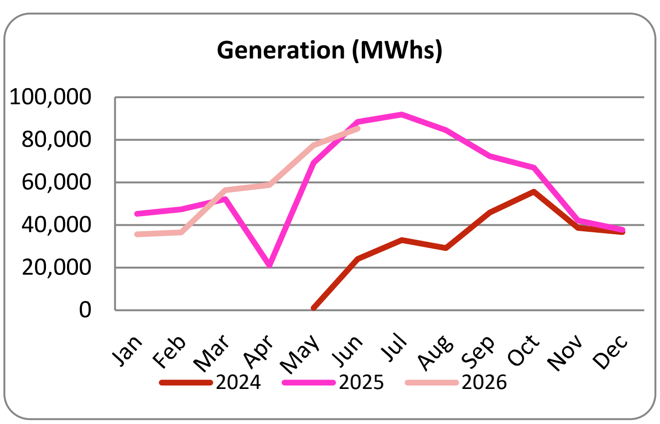
Operations Notes:

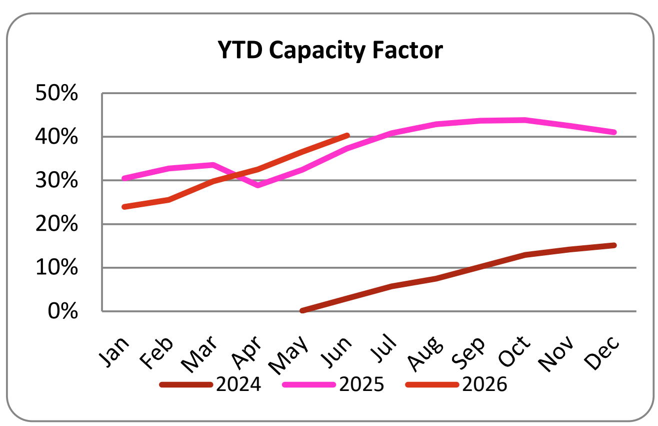
April 2026: Eland 1 generated 55,486 MWh, which was 14.1% below modeled production and 93.5% of PVUSA expected energy. The BESS exported 13,593 MWh and maintained 99.6% availability, providing strong storage performance

May 2026: The project produced 76,730 MWh, exceeding modeled production by 6.2% and achieving 100.8% of PVUSA expected energy. The BESS exported 14,034 MWh with 100% availability, supporting excellent overall site performance.

June 2026: Eland 1 generated 85,417 MWh, outperforming modeled production by 15.9% and achieving 102.1% of PVUSA expected energy. The BESS exported 14,338 MWh and maintained 100% availability, contributing to the strongest combined performance month of the quarter.

The facility reached a YTD NCF of 40%, a 3% increase from last year during the same period. MWh reported for the quarter approximately totaled 225,403 MWh.





ELAND II SOLAR & STORAGE

Location:	Mojave, CA	
Type:	Solar	
COD:	31-Jul-25	
Capacity (MWs):	200	
Term:	25 years	
Participants:	%	MWs
LADWP	100.00%	200
	5370100%	1.1E+07

Operations Notes:

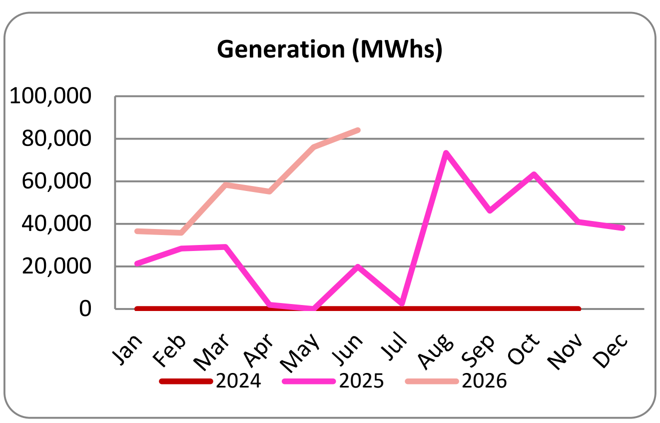
Eland II Solar & Storage is a 200 MW solar power plant located in Mojave, California. The facility reached commercial operation status on July 31st, 2025.

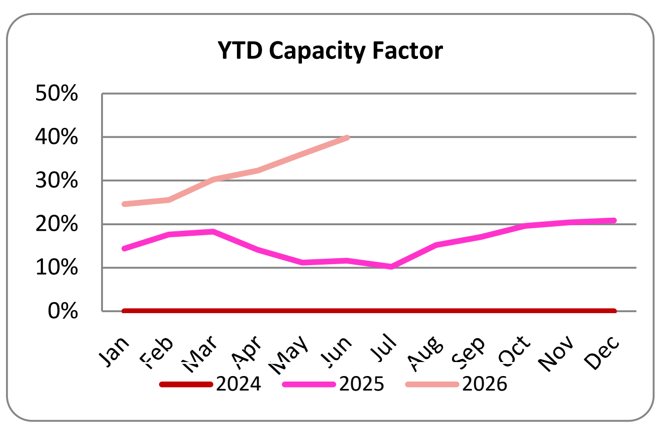
April 2026: Eland 2 solar generation totaled 55,774 MWh, which was 15.3% below modeled production, while the BESS exported 13,824 MWh and maintained 99.7% availability. Solar performance was impacted by outages and curtailment events, while the storage system delivered strong reliability and energy throughput.

May 2026: The solar facility generated 78,671 MWh, exceeding modeled production by 7.8%, while the BESS exported 15,419 MWh with 100% availability. Strong solar resource conditions and highly reliable storage operations resulted in excellent overall site performance.

June 2026: Eland 2 produced 86,363 MWh, outperforming modeled production by 17.3%, while the BESS exported 13,989 MWh and achieved 100% availability. Strong solar production and consistent storage performance drove the project's best combined performance month of the quarter.

The facility reached a YTD NCF of 40%, MWh reported for the quarter approximately total 215,366 MWh.





KINGBIRD B

Location: Rosamond, CA
Type: Solar
COD: 30-Apr-16
Capacity (MWs): 20
Term: 20 years

Participants:	%	MWs
Azusa	15%	3
Colton	15%	3
Riverside	70%	14
	100%	20

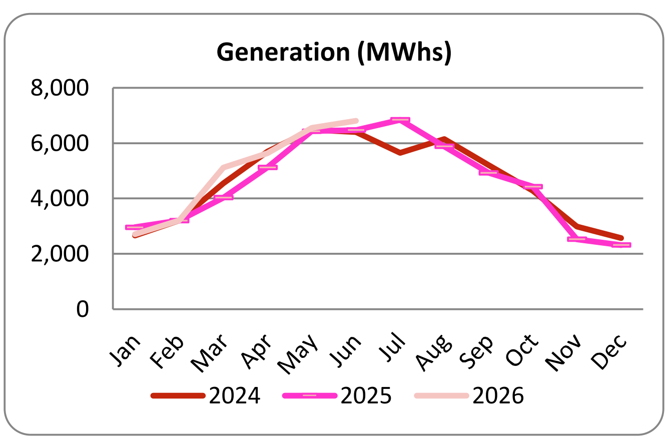
Operations Notes:

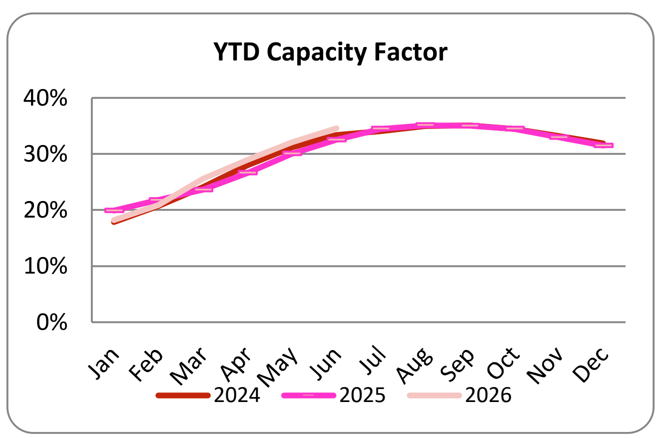
April 2026: Kingbird B generated 5,641 MWh, exceeding the energy budget by 4.5%. Higher-than-budgeted solar resource conditions (+5.3% POA irradiance) and a 97.4% performance index helped offset minor equipment-related losses, resulting in strong overall performance.

May 2026: The project produced 6,556 MWh, outperforming the energy budget by 5.6%. Strong solar resource conditions and 100% technical availability supported solid generation, while performance remained strong with a 97.3% performance index.

June 2026: Kingbird B generated 6,811 MWh, exceeding budgeted production by 9.6%, making it the strongest month of the quarter. Above-budget irradiance (+8.2%), a 99.3% performance index, and 99.8% technical availability drove exceptional production results.

YTD NCF at the facility closed at 35%, a 3% increase from the same period in 2025.





SPRINGBOK I

Location: Kern County, CA
Type: Solar
COD: 11-Jul-16
Capacity (MWs): 105
Term: 25 years

Participants:	%	MWs
LADWP	100%	105
	100%	105

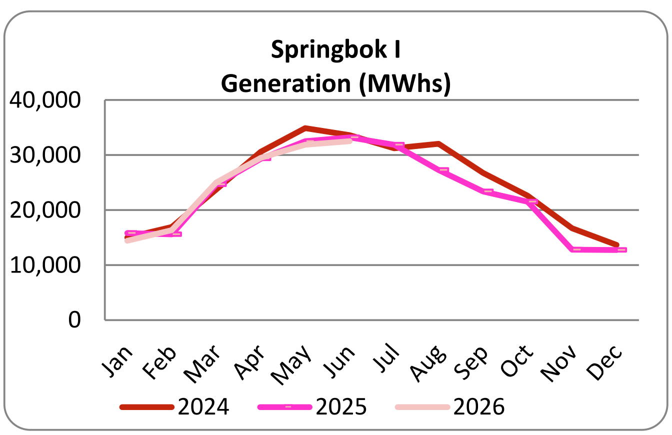
Operations Notes:

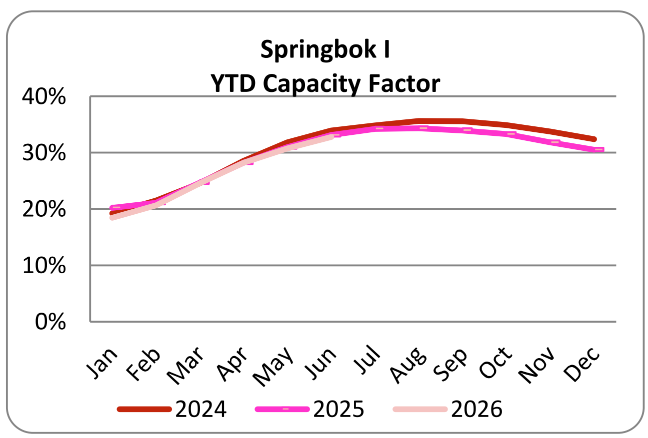
Springbok I's YTD NCF finished at 33%, the same as last years period.

April 2026: Springbok 1 generated 29,490 MWh, exceeding expected production by 3,207 MWh and guaranteed production by 9,778 MWh. Strong solar resource conditions and 96% availability supported excellent monthly performance.

May 2026: The plant produced 31,889 MWh, outperforming expected production by 1,542 MWh and guaranteed production by 9,129 MWh. Despite availability declining to 94%, Springbok 1 continued to deliver strong generation during the month.

June 2026: Springbok 1 generated **32,531 MWh**, exceeding expected production by **1,100 MWh** and guaranteed production by **8,958 MWh**. Increased solar irradiance drove the highest monthly production of the year through June, though availability declined to **92%**.





SPRINGBOK II

Location: Kern County, CA
Type: Solar
COD: 6-Sep-16
Capacity (MWs): 150
Term: 27 years

Participants:	%	MWs
LADWP	100%	150
	100%	150

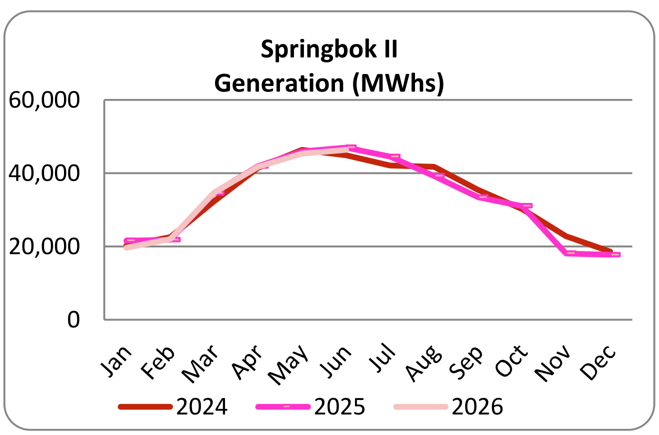
Operations Notes:

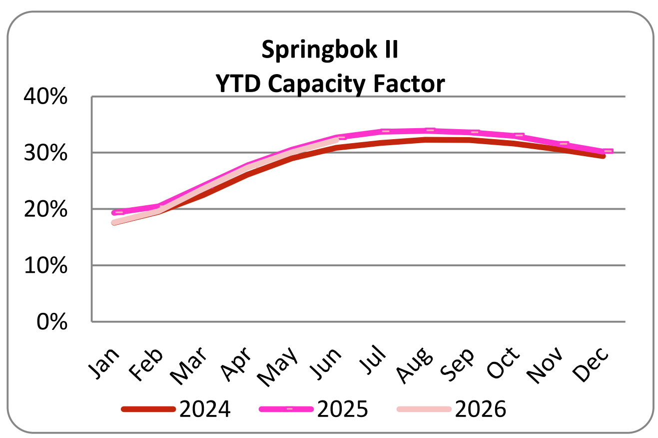
Springbok II YTD NCF finished at 32%, roughly a 1% dip from same period last year.

April 2026: Springbok 2 generated 41,791 MWh, exceeding expected production by 2,367 MWh and guaranteed production by 12,223 MWh. Strong solar resource conditions and 100% availability contributed to one of the site's best-performing months of the year.

May 2026: The plant produced 45,244 MWh, finishing just 277 MWh below expected production while exceeding the guaranteed level by 11,104 MWh. Performance remained strong with 99% availability and increased solar irradiance compared to April.

June 2026: Springbok 2 generated 46,396 MWh, exceeding guaranteed production by 11,037 MWh and falling only 750 MWh below expected production. The project maintained 99% availability and delivered its highest monthly production of the year through June.





SPRINGBOK III

Location: Kern County, CA
Type: Solar
COD: 19-Jul-19
Capacity (MWs): 90
Term: 27 years

Participants:	%	MWs
LADWP	100%	90
	100%	90

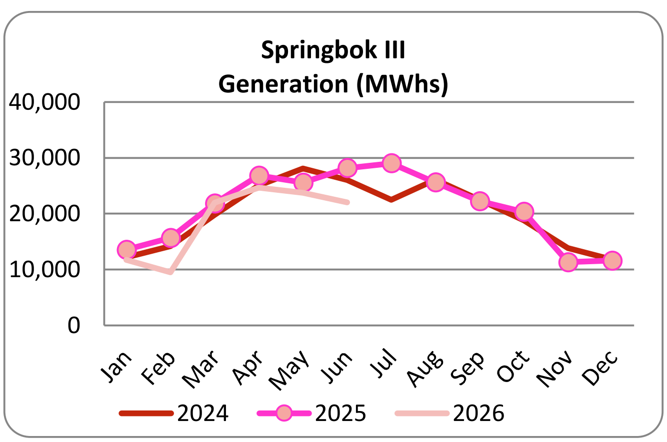
Operations Notes:

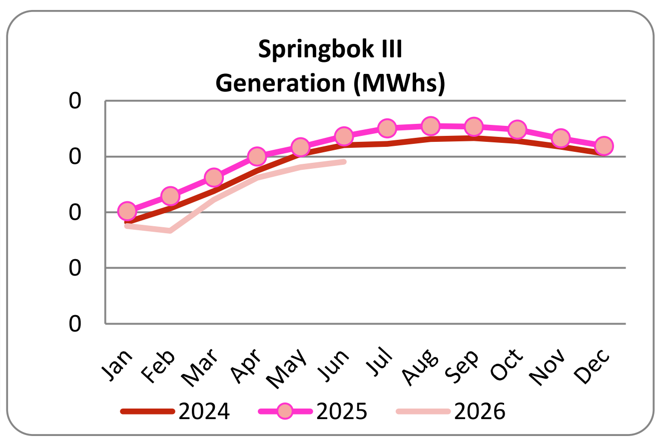
April 2026: Springbok 3 generated 24,783 MWh, exceeding expected production by 794 MWh and guaranteed production by 6,791 MWh, with strong availability of 95.6%. The plant delivered one of its strongest performance months year-to-date, benefiting from favorable operating conditions.

May 2026: The plant generated 23,974 MWh, falling 3,725 MWh below expected production but remaining 3,200 MWh above the guaranteed level. Lower availability (81.3%) impacted production despite strong solar resource conditions during the month.

June 2026: Springbok 3 produced 22,042 MWh, exceeding guaranteed production by 526 MWh but underperforming the expected target. Although solar irradiance reached the highest level of the year to date, reduced availability (75.1%) constrained overall output.

YTD NCF finished at 29% which represents a 5% decrease from the same period last year.





SUMMER

Location: Lancaster, CA
Type: Solar
COD: 25-Jul-16
Capacity (MWs): 20
Term: 25 years

Participants:	%	MWs
Azusa	17.5%	3.5
Pasadena	32.5%	6.5
Riverside	50.0%	10.0
	100%	20

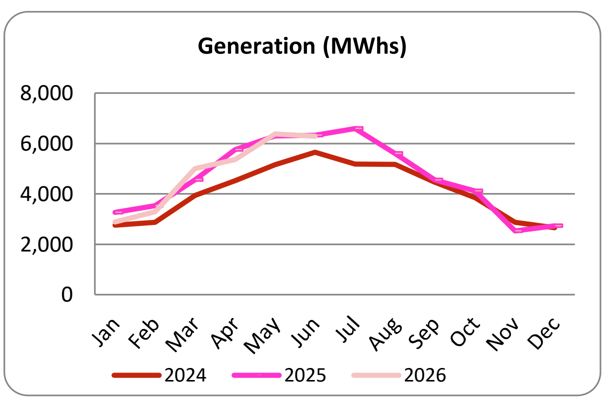
Operations Notes:

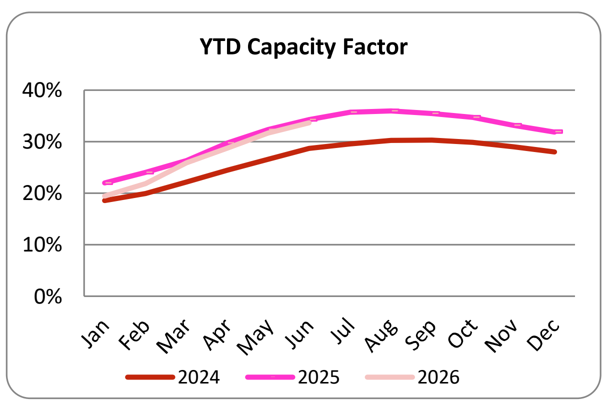
April 2026: Summer Solar generated 5,365 MWh, which was 3.4% below expected production and 1.3% below budget. Despite excellent availability (100%) and above-average solar resource conditions, the project experienced minor performance losses that reduced output.

May 2026: Summer Solar produced 6,377 MWh, exceeding budget by 3.0% but finishing 4.5% below expected production. Strong solar resource conditions and 100% availability supported solid overall performance during the month.

June 2026: Summer Solar generated 6,294 MWh, finishing 0.9% below budget and 8.0% below expected production. Resource conditions remained favorable and availability was high (99.6%), but performance losses prevented the project from fully capturing the available solar resource.

The YTD NCF closed at 34%, the same when compared to the same period last year.





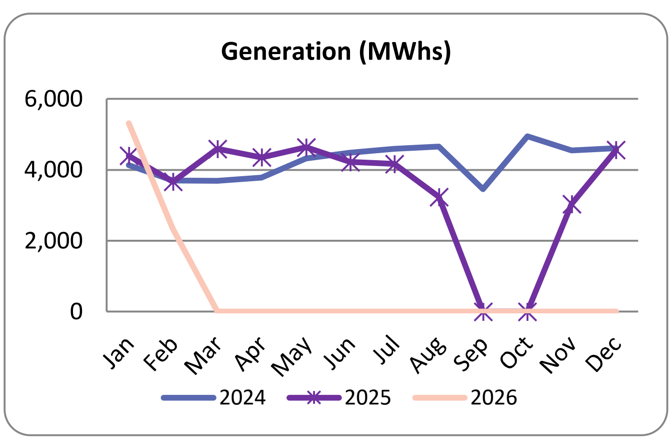
Roseburg

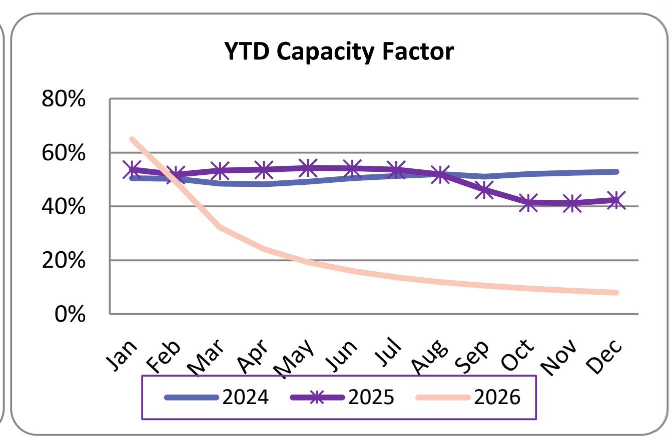
Location: Weed, CA
Type: Biomass
COD: 16-Feb-21 (start of SCPPA deliveries)
Capacity (MWs): 11 (SCPPA Capacity)
Term: 5 years

Participants:	%	MWs
Anaheim	4%	0.49
IID	8%	0.91
LADWP	49%	5.42
SMUD	23%	2.58
MID	6%	0.61
Riverside	4%	0.49
TID	4%	0.49
	100%	11

Operations Notes:

The Roseburg contract expired in February 2026 and was not extended for the remainder of the year, hence no operation is noted.





ANAHEIM • AZUSA • BANNING • BURBANK • CERRITOS • COLTON • GLENDALE • IID • LOS ANGELES • PASADENA • RIVERSIDE • VERNON

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY
1160 NICOLE COURT
GLENDORA, CA 91740
(626) 793-9364
WWW.SCPPA.ORG

MEMO

TO: SCPPA Board of Directors
FROM: Daniel E Garcia, Executive Director
DATE: September 10, 2026
RE: Working Group Updates

WORKING GROUP SUMMARY

ASSET MANAGEMENT

The next Asset Management Working Group meeting will be held on October 29, 2026. We plan to hear about Project Development activities and discuss existing Project issues.

ASSISTANT GENERAL MANAGER (AGM)

The next Assistant General Manager Working Group meeting will be held on October 28, 2026. We plan to hear about Legislative and Regulatory updates, Project Development activities, and discuss existing Project issues.

CUSTOMER PROGRAMS

The Customer Programs Working Group (CPWG) met on August 18, 2026. The meeting opened with general updates, including an overview of upcoming Program Development Division's expiring contracts and the current status of the related RFPs.

Brandon Czworniak provided a reminder for Members to submit their votes regarding the proposed enhancements to the SB 1037 reporting platform.

Brandon also provided a recap of the California Energy Commission's (CEC) July 15th Front-of-the-Meter Distributed Energy Resources (FTM DER) Workshop, highlighting key discussion topics and takeaways related to the development and deployment of FTM DERs. (SCPPA, in coordination, with several SCPPA Members, testified at this workshop.)

Renew Home joined the meeting to present on its Energy Shift program, which incrementally adjusts customer heating and cooling during peak demand periods to help reduce electricity usage and support grid reliability. The presentation included an overview of the program and how it can support customer energy management.

The meeting concluded with discussion among Members on the presentations, and industry and regulatory updates.

The next CPWG meeting will be held on September 15, 2026.

CYBERSECURITY

The Cybersecurity Working Group (CWG) met on August 26, 2026. The Group discussed challenges and risks in the Cybersecurity space for this year. The CWG will reach out to the Cybersecurity and Infrastructure Security Agency (CISA) for a future presentation on the services they offer in the Utility space.

The CWG decided to meet on a quarterly basis. The next CWG meeting is planned for December 9, 2026.

FINANCIAL INCENTIVES and RATES

The Financial Incentive Programs Working Group (FIPWG) met on August 25, 2026. The meeting opened with general updates and discussion among members regarding upcoming industry events and other related activities.

Palo Alto Utilities joined the meeting to provide a presentation on its recently implemented Time-of-Use (TOU) rates. The presentation covered Palo Alto's approach to implementing the new rates, customer considerations, and lessons learned from the implementation.

Mario De Bernardo provided Government Affairs updates, including the current status of wildfire liability legislation and other relevant legislative and regulatory developments affecting publicly owned utilities.

The meeting concluded with discussion among members on the presentation, legislative and regulatory updates.

The next FIPWG meeting will be held on September 22, 2026.

HYDROGEN & OTHER EMERGING TECHNOLOGIES

This working group meets on an ad hoc basis. No meeting is currently scheduled.

KEY ACCOUNTS

This group meets on an ad hoc basis. No meeting is currently scheduled.

LEGAL

The next Legal Working Group meeting is scheduled for September 24, 2026.

LEGISLATIVE

The Legislative Working Group (LWG) met on August 19th and September 3rd.

The working group discussed matters related to the end of the legislative session including results of the Appropriations Suspense File and eleventh hour bill negotiations. The LWG closely followed and provided input to the development of the Governor's proposal to address wildfire liability. SCPPA's upcoming annual conference was also discussed.

Members of the LWG also met on September 8th at an ad hoc meeting organized by the SCPPA Government Affairs Division to discuss next steps regarding Advanced Clean Fleets policy now that CARB has finalized the latest rulemaking.

The next LWG meeting will be held on September 16th

MUTUAL ASSISTANCE

The Mutual Assistance Sub-Working Group (MASG) met on September 1, 2026. There were no Mutual Assistance requests in July and August. We received a presentation from the California Utilities Emergency Association (CUEA) during the meeting. There will be a tabletop exercise CUEA will be conducting along with Southern California Edison later this month. The Mutual Assistance Playbook has been fully reviewed and will be updated accordingly.

The next MAWG meeting will be held on October 6, 2026.

NATURAL GAS

The next Natural Gas Working Group (NGWG) will be held on October 27, 2026. We plan to receive operations updates from PureWest, SCPPA's operator in Wyoming, and BKV, one of SCPPA's operators in Texas. In addition, this working group will also review Net Operating Revenue reports for both Barnett and Pinedale projects.

PREPAY

General Prepay Working Group meetings will be scheduled in the future on an as needed basis.

REGULATORY

The Regulatory Working Group (RWG) met on August 19th.

The RWG discussed several regulatory and stakeholder developments. These included the California Air Resources Board's (CARB) Advanced Clean Fleets (ACF) rule SF6 Rule engagement opportunities; the California Energy Commission's (CEC) Integrated Resource Planning (IRP) Guidelines updates and the Integrated Energy Policy Report (IEPR) updates; State Water Resources Control Board (SWRCB) Utility Wildfire General Order; updates from the California Electric Transportation Coalition (CalETC) board meeting; and SCPPA's upcoming annual conference.

Members of the RWG also met on September 8th at an ad hoc meeting organized by the SCPPA Government Affairs Division to discuss next steps regarding Advanced Clean Fleets policy now that CARB has finalized the latest rulemaking.

The next RWG meeting will be held on September 16, 2026.

RENEWABLES

The Renewables Working Group (ReWG) met on August 18, 2026. The Group discussed all 10 current projects in development and their statuses in the meeting. The ReWG discussed all new proposals received at the end of July and Members will discuss internally to determine which proposals to move forward with for future negotiations.

The next ReWG meeting will be held on September 15, 2026.

RESOURCE PLANNING

The Resource Planning Working Group (RPWG) met on September 3, 2026. The RPWG discussed future procurement concerns in regards to potential increased tariffs and supply chain delays. Balcony Solar was discussed regarding its potential safety impacts to utilities around back feed concerns and potential fire risks. The RPWG also discussed the latest CEC guidelines for the IRs and felt the guidelines were less restrictive on certain energy resources now.

The next RPWG meeting will be held on October 1, 2026.

RISK MANAGEMENT

The Risk Management Working Group (RMWG) met on September 2, 2026. The Group received a presentation from Mei Pan with Anaheim Public Utilities and Huitzilo Arriaga with Pasadena Water and Power on the history of wildfire liabilities and as they relate to utility risk management. Following the presentation, the Group held a roundtable discussion.

The next RMWG meeting is scheduled for October 7, 2026.

SAFETY

The Safety Working Group (SWG) will meet on September 22, 2026. The Group plans to discuss fleet safety consultants and any other pressing safety related issues for the end of the year.

TRANSPORTATION ELECTRIFICATION

The Transportation Electrification Working Group (TEWG) met on August 18, 2026. The meeting opened with general updates, including an overview of upcoming Program Development Division's expiring contracts and the current status of the related RFPs.

Brandon Czworniak provided a summary of the UC Davis research paper, If You Build It, They May Not Come: Willingness to Participate in Managed EV Charging. Brandon highlighted the paper's key findings regarding customer participation in managed charging programs and the potential implications for utility program design.

Emily Lemei with the Northern California Power Agency (NCPA) joined the meeting to provide updates on the Clean Fuel Reward program, Low Carbon Fuel Standard (LCFS), and new NCPA contracts.

Optony also joined the meeting to provide a presentation on its transportation electrification advisory services, including potential opportunities to support SCPPA Members with transportation electrification planning and implementation.

The meeting concluded with discussion among members on the presentations and industry and regulatory updates.

The next TEWG meeting will be held on September 15, 2026.

TRANSMISSION & DISTRIBUTION ENGINEERING & OPERATIONS (TD E&O)

The Transmission Distribution Engineering & Operation (TDE&O) Working Group (TDE&O WG) met on September 1, 2026. The TDE&O WG received a presentation from Pasadena on their EV Charging facilities throughout their city and their plans to expand in the next 5 years. The group discussed this year's T&D Annual Conference scheduled for December 2, 2026. The plan is to host the event at the SCPPA Training Center.

The next TDE&O WG meeting will be held on October 6, 2026.

RECURRING/ROLLING SOLICITATIONS:

NAME: Request for Proposals: 2026 Stand-Alone Energy Storage Systems

WORKING GROUP: Resource Planning

ISSUE DATE: April 28, 2026 CLOSE DATE: November 25, 2026

DESCRIPTION:

SCPPA Members seek an annual rolling Standalone Energy Storage Systems (ESS) RFP to support Members' procurement of renewable resources in meeting their Renewable Portfolio Standards (RPS) and procurement targets regarding Assembly Bill (AB) 2514. This RFP seeks proposals for stand-alone ESS in areas relevant to SCPPA Members' territories (CAISO Balancing Authority (BA), IID BA, and at specific locations within the LADWP BA system).

NAME:	Request for Proposals: 2026 Q3/Q4 SCPPA Renewable Energy Resources and Energy Storage Solutions		
WORKING GROUP:	Renewables		
ISSUE DATE:	July 16, 2026	CLOSE DATE:	December 30, 2026

DESCRIPTION:

SCPPA's semi-annual rolling RFP to solicit proposals from developers for renewable resources with or without energy storage (Solar, Wind, Geothermal, Biomass, and Small Hydro) to meet Members' IRP, Clean Energy, and RPS goals.

UPCOMING/RECENT SOLICITATIONS (NEW/CONTINUED SERVICES):

NAME:	Request for Proposals: 2026 Q3/Q4 SCPPA Renewable Energy Resources and Energy Storage Solutions		
WORKING GROUP:	Renewables		
ISSUE DATE:	July 16, 2026	CLOSE DATE:	December 30, 2026

DESCRIPTION:

SCPPA's semi-annual rolling RFP to solicit proposals from developers for renewable resources with or without energy storage (Solar, Wind, Geothermal, Biomass, and Small Hydro) to meet Members' IRP, Clean Energy, and RPS goals.

NAME: Request for Proposals: New Resources and Transmission

WORKING GROUP: Renewables

ISSUE DATE: February 5, 2026 CLOSE DATE: October 16, 2026

DESCRIPTION:

Proposal from developers on Carbon-Free projects and related Transmission for Members in particular areas where the Members can receive the energy.

NAME: Energy Efficiency Audits and Direct Installation Services

DEPARTMENT: Program Development

ISSUE DATE: October 1, 2026 CLOSE DATE: November 1, 2026

DESCRIPTION:

SCPPA issued an RFP for Energy Efficiency Audits and Direct Installation Services to provide integrated support for identifying, evaluating, and implementing energy efficiency opportunities for residential, commercial, industrial, and institutional customers of SCPPA members.

NAME: Distributed Energy Resource Management Systems and Programs Support Tools

DEPARTMENT: Program Development

ISSUE DATE: August 20, 2026 CLOSE DATE: September 18, 2026

DESCRIPTION:

SCPPA issued an RFP for Distributed Energy Resource Management Systems and Programs Support Tools to provide forecasting of distributed energy resource adoption and output, quantify load flexibility, and improve distribution grid planning.

NON-BOARD APPROVED CONTRACT EXTENSIONS:

None

Signed by:

DAE0F3A6ECDE496...

Daniel E Garcia, Executive Director
Southern California Public Power Authority

Matt VanPuyvelde
(818) 238-1859
September 17, 2026

MAGNOLIA POWER PLANT
OPERATIONS REPORT
August 2026

Reporting Period

August 1-31, 2026

Workforce Safety Statistics

- There were zero (0) lost time accidents this month and zero (0) year-to-date (YTD).
- There were zero (0) reportable incidents in August and zero (0) YTD.

Plant Performance Information

- **Availability:** 100.0% in August, 98.8% fiscal year-to-date (FYTD), and 87.4% YTD. (A table showing monthly plant availability for the past twenty months is attached.)
- **Unit Capacity Factor (240 MW):** 85.2% in August, 77.9% FYTD, and 52.6% YTD.
- **Fired Factored Hours:** 744.0 hours in August 2026.
- **Plant Starts (5 starts/month allowed):** Zero (0) starts used in August 2026.
- **Plant Operating Hours (8,322 hours/year allowed):** 5,084.2 hours YTD.
- **Statistics:** Details are provided on the attached monthly production report entitled "Year-to-Date Summary of Statistics "CY2026 & FY2026-27".

Plant Outage Summary and Other Information

- There were no outages at MPP during the month of August 2026. A table entitled "Outage Summary" is attached which shows all the outages that have occurred over the past twelve (12) months. The "2026-2030 Scheduled Inspection Plan" is also attached showing the calendar for future planned outages at MPP.
- There were no instances of stranded energy in August 2026. A table showing stranded energy by month is attached.
- The duct burner system was shut off at 22:00 on Thursday, August 27, 2026 to prevent exceeding the South Coast Air Quality Management District (SCAQMD) permit limit for daily duct burner fuel consumption.
- MPP is scheduled to undergo annual HRSG Safety Valve testing on Thursday, September 17, 2026.
- Preparations are underway for the upcoming planned outage. MPP will be shut down on September 18, 2026, to perform an offline water wash of the combustion turbine compressor and balance of plant maintenance. MPP is scheduled to be restarted on September 21, 2026.

MAGNOLIA MONTHLY PRODUCTION REPORT

Year-to-Date Summary of Statistics

CY2026 & FY2026-27

		2026	2026	2026	2026	2026	2026	2026	2026	2026	2026	2026	2026		
		Jan	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**FYTD**	**YTD**
ENERGY															
Combustion Turbine (Gross)	MWh	43,154	22,044	52,872	49,074	42,218	47,488	79,051	96,375					175,426	432,276
Steam Turbine	MWh	35,017	17,752	46,336	45,032	40,740	40,280	52,447	61,544					113,991	339,148
Plant Generation (Gross)	MWh	78,171	39,796	99,208	94,106	82,958	87,768	131,498	157,919					289,417	771,424
Plant Auxiliaries (Unit Aux.)	MWh	3,729	1,748	4,908	4,724	4,344	4,140	5,389	5,727					11,116	34,709
Plant Auxiliaries (Reserve)	MWh	392	1,241	7	6	304	388	199	6					205	2,543
Plant Generation (Net)	MWh	74,442	38,048	94,300	89,382	78,614	83,628	126,109	152,192					278,301	736,715
Capacity Factor (240 MW Net)	%	41.7%	23.6%	52.9%	51.7%	44.0%	48.4%	70.6%	85.2%					77.9%	52.6%
THERMAL EFFICIENCY															
Combustion Turbine (Gross)	Btu/kWh	14,173	14,082	14,714	15,095	15,987	14,578	12,074	11,439					11,725	13,567
Total Plant (Gross)	Btu/kWh	7,824	7,800	7,865	7,922	8,136	7,888	7,300	7,191					7,240	7,662
Total Plant (Net)	Btu/kWh	8,216	8,159	8,274	8,340	8,586	8,278	7,612	7,461					7,529	8,023
AVAILABILITY															
Hours in the Month	Hours	744.0	672.0	743.0	720.0	744.0	720.0	744.0	744.0					1,488.0	5,831.0
Plant Operating Hours	Hours	546.0	286.6	743.0	720.0	683.3	634.7	726.7	744.0					1,470.7	5,084.2
Duct Burner Operating Hours	Hours	0.0	0.0	10.8	12.3	0.0	0.0	31.4	133.0					164.4	187.5
Plant Availability	%	73.4%	42.7%	100.0%	100.0%	91.8%	90.0%	97.7%	100.0%					98.8%	87.4%
Offline yet Available Hours	Hours	0.0	0.0	0.0	0.0	0.0	13.4	0.0	0.0					0.0	13.4
Planned Outage Hours	Hours	132.0	0.0	0.0	0.0	60.8	72.0	0.0	0.0					0.0	264.7
Forced Outage Hours	Hours	66.0	385.4	0.0	0.0	0.0	0.0	17.3	0.0					17.3	468.7
Forced Outage	%	8.9%	57.3%	0.0%	0.0%	0.0%	0.0%	2.3%	0.0%					1.2%	8.0%
Total Hours Offline	Hours	198.0	385.4	0.0	0.0	60.8	85.3	17.3	0.0					17.3	746.8
Forced Derated Hours	Hours	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0					0.0	0.0
(FFH) From Peak Power	Hours	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0					0.0	0.0
Total Factored Fired Hours	Hours	546.0	286.6	743.0	720.0	683.3	634.7	726.7	744.0					1,470.7	5,084.2
(FFH) Before Next Inspection	Hours	25,741	25,455	24,712	23,992	23,309	22,674	21,947	21,203					-	-
Estimated Date of Next Major Outage														Feb 2029	
FUEL USAGE AND QUALITY															
Combustion Turbine	MMSCF	601	301	757	726	657	668	919	1,050					1,969	5,679
Combustion Turbine	DTH	611,604	310,422	777,955	740,749	674,944	692,281	954,437	1,102,440					2,056,877	5,864,832
Duct Burner	MMSCF	0.0	0.0	2.2	4.6	0.0	0.0	5.3	31.5					37	43.7
Duct Burner	DTH	5	0	2,306	4,737	0	2	5,474	33,088					38,562	45,611
Duct Burner Fuel Remaining	MMSCF	551.1	551.1	548.8	544.2	544.2	544.2	538.9	507.4					-	-
Total Plant Usage	DTH	611,609	310,422	780,261	745,485	674,944	692,283	959,911	1,135,528					2,095,439	5,910,444
Gas Btu (HHV)*	Btu/SCF	1,018	1,032	1,028	1,020	1,028	1,036	1,038	1,050					1,044	1,031

*1,050 assumed pending bill

Magnolia Power Plant - Outage Summary

Outages During the Reporting Period August 1-31, 2026				
Outage Type	**Start Date/Time**	**End Date/Time**	**Hours**	**Comments**
N/A				

Summary of Outages During the Past Twelve Months				
Outage Type	**Start Date**	**End Date**	**Hours**	**Cause**
FO	September 30, 2025	September 30, 2025	12.20	Fuel gas compressor "A" suction valve repair
PO	October 17, 2025	October 20, 2025	72.82	CT water wash
PO	January 23, 2026	January 29, 2026	131.97	CT borescope/boiler inspection
FO	January 29, 2026	February 16, 2026	432.55	HRSG/boiler desuperheater spray liner repairs
FO	February 16, 2026	February 17, 2026	18.82	ST bearing vibration
PO	May 1, 2026	May 4, 2026	60.8	CT water wash
PO	June 26, 2026	June 29, 2026	72.0	SoCalGas pipeline maintenance, CT water wash
RS	June 29, 2026	June 29, 2026	13.38	Off-line but available
FO	July 1, 2026	July 1, 2026	2.1	FGC VFD fault
FO	July 1, 2026	July 2, 2026	15.23	ST bearing #1 vibration

Outage Type Legend
RS - Reserve Shutdown
PO - Planned Outage
FO - Forced Outage
OMC - Outside of Management Control

Magnolia Power Plant - Availability Summary Table

<table>
<tr><th>Monthly</th><th>Quarterly</th><th>Semi-Annually</th><th>Annually</th></tr>
<tr><td>Jan-25
100.0%</td><td rowspan="3">Q1 '25
65.3%</td><td rowspan="6">H1 '25
66.2%</td><td rowspan="12">Yr '25
81.6%</td></tr>
<tr><td>Feb-25
99.1%</td></tr>
<tr><td>Mar-25
0.0%</td></tr>
<tr><td>Apr-25
16.5%</td><td rowspan="3">Q2 '25
67.1%</td></tr>
<tr><td>May-25
93.5%</td></tr>
<tr><td>Jun-25
90.4%</td></tr>
<tr><td>Jul-25
91.9%</td><td rowspan="3">Q3 '25
96.7%</td><td rowspan="6">H2 '25
96.7%</td></tr>
<tr><td>Aug-25
100.0%</td></tr>
<tr><td>Sep-25
98.3%</td></tr>
<tr><td>Oct-25
90.2%</td><td rowspan="3">Q4 '25
96.7%</td></tr>
<tr><td>Nov-25
100.0%</td></tr>
<tr><td>Dec-25
100.0%</td></tr>
<tr><td>Jan-26
73.4%</td><td rowspan="3">Q1 '26
73.0%</td><td rowspan="6">H1 '26
83.5%</td><td></td></tr>
<tr><td>Feb-26
42.7%</td><td></td></tr>
<tr><td>Mar-26
100.0%</td><td></td></tr>
<tr><td>Apr-26
100.0%</td><td rowspan="3">Q2 '26
93.9%</td><td></td></tr>
<tr><td>May-26
91.8%</td><td></td></tr>
<tr><td>Jun-26
90.0%</td><td></td></tr>
<tr><td>Jul-26
97.7%</td><td></td><td></td><td></td></tr>
<tr><td>Aug-26
100.0%</td><td></td><td></td><td></td></tr>
</table>

2026-2030

Scheduled Inspection Plan with 32K Hardware

Magnolia Power Project

Offline Water Wash	(green)
Hot Gas Path / Minor Inspection	(red)
Major Inspection	(blue)

As of Aug. **31st, 2026**

Total Fired Time | **155,635 Hours**

Total Fired Hours PROJECTED ANNUALLY	2026 (7,938 Hours)	2027 (6,096 Hours)	2028 (8,472 Hours)	2029 (8,448 Hours)	2030 (8,448 Hours)
INSPECTIONS **Water Wash** 90 Day Intervals Every 2,160 Hours	76 151,104 Hrs January 2026 **Offline 6:00 PM 1/23/2026** **Online 6:00 AM 1/29/2026** **CT Borescope/Boiler Inspection**	81 January 2027 **Offline 6:00 PM 1/18/2027** **Online 6:00 AM 1/22/2027**	85 February 2028 **Offline 6:00 PM 2/4/2028** **Online 6:00 AM 2/10/2028** **CT Borescope/Boiler Inspection**	89 February 2029 **Offline 6:00 PM 2/2/2029** **Online 6:00 AM 2/8/2029** **CT Borescope/Boiler Inspection**	93 February 2030 **Offline 6:00 PM 1/25/20230** **Online 6:00 AM 1/31/2030** **CT Borescope/Boiler Inspection**
Hot Gas Path / Minor Inspection Every 32,000 Hours Last HGP @ 144,837 Hrs	77 152,879 Hrs May 2026 **Offline 6:00 PM 5/1/2026** **Online 6:00 AM 5/04/2026**	82 4 January 2027 **Offline 6:00 PM 1/28/2027** **Online 6:00 AM 5/12/2027** **CT Enhancement / Boiler Inspection**	86 May 2028 **Offline 6:00 PM 5/5/2028** **Online 6:00 AM 5/8/2028**	90 May 2029 **Offline 6:00 PM 5/11/2029** **Online 6:00 AM 5/14/2029**	94 May 2030 **Offline 6:00 PM 5/3/2030** **Online 6:00 AM 5/6/2030**
Major Inspection Every 64,000 Hours Last Major @ 112,229 Hrs	78 154,144 Hrs June 2026 **Offline 6:00 AM 06/26/2026** **Online 6:00 PM 06/29/2026** **SoCal Gas Curtailment**	83 August 2027 **Offline 6:00 PM 8/13/2027** **Online 6:00 AM 8/16/2027**	87 August 2028 **Offline 6:00 PM 8/4/2028** **Online 6:00 AM 8/7/2028**	91 August 2029 **Offline 6:00 PM 8/10/2029** **Online 6:00 AM 8/13/2029**	95 August 2030 **Offline 6:00 PM 8/2/2030** **Online 6:00 AM 8/5/2030**
Upcoming Inspections CT Enhancement Boiler Inspection **01/28/2027-05/12/2027** All Future Dates are estimates based on run hours and are subject to change	79 September 2026 **Offline 6:00 PM 9/18/2026** **Online 6:00 AM 9/21/2026** 80 December 2026 **Offline 6:00 PM 12/11/2026** **Online 6:00 AM 12/14/2026**	84 November 2027 **Offline 6:00 PM 11/5/2027** **Online 6:00 AM 11/8/2027**	88 November 2028 **Offline 6:00 PM 11/3/2028** **Online 6:00 AM 11/6/2028**	92 November 2029 **Offline 6:00 PM 11/2/2029** **Online 6:00 AM 11/5/2029**	96 November 2030 **Offline 6:00 PM 11/1/2030** **Online 6:00 AM 11/4/2030**
End Of Year Totals	158,471 Hours	164,567 Hours	173,039 Hours	181,487 Hours	189,935 Hours

Stranded Energy Monthly Report

Month	Participant	Energy (MWh)
Sep-25	-	-
Oct-25	-	-
Nov-25	-	-
Dec-25	Glendale	47
Jan-26	-	-
Feb-26	-	-
Mar-26	Anaheim	34
Apr-26	-	-
May-26	-	-
Jun-26	-	-
Jul-26	-	-
Aug-26	-	-

SCPPA BOARD MEETING
PALO VERDE NUCLEAR GENERATING STATION (PVNGS)
STATUS REPORT

Plant Operations - Following is the status of the plant as of August 1st, 2026:

- Unit 1 is at full power in its 448th day of continuous operation.
- Unit 2 is at full power in its 87th day of continuous operation.
- Unit 3 is at full power in its 241th day of continuous operation.

July 2026, the year-to-date maximum dependable capacity factor is as follows:

	Capacity Factor
Unit 1	97.6%
Unit 2	98.3%
Unit 3	97.4%
Station	97.8%

Budget:

July 2026, the cost report is summarized as follows:

(In $millions)

	YTD-Budget	YTD-Actual	YTD-Variance	Year-End Budget
O&M	426.30	435.91	9.61	800.00
Capital	182.74	207.61	24.86	377.00
Fuel	146.88	125.68	(21.20)	205.24
Total	755.92	769.20	13.28	1,382.24

July 2026 Developments:

- **Nuclear Production Tax Credit:** APS will complete the CY 2025 prevailing wage evaluation by **8/15/2026** and vendor correction payments by **8/31/2026**, with new reporting requirements under IRS Form 7220. All PVNGS co-owners are using cost-of-service/regulated revenue-requirement data to determine nuclear gross receipts.
- **ADVANCE Act / NRC Implications:** APS outlined that the ADVANCE Act repositions the NRC toward efficient, predictable, and risk-informed licensing and oversight. In the area of licensing efficiency, Congress expects NRC review decisions to be timely, predictable, and risk-informed. Major changes include: More

disciplined review schedules for Licensing Amendment Requests (LARs), Improved Subsequent License Renewal (SLR) review processes. Reduction of unnecessary or repetitive Requests for Additional Information (RAIs), and Support for digital modernization across licensing activities.

Memo

TO: Southern California Public Power Authority
FROM: TFG
RE: Federal Legislative Report
DATE: September 8, 2026

August 2026 Federal Report

This legislative report covers activities related to appropriations, energy, and environment, as well as telecommunications and cybersecurity issues from August 1, through September 1, 2026.

Executive Summary

Congressional Calendar. The House was out for most of August, returning for a few days at the end of the month. The Senate was in session for the first two weeks.

FY 2027 Appropriations. In one of the few actions they took while they were briefly in session, the House passed the Senate version of the FY 2026 Continuing Resolution, which will allow the government to continue fully operating until at least December 11th.

Energy and Environment. Federal executive branch actions on a wide array of relevant issues continued apace, including NERC and FERC actions related to large load demand; NRC licensing-related actions, as well as efforts to assess data center impacts on the grid.

Telecommunications and Cybersecurity. As usual, much is going on in this space, though of particular notice is action by the FCC, in which the *Build America wireline deployment NPRM* (WC Docket No. 25-253) was published in the Federal Register on August 7, 2026, opening the formal comment period. Comments are due by September 21. The proposed regulation would create a rebuttable presumption that state and local governments effectively prohibit service when they fail to act on rights-of-way authorization requests within federal deadlines -- in this case, within 60 days -- and would set cost-based limits on fees. Municipal utilities owning poles and conduit in the rights-of-way would be impacted. On the cybersecurity front, the President has issued an executive order declaring a national emergency regarding foreign-produced bulk-power system electric equipment, invoking the International Emergency Economic Powers Act and the National Emergencies Act.

FY 2026/2027 Budget/Appropriations

In their only action while they were briefly in session, the House took up, and passed by a vote of 370-48 (19 Republicans and 29 Democrats voted no), the Senate version of the FY 2026 Continuing

Resolution, which will allow the government to continue fully operating until at least December 11. In addition to the effective date of December 11, the Senate version includes an extension of the major programs in the current Surface Transportation bill (aka the Highway Bill) that expires September 30th, a freeze on implementation of the Trump Administration's proposed rule on grants management that dramatically increases the role of political appointees in the decision-making process, and a freeze on additional Customs and Border Patrol funding.

A refresher on where we stand relative to bills of interest: The House Committee on Appropriations has completed action on all 12 appropriations bills that would fund the "discretionary" federal departments and agencies through September 30, 2026 (entitlements are considered mandatory funding and outside the traditional appropriations process), including the Energy and Water Appropriations bill, which includes the budgets of the Department of Energy and the Bureau of Reclamation. Detailed documents include: H.R. 9022; Report; List of approved FY27 Community Project Funding requests; and the Summary, as well as the Interior-Environment bill, which includes the Interior Department and EPA. Detailed documents include: H.R. 9171;Report; List of approved FY27 Community Project Funding requests and a bill Summary.

Energy and Environment

Congressional Developments: Data Centers and Grid Infrastructure

Before the House broke for Summer Recess, the House Energy and Commerce Committee reported out of committee several electricity, transmission, forecasting, and ratepayer protection measures. The bill viewed as having the strongest political appeal that moved was HR 9340, the Ratepayer Protection Act, designed to prevent cost shifts to existing customers as it relates to data centers.

It's notable that Congress is shifting its focus from general oversight of data centers toward specific legislative frameworks that could influence an array of aspects of utility operations, including transmission cost allocation – a hot topic in DC. An emerging bipartisan principle is that hyperscale customers should bear the incremental costs they impose on utility systems while preserving affordability for existing customers.

The debate on these and related issues is expected to continue later this year, during the "Lame Duck" Session (post–election) and into the next Congress.

Action at FERC and NERC on Large Load Reliability

The Federal Energy Regulatory Commission (FERC) continued implementation of its June large-load initiative, requiring regional grid operators to justify or reform tariffs governing the interconnection and service of data centers and other major energy users. Areas under review include speculative requests, study timelines, cost allocation, co-located generation, and reliability protections.

The North American Electric Reliability Corporation (NERC) continued implementation of its large-load action plan following reliability concerns involving rapidly changing computational loads. It also advanced proposals creating computational load owner and computational load operator registration categories.

Together, these developments appear to reflect a shifting trend from treating data centers as ordinary customers toward viewing them as grid-impacting facilities that may carry direct reliability obligations. The eventual outcome could influence -- among other matters -- utility contracts, operational coordination requirements, and transmission planning assumptions across the West.

DOE Action on Transmission Planning

DOE released its draft National Transmission Needs Study, identifying transmission constraints, congestion, and future needs associated with load growth, changing generation patterns, and reliability requirements.

Given Congress has also advanced legislation promoting advanced conductors, grid-enhancing technologies, load forecasting improvements, and transmission modernization, it appears federal policymakers are increasingly view transmission availability as a factor for economic growth and resource development.

To that end, the ongoing issue -- part of federal permitting reform legislative discussions -- is how to ensure that future federal transmission policies recognize Western grid conditions and support cost-effective combinations of new transmission, advanced technologies, storage solutions, and regional coordination, among other considerations.

Latest on Nuclear at NRC And Elsewhere

The Nuclear Regulatory Commission (NRC) has continued efforts to accelerate advanced nuclear deployment in August. The NRC proposals could provide additional flexibility for advanced reactor applicants through revised licensing approaches and streamlined review procedures. These actions are intended to reduce development timelines and improve regulatory certainty.

A significant development has emerged: increased federal attention to nuclear fuel supply. In a new publication, GAO reported continuing concerns regarding future availability of HALEU fuel required by some advanced reactor designs. The report noted that fuel-cycle capacity may become an important constraint on commercial deployment even if licensing reforms prove successful.

Telecommunications and Cybersecurity

Telecommunications

FCC Nomination Would Restore a Working Quorum: On August 7, President Trump nominated Danielle Thumann Severs, senior counsel to Chairman Brendan Carr, to fill one of the Commission's two vacant seats. If confirmed by the Senate, she would serve a five-year term retroactive to July 1, 2024, establishing a three-member Republican quorum — the minimum the agency needs to fully exercise its functions and powers. Confirmation would clear the way for contested items, including the pending rights-of-way preemption proceedings, to move to a vote.

Build America Wireline NPRM: The FCC's Build America wireline deployment NPRM (WC Docket No. 25-253) was published in the *Federal Register* on August 7, 2026, opening the formal comment cycle. Comments are due September 21, and reply comments are due November 5. The item proposes a rebuttable presumption that state and local governments effectively prohibit service when they fail to act on rights-of-way authorization requests within federal deadlines, and would set cost-based limits on fees. Municipal utilities owning poles and conduit in the rights-of-way face direct exposure.

This proceeding warrants close monitoring because future FCC action could affect how utility-owned infrastructure, rights-of-way, poles, conduit, and related facilities are managed when telecommunications providers seek access.

Of particular concern is that federal preemption could interfere with local infrastructure management, utility safety practices, engineering reviews, and cost-recovery mechanisms.

Pole Attachment Reverse-Preemption Review Remains Pending: The FCC Wireline Competition Bureau's public notice asked whether the 23 states and the District of Columbia that certified under Section 224(c) genuinely regulate pole attachment rates, terms, and conditions and maintain access complaint procedures, and whether deficient certifications should be treated as invalid so the Commission can assert federal jurisdiction. The record closed in late July; Bureau action is pending. Although Section 224 exempts municipal utilities, the proceeding signals the Commission's appetite for expanding federal pole jurisdiction.

NTIA Completes Approval of All BEAD Final Proposals: NTIA announced on August 25 that it had approved the last outstanding BEAD Final Proposal, completing approval of all 56 state and territorial proposals. Assistant Secretary Arielle Roth marked the milestone by touring fiber and satellite projects in Virginia. Most eligible entities have also cleared NIST review and executed award agreements. The program now shifts from planning into construction, moving attention to permitting throughput, pole access, and make-ready timelines in participating communities.

NTIA Seeks Comment on Application Forms for the Reopened Competitive Grant Program: On August 25, NTIA published a *Federal Register* notice seeking public comment on the application forms for its reopened Competitive Grant Program — the first concrete procedural step toward deploying the roughly $21 billion in savings generated by the BEAD restructuring. Comments on the associated information collection are due October 26. The forms will shape eligibility and application burden for any subsequent round targeting locations that remain unserved after the primary deployment phase.

FCC Section 706 Broadband Deployment Report: The FCC adopted its annual Section 706 report on August 13 and released it on August 14, concluding that advanced telecommunications capability is being deployed to all Americans in a reasonable and timely fashion. The report draws on Broadband Data Collection filings current through June 30, 2025. An affirmative finding narrows the Commission's statutory obligation to take immediate action removing deployment barriers, even as the agency continues citing deployment concerns to justify its preemption rulemakings.

FCC Narrows Covered List Prohibition on Foreign-Produced Power Inverters: On August 20, the FCC narrowed the class of foreign-produced power inverters it had added to the Covered List in July. The prohibition now reaches inverters intended for use in parallel with an electric utility to supply common loads and, at times, deliver power back to the utility. The Commission exempted inverters qualifying for the Section 45X Advanced Manufacturing Tax Credit and clarified that inverters with either wired or wireless communications components are covered. Distributed generation and storage procurement is directly affected.

Cybersecurity

.**Executive Order Declares a National Emergency Over Bulk-Power System Equipment:** On August 26, the President issued an executive order declaring a national emergency regarding foreign-produced bulk-power system electric equipment, invoking the International Emergency Economic Powers Act and the National Emergencies Act. The order generally prohibits or conditions the purchase and installation of covered equipment, associated critical software, and digital capabilities tied to covered foreign entities, and does not apply to facilities used for local distribution. The Department of Energy must issue implementing rules within 120 days.

Cybersecurity Information Sharing Act of 2015 Approaches Another Sunset: CISA 2015 was extended only through September 30, 2026, in the FY2026 Consolidated Appropriations Act, following two lapses in the preceding year. The statute supplies liability protections, FOIA exemptions, and privilege safeguards for the voluntary sharing of cyber threat indicators and defensive measures. Public power utilities rely on those protections when participating in the E-ISAC and MS-ISAC. Long-term reauthorization bills remain stalled, and August brought renewed industry pressure for action before the deadline.

CISA Ends Six Free Assessments as the CIRCIA Final Rule Nears: CISA notified staff on August 25 that it is ending six free assessments for critical infrastructure operators, including Cyber Resilience Reviews, Ransomware Readiness Assessments, Incident Management Reviews, and Cyber Infrastructure Surveys, directing organizations instead to its Cross-Sector Cybersecurity Performance Goals. The reduction follows substantial budget and workforce cuts. It arrives as CISA prepares the CIRCIA final rule, expected in September, requiring covered entities to report significant incidents within 72 hours and ransom payments within 24 hours.

SCPPA
Southern California Public Power Authority

AGENDA ITEM STAFF REPORT

MEETING DATE:	09/17/2026	**RESOLUTION NUMBER:**	2026-095

SUBJECT: Amendment No. 5 to Master Professional Services Agreement for Energy Efficiency Audits and Direct Installation Services with Eagle Systems International Inc. doing business as (DBA) Synergy Companies to Extend the Term of the Agreement to January 21, 2027

DISCUSSION: ☐ **OR** **CONSENT:** ☒

Select the appropriate box(es):

FROM:		**METHOD OF SELECTION:**	
Finance	☐	Competitive	☒
Project Development	☐	Cooperative Purchase	☐
Program Development	☒	Sole Source	☐
Regulatory/Legislative	☐	Other	☐
Project Administration	☐	*Other (Please describe):*	
Legal	☐		
Executive Director	☐		

MEMBER PARTICIPATION:

Sponsoring Member: Azusa, Colton, Banning, Burbank, Glendale, Imperial Irrigation District

Other Members Potentially Participating: N/A

Approved by Executive Director: Signed by: [signature] DAE0F3A6ECDE496...

RECOMMENDATION:

Approve Amendment No. 5 to a Master Professional Services Agreement (Agreement) with Eagle Systems International Inc. doing business as (DBA) Synergy Companies (Synergy) to extend the term of the Agreement until January 21, 2027. Under the Agreement, Synergy provides residential and commercial energy efficiency audits and direct installation of energy efficiency measures. The additional months of service provided by Amendment No. 5 to the Agreement would allow SCPPA to provide continuity of services to its members pending release and completion of SCPPA's competitive request for proposals (RFP) process.

BACKGROUND:

Synergy is a full-service energy management organization founded in 1982 and headquartered in the San Francisco Bay Area. Synergy has worked with major California and western states utilities, such as Pacific Gas and Electric Company, Southern California Edison, Southern California Gas Company, San Diego Gas & Electric, PacifiCorp, Rocky Mountain Power, and Nevada Energy, to bring energy efficiency and environmental services to the utilities' end-use customers.

In 2020, following a competitive solicitation process, the Board adopted Resolution No. 2020-107 authorizing SCPPA to enter into a master professional services agreement with Synergy for energy efficiency audits and direct installations services. The initial term of the Agreement was three years with an option for SCPPA to extend for an additional three-year term.

In 2021, the Board adopted Resolution No. 2021-102 approving Amendment No. 1 to the Agreement to increase the not-to-exceed to $10,250,000 and to update the insurance and standard of care provisions in the Agreement.

In 2023, the Board adopted Resolution No. 2023-100 approving Amendment No. 2 to the Agreement to extend the term for the final 3 years, to increase the not-to-exceed amount to $18,550,000, to add new energy efficiency measures, and to update product pricing as a result of rising costs of labor and materials.

In 2025, the Board adopted Resolution No. 2025-012 approving Amendment No. 3 to the Agreement to increase the not-to-exceed amount to $22,550,000, to add new energy efficiency measures, and to update product pricing as a result of rising costs of labor and materials. The Board also adopted Resolution No. 2025-094 approving Amendment No. 4 to the Agreement to increase the not-to-exceed amount to $27,550,000 to allow for additional SCPPA Member participation in the Agreement.

The purpose of proposed Amendment No. 5 to the Agreement is to extend the Agreement with Synergy for three additional months, until January 21, 2027, to avoid a disruption in services, pending the release and completion of an RFP for energy efficiency audits and direct installation services

Six SCPPA Members – Azusa, Banning, Burbank, Colton, Glendale and Imperial Irrigation District – have entered into task orders with Synergy under the Agreement. The Agreement is currently set to expire on October 15, 2026. Through the Customer Programs Working Group, five Members, Azusa, Burbank, Colton, Glendale, and Imperial Irrigation District expressed a desire to continue utilizing Synergy's services at this time.

DISCUSSION:

SCPPA staff recommends that SCPPA extend the current Agreement with Synergy by three months to allow sufficient time to release and complete the competitive RFP process. The proposed extension will help ensure continuity of service and avoid any potential lapse in critical support provided to SCPPA Members during the transition period until SCPPA presents is recommendations for award of contract to the Board for its consideration.

- **Scope of Contract Services:**

SCPPA Members have a need for energy efficiency audits and direct installation services for their multi-family, hospitality, small business, municipal, and residential sectors.

Synergy's services provide Members with an increased ability to identify and implement energy efficiency measures tied to energy efficiency improvements.

Synergy's scope of work includes the following core services:

1. Energy efficiency audits

2. Direct installation of energy efficiency measures

- **Selection Method:**
  SCPPA issued a competitive solicitation for energy efficiency audits and direct installation services on July 7, 2020. The submittal deadline for the RFP was August 4, 2020.

  A total of 20 responses were received and evaluated by Burbank, Colton, and the Imperial Irrigation District based on the respondents' qualifications, experience, skills required to provide the required services, demonstration of project management abilities, references, and cost-competitiveness. Synergy was selected as the most qualified and cost-effective firm out of the top six respondents to SCPPA's competitive solicitation.

- **SCPPA's Authority:**
  SCPPA has the authority to execute this Amendment No. 5 to the Agreement under the California Joint Exercise of Powers Act, the SCPPA Joint Powers Agreement and the provisions of Section 9615 of the California Public Utilities Code ("Section 9615"). The SCPPA Joint Powers Agreement provides SCPPA with the authority to develop, finance, construct, operate and maintain electric energy generation and transmission projects. SCPPA's ability to exercise this right is supplemented by the requirements of Section 9615 which requires that each local publicly owned electric utility, in procuring energy, "shall first acquire all available energy efficiency and demand reduction resources that are cost effective, reliable and feasible." As a local publicly owned utility, as that term is defined by the California Public Utilities Code, SCPPA and its Members are subject to the requirements of Section 9615. Amendment No. 5 to the Agreement will extend for three months the term of a contract to provide residential and commercial energy efficiency audits and direct installation of energy efficiency measures to help SCPPA Members satisfy the energy efficiency and demand reduction requirements of Section 9615 by delivering cost-effective programs to residents, reducing demand through energy efficiency measures, ensuring equitable access across all customer classes, and providing measurable, reportable savings in alignment with industry best practices.

FISCAL IMPACT:

The Agreement has a not-to-exceed amount of $27,550,000. No additional funding will be required for this Amendment.

Participating Members have committed in writing to paying for any, and all, services procured from Synergy under the Agreement pursuant to separate task orders signed by each SCPPA Member that elects to receive such services from Synergy.

ATTACHMENTS:

1. Resolution No. 2026-095
2. MPSA Amendment No. 5

RESOLUTION NO. 2026-095

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AMENDMENT NO. 5 TO THE MASTER PROFESSIONAL SERVICES AGREEMENT BETWEEN SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY AND EAGLE SYSTEMS INTERNATIONAL, INC. DBA SYNERGY COMPANIES EXTENDING THE TERM OF THE AGREEMENT FOR THREE MONTHS

WHEREAS, the Southern California Public Power Authority ("SCPPA" or "the Authority") owns interests in various generation and transmission projects, the output or services of which has been sold to Members of the Authority ("Members"); and its Members are engaged in the generation, transmission, and distribution of electrical energy to retail customers, including assisting such customers with the efficient use of said energy; and

WHEREAS, after a competitive solicitation, the SCPPA Board adopted Resolution 2020-107, pursuant to which SCPPA executed a Master Professional Services Agreement (the "Agreement") with Eagle Systems International, Inc. DBA Synergy Companies to provide energy efficiency services (the "Services") for participating Members; and

WHEREAS, on May 18, 2023, the SCPPA Board adopted Resolution 2021-102, pursuant to which SCPPA executed Amendment No. 1 to the Agreement to increase the contract not to exceed amount and to update the insurance and standard of care provisions included in the Agreement; and

WHEREAS, on July 20, 2023, the SCPPA Board adopted Resolution 2023-100, pursuant to which SCPPA executed Amendment No. 2 to the Agreement to increase the contract not to exceed amount, extend the term of the amount, and update the list of products and services provided in the Agreement; and

WHEREAS, on April 17, 2025, the SCPPA Board adopted Resolution 2025-012 pursuant to which SCPPA executed Amendment No. 3 to the Agreement to increase the contract not to exceed amount to $22,550,000, to add new energy efficiency measures, and to update product pricing as a result of rising costs of labor and materials; and

WHEREAS, on November 20, 2025, SCPPA adopted Resolution No. 2025-094 pursuant to which SCPPA executed Amendment NO. 4 to the Agreement to increase the not-to-exceed amount from $22,550,000 to $27,550,000 due to increased Member utilization of the Agreement; and

WHEREAS, the term of the Agreement will expire on October 15, 2026, and the Parties desire to enter into Amendment No. 5 to extend the term for an additional three-month period, through January 21, 2026, in order to provide for continued Services for participating SCPPA Members while the Authority to undertake a competitive solicitation process for the Services.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority as follows:

1. The Executive Director is authorized to execute Amendment No. 5 to the Agreement.

2. The President, Vice President, Secretary, any Assistant Secretary, Executive Director and any other officer of the Authority are each hereby authorized to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution.

3. This Resolution shall become effective immediately.

THE FOREGOING RESOLUTION is approved and adopted by the Authority this 17^{th} day of September 2026.

____

PRESIDENT
MANDIP SAMRA
Southern California Public
Power Authority

ATTEST:

____

ASSISTANT SECRETARY
DANIEL E GARCIA
Southern California Public
Power Authority

AMENDMENT NO. 5
TO THE MASTER PROFESSIONAL SERVICES AGREEMENT BETWEEN
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY
AND
EAGLE SYSTEMS INTERNATIONAL, INC. DBA SYNERGY COMPANIES

This Amendment No. 5 to the Master Professional Services Agreement (the "Agreement") between the Southern California Public Power Authority ("SCPPA") and the Eagle Systems International, Inc. DBA Synergy Companies ("Contractor") (collectively, the "Parties") is made and entered into on this 17th day of September 2026.

WHEREAS, on October 15, 2020, the Parties entered into the Agreement, which Agreement has been previously amended by Amendment No. 1 dated December 16, 2021; Amendment No. 2 dated July 20, 2023, Amendment No. 3 dated April 17, 2025; and Amendment No. 4 dated November 20, 2025; and

WHEREAS, the term of the Agreement will expire on October 15, 2026; and

WHEREAS, the Parties desire to extend the term of the Agreement through January 21, 2027.

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

1. The term of the Agreement shall be extended up to and including January 21, 2027.

2. Except as provided herein, all other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, each signatory hereto represents that he or she has been properly authorized to execute and deliver this Amendment No. 5 on behalf of the party for which he or she signs.

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

By: ______________________________
DANIEL E GARCIA
Executive Director

Approved as to Legal Form:

____
CHRISTINE GODINEZ
General Counsel

and;

EAGLE SYSTEMS INTERNATIONAL, INC. DBA SYNERGY COMPANIES

By: ______________________________
MATTHEW CLARK
Vice President of Business Development

SCPPA
Southern California Public Power Authority

AGENDA ITEM STAFF REPORT

MEETING DATE: September 17, 2026 **RESOLUTION NUMBER:** 2026-096

SUBJECT: Renewable Energy Prepayment – Initial Authorizing Resolution

DISCUSSION: ☒ **OR** **CONSENT:** ☐

Select the appropriate box(es):

FROM:		**METHOD OF SELECTION:**	
Finance	☒	Competitive	☐
Project Development	☐	Cooperative Purchase	☐
Program Development	☐	Sole Source	☐
Regulatory/Legislative	☐	Other	☒
Project Administration	☐	*Other (Please describe):*	
Legal	☐	In accordance with SCPPA Policy for Financing and Selection of Financing Team	
Executive Director	☐		

MEMBER PARTICIPATION:

Sponsoring Member: Pasadena

Other Members Potentially Participating: N/A

Approved by Executive Director: Signed by: DAE0F3A6ECDE496...

RECOMMENDATION:

Adopt a Resolution authorizing the preparation of all documents necessary for the issuance of bonds to finance a proposed prepayment of supplies of renewable energy for the benefit of the City of Pasadena.

BACKGROUND:

The use of tax-exempt financing to prepay a long-term supply of natural gas and/or electricity is allowed under the U.S. Tax Law and can provide significant cost savings to SCPPA members. Prepayments can be applied in several ways, including for new energy purchases, utilizing existing power purchase agreements (PPAs), natural gas purchases, and natural gas purchases converting to energy at a later date.

SCPPA has previously financed prepayments of natural gas and renewable energy supplies with tax-exempt bonds and currently has several prepay projects for the benefit of participating SCPPA Members. These projects include the 2007 Prepaid Natural Gas Project for natural gas purchases, the 2024 Clean Energy Project (Prepaid PPA) utilizing existing PPAs, and the 2026 Clean Energy II Project also utilizing existing PPAs.

DISCUSSION:

A SCPPA Member, the City of Pasadena (Pasadena), desires SCPPA to finance a prepayment of supplies of renewable energy for Pasadena utilizing existing power purchase agreements. The proposed Resolution will authorize a working group consisting of SCPPA staff and SCPPA's municipal advisor, bond counsel, and tax counsel, and support staff, to work with Pasadena staff and to commence the preparation of documents for the proposed financing and to negotiate with counterparties for the transaction.

On September 14, 2026, the Finance Committee will discuss the proposed financing of a new renewable energy prepayment and consider recommending the attached Resolution to the Board of Directors (Board) for approval to authorize the preparation of all necessary documents for the issuance of bonds for the prepayment. If the Finance Committee recommends bringing the Resolution to the Board for approval, staff requests that the Board consider this item at the September 17, 2026 Board meeting.

SCPPA will incur costs in connection with its municipal advisor, bond counsel, and tax counsel services for the preparation of the documents and related activities. These costs will be included in the total amount of bonds issued as bond issuance costs. The payment of its municipal advisor, bond counsel, and tax counsel fees will be contingent on the successful closing of the transaction. Once the draft documents have been prepared, they will be brought to the Board for consideration and approval at a future Board meeting.

- **Selection Method:**

  The Finance Committee will select the underwriting firms(s) in accordance with SCPPA's Policy for Financing and Selection of the Financing Team (Policy) and will consider the criteria as provided in the Policy to determine the firm(s) that will deliver the overall best value for the transaction.

- **SCPPA's Authority:**

  The financing of the proposed renewable energy prepayment is in accordance with the California Joint Exercise of Powers Act and the SCPPA Joint Powers Agreement. The SCPPA Joint Powers Agreement provides the authority for SCPPA to finance generation and transmission projects.

FISCAL IMPACT:

There is no fiscal impact at this time.

ATTACHMENT:

1. Resolution 2026-096

RESOLUTION NO. 2026-096

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY (I) AUTHORIZING THE PREPARATION OF ALL DOCUMENTS NECESSARY OR APPROPRIATE TO SELL AND ISSUE RENEWABLE ENERGY PREPAYMENT BONDS, PROCEEDS OF WHICH WILL BE USED TO FINANCE PREPAYMENTS FOR THE PURCHASE OF SUPPLIES OF RENEWABLE ENERGY FOR THE BENEFIT OF THE CITY OF PASADENA AND (II) AUTHORIZING OFFICERS OF THE AUTHORITY TO DO ALL THINGS DEEMED NECESSARY OR APPROPRIATE IN CONNECTION THEREWITH

WHEREAS, the Finance Committee of the Southern California Public Power Authority (the "Authority") has determined that it is in the best interest of the Authority to proceed with preparing all documents necessary or appropriate to sell and issue bonds, notes or other obligations (the "Bonds"), the proceeds of which will be used to finance prepayments for the purchase of supplies of renewable energy for the benefit of the City of Pasadena; and

WHEREAS, once prepared, drafts of the contracts proposed to be entered into by the Authority in connection with the issuance of the Bonds for such purpose will be presented for the Board's consideration.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority as follows:

1. The Authority's staff and the Authority's team of financing professionals (including the personnel at the Los Angeles Department of Water and Power who work on Authority matters, Norton Rose Fulbright US LLP, the Authority's Bond Counsel (“Bond Counsel”), Nixon Peabody LLP, the Authority's Special Tax Counsel (“Special Tax Counsel”) and PFM Financial Products LLC, the Authority's Municipal Advisor (the “Municipal Advisor”)) are hereby authorized (i) to prepare all documents necessary or appropriate for the sale and issuance of the Bonds, as and to the extent directed by the Executive Director, and (ii) to consider proposal(s) from certain underwriter(s) with respect to the sale and issuance of the Bonds for such purpose.

2. The fees of Bond Counsel, Special Tax Counsel and the Municipal Advisor in this transaction shall be contingent upon the successful issuance and sale of the Bonds and shall be paid from the proceeds of the Bonds.

3. Each of the President, any Vice President, Executive Director, Chief Financial and Administrative Officer, Secretary, any Assistant Secretary, and any designee of the foregoing, is hereby authorized and directed to do and cause to be done any and all acts and things deemed necessary or appropriate for carrying out the transactions contemplated by this Resolution.

4. This Resolution No. 2026- shall become effective immediately.

THE FOREGOING RESOLUTION is approved and adopted by the Authority this 17th day of September, 2026.

By:____________________________________

MANDIP SAMRA
PRESIDENT
Southern California
Public Power Authority

ATTEST:

By:______________________________________

DANIEL E GARCIA
ASSISTANT SECRETARY
Southern California
Power Authority

SCPPA
Southern California Public Power Authority

AGENDA ITEM STAFF REPORT

MEETING DATE: September 17, 2026 **RESOLUTION NUMBER:** 2026-097

SUBJECT: Environmental Attribute Sales Agreement with Tenaska Power Services Co. for Sale of Nevada Portfolio Energy Credits

DISCUSSION: ☒ **OR** **CONSENT:** ☐

Select the appropriate box(es):

FROM:		**METHOD OF SELECTION:**	
Finance	☐	Competitive	☒
Project Development	☐	Cooperative Purchase	☐
Program Development	☐	Sole Source	☐
Regulatory/Legislative	☐		
Project Administration	☒	Other *(Please describe)*:	
Legal	☐	N/A	
Executive Director	☐		

MEMBER PARTICIPATION:

Sponsoring Member: Los Angeles Department of Water & Power ("LADWP") and the City of Burbank

Other Members Potentially Participating: None

Approved by Executive Director: Signed by: [signature] DAE0F3A6ECDE496...
Daniel E Garcia

RECOMMENDATION:

Approve an Environmental Attribute Sales Agreement with Tenaska Power Services Co. ("Tenaska") for the sale of Nevada Portfolio Energy Credits.

BACKGROUND:

On behalf of LADWP and the City of Burbank, SCPPA has executed Purchase Power Agreements ("PPAs") with Ormat for several geothermal projects within the State of Nevada. LADWP is the sole participant in SCPPA's Northern Nevada Geothermal Portfolio and Don Campbell Phase 2 projects. Burbank and LADWP both participate in the Don Campbell Phase 1 project, with shares of 15.38% for Burbank and 84.62% for LADWP.

The PPAs include the purchase by SCPPA of all energy and environmental attributes. Renewable Portfolio Standard ("RPS") rules in Nevada vary from those of California by allowing for the creation of renewable Portfolio Energy Credits ("PECs") from station service or facility auxiliary load. As these PECs originate from station service energy, they are not eligible for California RPS compliance use by any SCPPA member. As a result, SCPPA estimates that it has over one million MWhs of PECs available for sale from the PPAs from vintage year 2016 through March 31, 2026. The agreement with Tenaska will allow for the sale of existing PECs for eventual use by Nevada load serving entities for their Nevada RPS compliance.

DISCUSSION:

The LADWP Forward Marketing Group, on behalf of SCPPA and project participants LADWP and Burbank, requested bids for the sale of SCPPA's existing PECs from all counterparties with whom LADWP has previously traded environmental attributes. LADWP received a total of one (1) bid at $8/MWh of PECs.

The agreement with Tenaska allows the SCPPA project participants to obtain value from the PECs, while minimizing the transactional risk to SCPPA and its Members. Within the agreement, Tenaska agrees to purchase 1,895,505 MWh of PECs from vintage year 2016 through March 31, 2026 for a price of $8.00/MWh, for a total of $15,164,040.42. Additionally, Tenaska agrees to transfer all funds to SCPPA prior to the receipt of PECs, thereby eliminating the risk of non-payment.

ENVIRONMENTAL REVIEW:

This action is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) of the CEQA guidelines (the "common sense" exemption) as it can be seen with certainty that there is no possibility that the sale of the Portfolio Energy Credits associated with the existing PPAs may have a significant effect on the environment.

SCPPA'S AUTHORITY:

The proposed Agreement is in accordance with the California Joint Exercise of Powers Act and the SCPPA Joint Powers Agreement. The SCPPA Joint Powers Agreement provides SCPPA with the authority to develop, finance, construct, operate and maintain electric energy generation and transmission projects and to enter into contracts in connection therewith, including this proposed contract for the sale of SCPPA's PECs associated with SCPPA's Nevada geothermal projects.

FISCAL IMPACT:

Pursuant to Section 5.1 of the Power Sales Agreements between SCPPA and each of the Participants that are associated with the PPAs, SCPPA will provide to Participants all product, rights, and benefits from the Project, and Participants will be responsible to pay for all costs, liabilities and obligations associated with the acquisition of such product rights, and benefits from the Project. All net revenue from the sale of the PECs will be paid to Participants in accordance with their respective project participation shares under the Power Sales Agreements.

ATTACHMENTS:

1. Resolution 2026-097
2. Tenaska WSPP Confirmation Agreement
3. WSPP Agreement effective October 31, 2025

RESOLUTION NO. 2026-097

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY APPROVING AND AUTHORIZING EXECUTION OF A CONFIRMATION AGREEMENT WITH TENASKA POWER SERVICES, CO. FOR THE SALE OF CERTAIN ENVIRONMENTAL ATTRIBUTES ASSOCIATED WITH GEOTHERMAL PROJECTS LOCATED IN THE STATE OF NEVADA

WHEREAS, the Southern California Public Power Authority ("SCPPA") was created pursuant to the Joint Exercise of Powers Act found in Chapter 5 of Division 7 of Title 1 of the Government Code of California, as amended from time to time (the "Act"), by its members ("Members"), which are municipalities and an irrigation district that supply, among other things, electrical energy, in the State of California, for the purpose of jointly and cooperatively undertaking the planning, financing, development, acquisition, construction, operation, maintenance and repair of projects for the generation or transmission of electric energy and all rights, properties and improvements necessary therefor, including fuel; and

WHEREAS, among the many projects from which SCPPA procures energy on behalf of its Members are three geothermal energy projects located in the state of Nevada, to wit: the Don A. Campbell Phase I Geothermal Energy Project ("Don Campbell I"), the Don A. Campbell Phase II Geothermal Energy Project ("Don Campbell II"), and the Northern Nevada Geothermal Portfolio Project ("NNGPP") (collectively, "Projects"); and

WHEREAS, pursuant to the Power Purchase Agreements between SCPPA and the owners of the Projects, SCPPA is entitled 100% of the energy and all associated environmental attributes (including renewable energy credits) produced by the Projects; and

WHEREAS, SCPPA sells the energy and associated environmental attributes procured from the Projects pursuant to Power Sales Agreements with two Members ("Project Participants"), namely, the City of Los Angeles acting by and through the Department of Water and Power ("LADWP"), which has an 84.62% entitlement share in Don Campbell I and 100% entitlement shares in Don Campbell II and NNGPP, and the City of Burbank which has a 15.38% entitlement share In Don Campbell I; and

WHEREAS, pursuant to the Power Sales Agreements entered into by each of the Project Participants, SCPPA has undertaken administration of these project, and to provide by agreement for the performance and carrying out of such activities; and

WHEREAS, due to differences in the laws of California and Nevada respecting the use of renewable energy credits derived from geothermal energy plants, a portion of such credits (herein "Portfolio Energy Credits" or "PECs") are valueless in California but have value in Nevada, and consequently the Project Participants desire to sell the PECs as a way of offsetting the cost of their participation in the Projects: and

WHEREAS, LADWP sought and obtained bids from industry firms interested in purchasing PECs generated by the Projects, and obtained one bid, from Tenaska Power Services Co. ("Tenaska"), which the Project Participants have determined is fair and reasonable and which they desire to accept; and

WHEREAS, SCPPA and the Projects Participants have negotiated a proposed Confirmation Agreement with Tenaska under the Western System Power Pool (WSPP) Agreement for the sale of the PECs for vintage year 2016 through March 31, 2026 and recommend its approval by the Board.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Southern California Public Power Authority as follows:

1. The Confirmation Agreement between the Southern California Public Power Authority and Tenaska Power Services Co., a form of which has been presented to the Board substantially in final form, is hereby approved.

2. The Executive Director or his designee is hereby authorized and directed to execute and deliver the Confirmation Agreement with such changes, insertions and omissions as shall be approved by the Executive Director or his designee.

3. The Executive Director and other officers of the Authority are hereby authorized and directed to execute and deliver any and all other documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this resolution.

4. This resolution shall become effective immediately.

THE FOREGOING RESOLUTION is approved and adopted by the Authority this 17th day of September 2026.

____
MANDIP SAMRA
PRESIDENT
Southern California Public
Power Authority

ATTEST:

____
DANIEL E GARCIA
ASSISTANT SECRETARY
Southern California Public
Power Authority

Confirmation Agreement

This confirmation ("***Confirmation***") confirms this transaction ("***Transaction***") and is entered into this __ day of September, 2026 ("***Effective Date***"), by and between the Southern California Public Power Authority ("***Seller***") and Tenaska Power Services Co. ("***Purchaser***" or "***Buyer***"), each referred to herein individually as a "***Party***" and collectively as the "***Parties***", regarding the purchase and sale of the Product (as defined below) under the terms and conditions below. This Transaction is governed by the WSPP Agreement effective as of October 31, 2025, as amended from time to time, hereby incorporated by this reference (the "***Master Agreement***"). The Master Agreement and this Confirmation contain the entire agreement of the Parties with respect to the Transaction, and no agreement, statement or promise made by either Party which is not contained herein, shall be valid or binding. The Master Agreement and this Confirmation shall be collectively referred to herein as the "***Agreement***". Capitalized terms used but not otherwise defined in this Confirmation are defined in the Master Agreement.

Product:	Product means PECs generated pursuant to this Confirmation. All PECs shall meet the requirements of applicable Nevada statutes and regulations and shall qualify as geothermal related portfolio energy credits.
PEC Transfer:	Commencing from the Effective Date, Seller shall, at its sole expense, take all actions and execute all documents or instruments necessary to ensure that all PECs associated with the Product Quantity are issued and tracked for purposes of satisfying the requirements of the Public Utility Commission of Nevada ("***PUCN***"). Seller shall comply with all Applicable Laws, including, without limitation, the PUCN Operating Rules, regarding the certification and transfer of such PECs to Buyer and Buyer shall be given sole title to all such PECs. Seller shall transfer, or shall cause the transfer of, such PECs to Buyer for Buyer's sole benefit no later than five (5) Business Days immediately following Buyer's payment of the Total Contract Price to Seller. Upon receiving written or electronic confirmation from NVTREC that a transfer order has been initiated by Seller, Buyer shall confirm such transfer order in NVTREC within five (5) Business Days. Upon either Party's receipt of notice from NVTREC that a transfer of PECs was not recognized, that Party will immediately notify the other Party, providing a copy of such notice, and both Parties will cooperate in taking such actions as are necessary for NVTREC to recognize the transfer of PECs, except that Seller shall be fully responsible for all such costs and expenses if the failure of a PEC transfer arises from Seller's failure to comply with Applicable Laws. Each Party agrees to provide copies of its records to the extent reasonably necessary for NVTREC to verify the accuracy of any fact, statement, charge or computation made pursuant hereto if requested by the other Party. This Confirmation shall terminate on the date on which both Parties have completed the performance of their obligations hereunder.
Product Quantity:	1,895,505.053 kPECs of Product generated by the geothermal resources specified in Exhibit A attached hereto.

Contract Price: $8.00 per kPEC of Product

Total Contract Price: $15,164,040.42

Payment Terms: Buyer will pay the Seller an amount equal to the Contract Price multiplied by the Product Quantity transferred from Seller to Buyer through NVTREC ("***Total Contract Price***").

Buyer shall pay the Total Contract Price to Seller on or before the later of (i) three (3) Business Days immediately following the Effective Date hereof, or (ii) one (1) Business Day immediately following Buyer's receipt of the Product Attestation.

Contact Information:

Seller
For Contract Notices:
Southern California Public Power Authority
1160 Nicole Court
Glendora, CA 91740
Contact: Executive Director
Tel: (626) 793-9364
Email: ExecutiveDirector@scppa.org
Fax: (626) 793-9461

For Billing Matters :
Southern California Public Power Authority
1160 Nicole Court
Glendora, CA 91740
Contact: Finance and Accounting
Tel: (626) 793-9364
Email: scppa.invoices@ladwp.com; projects@scppa.org
Fax: (626) 793-9461

Buyer
Tenaska Power Services Co.
300 East John Carpenter Freeway
Suite 1100
Irving, TX 75062
Contact: Director, Contract Administration
Tel: (817) 303-1860
Email: TPSContractAdmins@tnsk.com

Seller's Representations and Warranties: Seller, and, if applicable, its successors, represents and warrants that: (i) Seller conveys title to the Product to Buyer and Seller holds all rights to such Product for conveyance of such title to Buyer; (ii) Seller has not sold the Product to any other entity and PECs to be purchased and sold pursuant to this Confirmation are not in practice committed to another party; and (iii) all rights, title and interest in and to the Product are free and clear of any taxes or security interests except for any right or interest by any entity claiming through Buyer. In addition, as an express condition to Buyer's obligation to pay for and take delivery of the Product Quantity of PECs hereunder, Seller shall deliver (or cause to be delivered) an attestation regarding the Product Quantity of PECs in a form reasonably acceptable to Buyer and executed by the generator(s) of such PECs (the "***Product Attestation***").

Credit Support: None required for either party in respect of this Transaction.

Definitions:

In addition to terms defined elsewhere in this Confirmation, the following definitions shall have the meanings set forth below:

"***Applicable Laws***" means any statute, law, treaty, rule, tariff, regulation, ordinance, code, permit, enactment, injunction, order, writ, decision, authorization, judgment, decree or other legal or regulatory determination or restriction by a court or Governmental Authority of competent jurisdiction, or any binding interpretation of the foregoing, as any of them is amended or supplemented from time to time, that apply to either or both of the Parties, the Product, or the terms of the Confirmation.

"***Business Day(s)***" means any day other than a Saturday or Sunday or a United States national holiday. United States holidays shall be holidays observed by Federal Reserve member banks in New York City.

"***Governmental Authority***" means any federal, state, local or municipal government, governmental department, commission, board, bureau, agency, or instrumentality, or any judicial, regulatory or administrative body, or the WECC or any other transmission authority, having or asserting jurisdiction over a Party or the Agreement.

"***kPEC***" means 1,000 PECs.

"***NVTREC***" means the Nevada Tracks Renewable Energy Credits system.

"***PEC***" means a portfolio energy credit, as defined in NRS 704.7803 et seq., and the Nevada Public Utility Commission regulations implementing such statute.

"***PUCN Operating Rules***" means the operating rules and requirements adopted by the PUCN.

"***WECC***" means the Western Electricity Coordinating Council.

[*Signature page to follow*]

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY	**TENASKA POWER SERVICES CO.**
By: ______________________________	By: ______________________________
Name: _____________________________	Name: _____________________________
Title: ______________________________	Title: ______________________________
Date: ______________________________	Date: ______________________________

Exhibit A

PC Certificate No.	Facility Name	Energy Type	Credit Type	Certified PCs
202209GEGPS0000810760	Brady	Geothermal	Station Usage Credit	6,565,500
202212GEGPS0000813799	Brady	Geothermal	Station Usage Credit	13,799,200
202303GEGPS0000811244	Brady	Geothermal	Station Usage Credit	11,243,710
202306GEGPS000088254	Brady	Geothermal	Station Usage Credit	8,253,508
202309GEGPS000087366	Brady	Geothermal	Station Usage Credit	7,366,493
202312GEGPS000089442	Brady	Geothermal	Station Usage Credit	9,441,720
202403GEGPS000089884	Brady	Geothermal	Station Usage Credit	9,883,537
202406GEGPS000087074	Brady	Geothermal	Station Usage Credit	7,073,903
202409GEGPS000086979	Brady	Geothermal	Station Usage Credit	6,979,249
202412GEGPS000089205	Brady	Geothermal	Station Usage Credit	9,205,300
202503GEGPS000088847	Brady	Geothermal	Station Usage Credit	8,847,070
202506GEGPS000087340	Brady	Geothermal	Station Usage Credit	7,339,944
202509GEGPS000088380	Brady	Geothermal	Station Usage Credit	8,380,421
202512GEGPS0000810979	Brady	Geothermal	Station Usage Credit	10,978,602
202603GEGPS0000810553	Brady	Geothermal	Station Usage Credit	10,553,328
201903GEGNS000207040	Galena 2	Geothermal	Station Usage Credit	2,309,000
201906GEGNS000205346	Galena 2	Geothermal	Station Usage Credit	5,346,000
201909GEGNS000205521	Galena 2	Geothermal	Station Usage Credit	5,521,000
201912GEGNS000207427	Galena 2	Geothermal	Station Usage Credit	7,427,000
202003GEGNS000206177	Galena 2	Geothermal	Station Usage Credit	6,177,000
202006GEGNS000207009	Galena 2	Geothermal	Station Usage Credit	7,009,000
202009GEGNS000207008	Galena 2	Geothermal	Station Usage Credit	7,008,000
202012GEGNS0002011879	Galena 2	Geothermal	Station Usage Credit	11,879,000
202103GEGNS0002011916	Galena 2	Geothermal	Station Usage Credit	11,916,000
202106GEGNS000207731	Galena 2	Geothermal	Station Usage Credit	7,731,000
202109GEGNS0002012133	Galena 2	Geothermal	Station Usage Credit	12,133,000
202112GEGNS0002012309	Galena 2	Geothermal	Station Usage Credit	12,309,000
202203GEGNS0002011323	Galena 2	Geothermal	Station Usage Credit	11,323,000
202206GEGNS000208003	Galena 2	Geothermal	Station Usage Credit	8,003,000
202209GEGNS000207860	Galena 2	Geothermal	Station Usage Credit	7,860,000
202212GEGNS0002015816	Galena 2	Geothermal	Station Usage Credit	15,816,000
202303GEGNS0002010573	Galena 2	Geothermal	Station Usage Credit	10,573,441
202306GEGNS000209001	Galena 2	Geothermal	Station Usage Credit	9,000,675
202309GEGNS000209590	Galena 2	Geothermal	Station Usage Credit	9,589,975
202312GEGNS0002012195	Galena 2	Geothermal	Station Usage Credit	12,194,974
202403GEGNS0002010753	Galena 2	Geothermal	Station Usage Credit	10,753,141
202406GEGNS000208925	Galena 2	Geothermal	Station Usage Credit	8,925,110
202409GEGNS000209225	Galena 2	Geothermal	Station Usage Credit	9,224,992

202412GEGNS0002011419	Galena 2	Geothermal	Station Usage Credit	11,418,730
202503GEGNS0002014376	Galena 2	Geothermal	Station Usage Credit	14,375,672
202506GEGNS0002013267	Galena 2	Geothermal	Station Usage Credit	13,266,821
202509GEGNS0002010653	Galena 2	Geothermal	Station Usage Credit	10,653,223
202512GEGNS0002013445	Galena 2	Geothermal	Station Usage Credit	13,444,970
202603GEGNS0002011684	Galena 2	Geothermal	Station Usage Credit	11,684,266
201609GEGNS0004110715	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,122,700
201612GEGNS0004110639	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,639,000
201703GEGNS0004110158	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,158,100
201706GEGNS000419718	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	9,717,600
201709GEGNS000419796	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	9,796,000
201712GEGNS0004110551	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,551,000
201803GEGNS0004110224	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,224,000
201806GEGNS000418783	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	8,783,000
201809GEGNS000417715	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	7,715,000
201812GEGNS000417182	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	7,181,600
201903GEGNS000419825	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	9,824,800
201906GEGNS000419807	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	9,806,700
201909GEGNS000418719	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	8,718,700
201912GEGNS0004110447	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,447,200
202003GEGNS0004110722	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,722,000
202006GEGNS0004110796	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,796,400
202009GEGNS0004110990	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,989,600
202012GEGNS0004110999	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,998,700
202103GEGNS0004111034	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	11,033,900
202106GEGNS0004110193	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,193,100
202109GEGNS0004111022	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	11,021,500
202112GEGNS0004110025	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,025,100
202203GEGNS0004110293	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,293,100
202206GEGNS000417068	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	7,067,500
202209GEGNS000417047	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	7,046,600
202212GEGNS0004116028	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	16,028,000
202303GEGNS0004110127	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,126,557
202306GEGNS0004110063	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,062,659
202309GEGNS0004110130	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,130,054
202312GEGNS0004110222	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,222,049
202403GEGNS0004110238	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,238,145
202406GEGNS0004110693	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,693,006
202409GEGNS0004110588	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,587,753
202412GEGNS0004111091	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	11,090,777
202503GEGNS0004110788	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,788,243

202506GEGNS0004110664	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,664,280
202509GEGNS0004110751	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,751,272
202512GEGNS0004111294	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	11,294,113
202603GEGNS0004110736	ORNI 37 Don A Campbell 2	Geothermal	Station Usage Credit	10,736,230
201812GEGNS000492332	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	2,279,007
201903GEGNS000497749	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	7,748,728
201906GEGNS000496996	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	6,995,850
201912GEGNS000497414	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	7,414,218
202003GEGNS000496620	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	6,619,546
202006GEGNS000496806	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	6,805,629
202009GEGNS000496928	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	6,928,168
202012GEGNS000496971	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	6,970,884
202103GEGNS000495771	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	5,771,182
202106GEGNS000499527	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	9,527,127
202109GEGNS0004911460	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	11,459,531
202112GEGNS0004913643	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	13,643,166
202203GEGNS0004914197	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	14,196,523
202206GEGNS0004911802	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	11,802,112
202209GEGNS000498398	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	8,397,707
202212GEGNS0004913212	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	13,212,314
202303GEGNS0004910444	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	10,444,118
202306GEGNS000499749	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	9,748,918
202309GEGNS0004911040	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	11,039,991
202312GEGNS0004911507	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	11,506,562
202403GEGNS0004913167	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	13,166,837
202406GEGNS0004911865	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	11,864,712
202409GEGNS0004913828	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	13,827,772
202412GEGNS000499349	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	9,348,559
202503GEGNS0004913269	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	13,269,301
202506GEGNS0004911013	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	11,012,933
202509GEGNS0004913456	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	13,456,207
202512GEGNS0004912751	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	12,751,227
202603GEGNS0004913741	ORNI 41 McGinness Hills 3	Geothermal	Station Usage Credit	13,740,805
201712GEGNS000473595	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	3,595,200
201803GEGNS000477292	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	7,291,500
201806GEGNS000474051	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	4,051,000
201809GEGNS000476553	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	6,553,000
201812GEGNS000475978	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	5,978,050
201903GEGNS000477592	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	7,592,400
201906GEGNS000476644	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	6,644,400
201909GEGNS000477666	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	7,665,895

201912GEGNS000477325	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	7,324,730
202003GEGNS000477164	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	7,163,517
202006GEGNS000477918	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	7,918,400
202009GEGNS000478586	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	8,586,008
202012GEGNS000477933	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	7,932,742
202103GEGNS000478408	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	8,408,214
202106GEGNS000478954	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	8,954,379
202109GEGNS000478237	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	8,236,583
202112GEGNS000478445	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	8,445,000
202203GEGNS000477486	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	7,485,800
202206GEGNS000479862	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	9,861,850
202209GEGNS000478509	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	8,509,128
202212GEGNS0004714831	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	14,830,950
202303GEGNS0004712190	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	12,189,755
202306GEGNS0004711332	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	11,332,195
202309GEGNS0004710779	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	10,778,902
202312GEGNS0004711532	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	11,531,779
202403GEGNS000479020	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	9,019,951
202406GEGNS000478685	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	8,684,775
202409GEGNS000477572	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	7,571,630
202412GEGNS000477995	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	7,995,173
202503GEGNS000477838	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	7,837,913
202506GEGNS000476135	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	6,135,326
202509GEGNS000476833	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	6,832,844
202512GEGNS000477321	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	7,320,574
202603GEGNS000477013	ORNI 43 LLC-Tungsten	Geothermal	Station Usage Credit	7,013,374
202212GEGPS000128226	Steamboat 2	Geothermal	Station Usage Credit	1,090,435
202303GEGPS000125896	Steamboat 2	Geothermal	Station Usage Credit	5,896,075
202306GEGPS000121562	Steamboat 2	Geothermal	Station Usage Credit	1,561,553
202309GEGPS000127100	Steamboat 2	Geothermal	Station Usage Credit	7,099,620
202312GEGPS000127951	Steamboat 2	Geothermal	Station Usage Credit	7,950,957
202403GEGPS000126707	Steamboat 2	Geothermal	Station Usage Credit	6,707,003
202406GEGPS000124159	Steamboat 2	Geothermal	Station Usage Credit	4,158,939
202409GEGPS000124499	Steamboat 2	Geothermal	Station Usage Credit	4,498,532
202412GEGPS000126473	Steamboat 2	Geothermal	Station Usage Credit	6,472,500
202503GEGPS000125697	Steamboat 2	Geothermal	Station Usage Credit	5,696,593
202506GEGPS000124758	Steamboat 2	Geothermal	Station Usage Credit	4,757,978
202509GEGPS000124757	Steamboat 2	Geothermal	Station Usage Credit	4,756,865
202512GEGPS000126347	Steamboat 2	Geothermal	Station Usage Credit	6,346,969
202603GEGPS000125976	Steamboat 2	Geothermal	Station Usage Credit	5,976,245
202212GEGPS000136622	Steamboat 3	Geothermal	Station Usage Credit	1,198,145

202303GEGPS000134274	Steamboat 3	Geothermal	Station Usage Credit	4,273,568
202306GEGPS000131911	Steamboat 3	Geothermal	Station Usage Credit	1,910,641
202309GEGPS000139521	Steamboat 3	Geothermal	Station Usage Credit	9,521,032
202312GEGPS000138766	Steamboat 3	Geothermal	Station Usage Credit	8,766,207
202403GEGPS000137401	Steamboat 3	Geothermal	Station Usage Credit	7,400,718
202406GEGPS000135239	Steamboat 3	Geothermal	Station Usage Credit	5,239,073
202409GEGPS000135876	Steamboat 3	Geothermal	Station Usage Credit	5,876,269
202412GEGPS000137414	Steamboat 3	Geothermal	Station Usage Credit	7,414,289
202503GEGPS000136717	Steamboat 3	Geothermal	Station Usage Credit	6,717,173
202506GEGPS000135825	Steamboat 3	Geothermal	Station Usage Credit	5,824,640
202509GEGPS000136871	Steamboat 3	Geothermal	Station Usage Credit	6,871,492
202512GEGPS000138524	Steamboat 3	Geothermal	Station Usage Credit	8,524,274
202603GEGPS000137715	Steamboat 3	Geothermal	Station Usage Credit	7,714,995
201606GEGPS0000723199	Steamboat Hills	Geothermal	Station Usage Credit	23,198,896
201606GEGPS000074199	Steamboat Hills	Geothermal	Station Usage Credit	4,199,104
201803GEGPS000072707	Steamboat Hills	Geothermal	Station Usage Credit	775,430
201806GEGPS000071514	Steamboat Hills	Geothermal	Station Usage Credit	1,514,000
201809GEGPS000071855	Steamboat Hills	Geothermal	Station Usage Credit	1,855,000
201812GEGPS000073301	Steamboat Hills	Geothermal	Station Usage Credit	3,301,000
201903GEGPS000073700	Steamboat Hills	Geothermal	Station Usage Credit	3,700,000
201906GEGPS000075468	Steamboat Hills	Geothermal	Station Usage Credit	5,468,000
201909GEGPS000075304	Steamboat Hills	Geothermal	Station Usage Credit	5,304,000
201912GEGPS000073345	Steamboat Hills	Geothermal	Station Usage Credit	3,345,000
202003GEGPS000073458	Steamboat Hills	Geothermal	Station Usage Credit	3,458,000
202006GEGPS000074881	Steamboat Hills	Geothermal	Station Usage Credit	4,881,100
202009GEGPS000079107	Steamboat Hills	Geothermal	Station Usage Credit	9,106,800
202012GEGPS0000710135	Steamboat Hills	Geothermal	Station Usage Credit	10,134,600
202103GEGPS000079568	Steamboat Hills	Geothermal	Station Usage Credit	9,567,600
202106GEGPS000074740	Steamboat Hills	Geothermal	Station Usage Credit	4,739,600
202109GEGPS000076418	Steamboat Hills	Geothermal	Station Usage Credit	6,418,200
202112GEGPS000076293	Steamboat Hills	Geothermal	Station Usage Credit	6,292,573
202203GEGPS000076080	Steamboat Hills	Geothermal	Station Usage Credit	6,079,700
202206GEGPS000073926	Steamboat Hills	Geothermal	Station Usage Credit	3,925,800
202209GEGPS000071995	Steamboat Hills	Geothermal	Station Usage Credit	1,994,500
202212GEGPS000073601	Steamboat Hills	Geothermal	Station Usage Credit	3,601,000
202303GEGPS000075430	Steamboat Hills	Geothermal	Station Usage Credit	5,429,847
202306GEGPS000074342	Steamboat Hills	Geothermal	Station Usage Credit	4,342,249
202309GEGPS000074967	Steamboat Hills	Geothermal	Station Usage Credit	4,966,930
202312GEGPS000076076	Steamboat Hills	Geothermal	Station Usage Credit	6,075,931
202403GEGPS000075672	Steamboat Hills	Geothermal	Station Usage Credit	5,672,475
202406GEGPS000074667	Steamboat Hills	Geothermal	Station Usage Credit	4,667,341

202409GEGPS000074640	Steamboat Hills	Geothermal	Station Usage Credit	4,639,801
202412GEGPS000075560	Steamboat Hills	Geothermal	Station Usage Credit	5,559,721
202503GEGPS000075595	Steamboat Hills	Geothermal	Station Usage Credit	5,594,747
202506GEGPS000074769	Steamboat Hills	Geothermal	Station Usage Credit	4,768,778
202509GEGPS000074903	Steamboat Hills	Geothermal	Station Usage Credit	4,902,545
202512GEGPS000075622	Steamboat Hills	Geothermal	Station Usage Credit	5,621,602
202603GEGPS000075244	Steamboat Hills	Geothermal	Station Usage Credit	5,244,429
202203GEGNS000339509	Wild Rose/Don Campbell	Geothermal	Station Usage Credit	9,508,600
202206GEGNS000336098	Wild Rose/Don Campbell	Geothermal	Station Usage Credit	6,097,700
202209GEGNS000336639	Wild Rose/Don Campbell	Geothermal	Station Usage Credit	6,639,300
202212GEGNS0003314961	Wild Rose/Don Campbell	Geothermal	Station Usage Credit	14,960,500
202303GEGNS000339570	Wild Rose/Don Campbell	Geothermal	Station Usage Credit	9,569,564
202306GEGNS000339505	Wild Rose/Don Campbell	Geothermal	Station Usage Credit	9,505,206
202309GEGNS000339223	Wild Rose/Don Campbell	Geothermal	Station Usage Credit	9,222,604
202312GEGNS000339781	Wild Rose/Don Campbell	Geothermal	Station Usage Credit	9,780,812
202403GEGNS000339249	Wild Rose/Don Campbell	Geothermal	Station Usage Credit	9,248,696
202406GEGNS000338937	Wild Rose/Don Campbell	Geothermal	Station Usage Credit	8,936,632
202409GEGNS000338723	Wild Rose/Don Campbell	Geothermal	Station Usage Credit	8,723,026
202412GEGNS000339109	Wild Rose/Don Campbell	Geothermal	Station Usage Credit	9,108,639
202503GEGNS000338942	Wild Rose/Don Campbell	Geothermal	Station Usage Credit	8,942,265
202506GEGNS000338874	Wild Rose/Don Campbell	Geothermal	Station Usage Credit	8,873,918
202509GEGNS000338701	Wild Rose/Don Campbell	Geothermal	Station Usage Credit	8,701,477
202512GEGNS0003316824	Wild Rose/Don Campbell	Geothermal	Station Usage Credit	16,823,951
			Total PECs	1,895,505,053

WSPP Agreement
Changes Effective October 31, 2025

This version includes all revisions approved by the Federal Energy Regulatory Commission (FERC) in orders issued through January 9, 2026. The most recent revisions are to update the the List of Members within the Agreement, per the FERC's unpublished letter order dated January 9, 2026 (Docket No. ER26-512-000). The FERC accepted the revisions effective October 31, 2025 for the metadata and, for each change in the Member List, on the applicable date of the change as stated in its order.

This version of the WSPP Agreement is prepared for the convenience of WSPP Members. The WSPP Agreement as filed with the FERC is available at www.FERC.gov and specifically http://etariff.ferc.gov/TariffList.aspx.

This explanatory page is not part of the WSPP Agreement and is not filed with the FERC.

WSPP AGREEMENT

WSPP INC.
FIRST REVISED RATE SCHEDULE FERC NO. 6
Superseding
Rate Schedule FERC No. 6

TABLE OF CONTENTS

1. PARTIES:

The Parties to this WSPP Agreement (hereinafter referred to as "Agreement") are those entities that have executed this Agreement, hereinafter sometimes referred to individually as "Party" and collectively as "Parties," but excluding any such entity that withdraws its participation in the Agreement. An entity shall become a Party on the date specified in Section 16.6.

2. RECITALS

2.1 Through this Agreement, the WSPP administers a multi-lateral, standardized agreement applicable to capacity and/or energy transactions between members and is available to entities (which qualify for membership under Section 16) throughout the entire continental United States, Canada, and Mexico.

2.2 This Agreement serves two functions. First, it sets out the rules applicable to the operation of the WSPP. Second, it sets out the terms for the standardized agreement used for capacity and/or energy transactions between members.

2.3 This Agreement facilitates physical transactions in capacity and/or energy under a FERC accepted or approved rate schedule (this Rate Schedule FERC No. 6).

2.4 Through the standardization of terms for transactions in capacity and/or energy which facilitates such transactions, the public interest has been and will continue to be served.

3. AGREEMENT:

In consideration of the mutual covenants and promises herein set forth, the Parties agree as follows:

4. DEFINITIONS:

The following terms, when used herein with initial capitalization, whether in the singular or in the plural, shall have the meanings specified:

Agreement: This WSPP Agreement, including the Service Schedules and Exhibits attached hereto, as amended; provided, however, that Confirmation(s) are not included within this definition.

Administrative Committee: A sub-committee of the Executive Committee in accordance with Section 8.1.2.

Broker: An entity or person that arranges trades or brings together Purchasers and Sellers without taking title to the power.

Business Day(s): Any day other than a Saturday or Sunday or a national (United States or Canadian, whichever is applicable) holiday. United States holidays shall be holidays observed by Federal Reserve member banks in New York City. Where both the Seller and the Purchaser have their principal place of business in the United States, Canadian holidays shall not apply. Similarly, where both the Seller and the Purchaser have their principal places of business in Canada, Canadian holidays shall apply and United States holidays shall not apply. In situations where one Party has its principal place of business within the United States and the other Party's principal place of business is within Canada, both United States and Canadian holidays shall apply.

California ISO: The California Independent System Operator Corporation or any successor organization.

Confirmation(s): The confirmations for transactions developed and made effective in accordance with Section 32 or Electronic Platform Confirmations.

Contract Price: The price agreed to between the Seller and the Purchaser for a transaction under the Agreement and Confirmation.

Contract Quantity: The amount of capacity and/or energy to be supplied for a transaction under the Agreement.

Control Area: An electric system capable of regulating its generation in order to maintain its interchange schedule with other electric systems and to contribute its frequency bias obligation to the interconnection as specified in the North American Electric Reliability Council (NERC) Operating Guidelines.

Costs: As defined in Section 22.3 of this Agreement.

Damages Settlement Transaction: A transaction where, after non-performance under a Confirmation, the Parties enter into a second transaction for the purpose of finally settling damages incurred by the Performing Party due to non-performance of such Confirmation.

Dealer: An entity or person that buys or sells power and takes title to the power at some point.

Demand Response: A reduction in the consumption of electric energy by customers from their expected consumption in response to an increase in the price of electric energy or to incentive payments designed to induce lower consumption of electric energy.

Demand Response Entity: An entity or lawful association which is not an Electric Utility, Qualifying Facility, or Retail Entity, which sells or otherwise provides Demand Response through wholesale transactions.

Defaulting Party: As defined in Section 22.1 of this Agreement.

Determination Period: As defined in Section 38.2 of this Agreement.

Documentary Writing: A document which is physically delivered by courier or U.S. mail, or a copy of which is transmitted by telefacsimile or other electronic means.

Economy Energy Service: Non-firm energy transaction whereby the Seller has agreed to sell or exchange and the Purchaser has agreed to buy or exchange energy that is subject to immediate interruption upon notification, in accordance with the Agreement, including Service Schedule A, and any applicable Confirmation.

Electric Utility: An entity or lawful association which (i) is a public utility, Independent Power Producer, or Power Marketer regulated under applicable state law or the Federal Power Act, or (ii) is exempted from such regulation under the Federal Power Act because it is the United States, a State or any political subdivision thereof or an agency of any of the foregoing, or a Rural Utilities Service cooperative, or (iii) is a public utility, Independent Power Producer, or Power Marketer located in Canada or Mexico that is similarly regulated.

Electronic Platform Confirmation: agreed terms and conditions of a transaction, which agreement (a) was made through electronic entry of information and terms on, and in a manner that complies with the procedures of, the applicable electronic trading platform or exchange, (b) includes, at a minimum, the Standard Confirmation Provisions, and (c) is available to either Party for retrieval from the applicable electronic trading platform or exchange in printable or electronic form.

Electronic Writing:

(1) Recorded oral conversation; or

(2) electronic communications, including but not limited to e-mail, if the Parties to the transaction use such method to create an electronic writing for the Confirmation for such transaction and, except with respect to e-mail, specifically agree to the method of electronic communication.

Electronic Writings shall not include the transmittal of a copy of a document by electronic means, which is considered a Documentary Writing.

ERCOT: Electric Reliability Council of Texas, Inc., and any successor organization.

Event of Default: As defined in Section 22.1 of this Agreement.

Executive Committee: The committee established pursuant to Section 8 of this Agreement.

FERC: The Federal Energy Regulatory Commission or its regulatory successor.

Firm Capacity/Energy Sale or Exchange Service: Firm capacity and/or energy transaction whereby the Seller has agreed to sell or exchange and the Purchaser has agreed to buy or exchange for a specified period available capacity with or without associated energy which may include a Physically-Settled Option and a capacity transaction in accordance with the Agreement, including Service Schedule C, and any applicable Confirmation.

First Party: As defined in Section 27 of this Agreement.

Floating Price: As defined in Section 38.1 of this Agreement.

Gains: As defined in Section 22.3 of this Agreement.

Guarantee Agreement: An agreement providing a guarantee issued by a parent company or another entity guaranteeing responsibility for obligations arising under this Agreement and Confirmation. A sample form of Guarantee Agreement is provided in Exhibit B.

Guarantor: The entity providing a guarantee pursuant to a Guarantee Agreement.

Hub: An electronic communication center that functions as a central point to electronically receive and assemble data for offers to buy or sell power or transmission service from each Party and make that data electronically available concurrently to all Parties.

Incremental Cost: The forecasted expense incurred by the Seller in providing an additional increment of energy or capacity during a given hour.

Independent Power Producer: An entity which is a non-traditional public utility that produces and sells electricity but which does not have a retail service franchise.

Letter of Credit: An irrevocable, transferable, standby letter of credit, issued by an issuer acceptable to the Party requiring the Letter of Credit.

Losses: As defined in Section 22.3 of this Agreement.

Market Disruption Event: As defined in Section 38.2 of this Agreement.

NERC: North American Electric Reliability Council or any successor organization.

Non-Defaulting Party: As defined in Section 22.1(a) of this Agreement.

Non-Performing Party: As defined in Section 21.3(a) of this Agreement.

Non-Standard Confirmation Provisions: Provisions other than Standard Confirmation Provisions.

NYMEX: New York Mercantile Exchange and any successor organization.

Operating Agent: An agent of the WSPP as may be designated by the Executive Committee from time to time.

Operating Committee: That committee established pursuant to Section 8 of this Agreement.

Party or Parties: As defined in Section 1 of this Agreement.

Performing Party: As defined in Section 21.3(a) of this Agreement.

Power Marketer: An entity which buys, sells, and takes title to electric energy, transmission and/or other services from traditional utilities and other suppliers.

Physically-Settled Option: Includes (i) a call option which is the right, but not the obligation, to buy an underlying power product as defined under Service Schedules B or C according to the price and exercise terms set forth in the Confirmation; and (ii) a put option which is the right, but not the obligation, to sell an underlying power product as defined under Service Schedules B or C according to the price and exercise terms set forth in the Confirmation.

Premium: The amount paid by the Purchaser of a Physically-Settled Option to the Seller of such option by the date agreed to by the Parties in the Confirmation.

Present Value Rate: As defined in Section 22.3(b) of this Agreement.

Purchaser: Any Party which agrees to buy or receive from one or more of the other Parties any service pursuant to the Agreement and any applicable Confirmation.

Qualifying Facility: A facility which is a qualifying small power production facility or a qualifying cogeneration facility as these terms are defined in Federal Power Act Sections 3(17)(A), 3(17)(C), 3(18)(A), and 3(18)(B); which meets the requirements set forth in 18 C.F.R. §§ 292.203-292.209; or a facility in Canada or Mexico that complies with similar requirements.

Replacement Price: The price at which the Purchaser, acting in a commercially reasonable manner, effects a purchase of substitute capacity and/or energy in place of the capacity and/or energy not delivered (for energy) or made available (for capacity only) by the Seller or, absent such a purchase, the market price for such quantity of capacity and/or energy, as determined by the Purchaser in a commercially reasonable manner, at the delivery point specified for the transaction in the Confirmation.

Resale Price: The price at which the Seller, acting in a commercially reasonable manner, effects a resale of the capacity and/or energy not received by the Purchaser or, absent such a resale, the market price for such quantity of capacity and/or energy, as determined by the Seller in a commercially reasonable manner at the delivery point specified for the transaction in a Confirmation.

Retail Entity: A retail aggregator or supplier or retail customer; provided, however, only those Retail Entities eligible for transmission service under the FERC's pro forma open access transmission tariff are eligible to become members of the WSPP.

Second Party: As defined in Section 27 of this Agreement.

Seller: Any Party which agrees to sell or provide to one or more of the other Parties any service pursuant to the Agreement and the applicable Confirmation.

Service Schedule: A schedule of services established pursuant to Section 6 of this Agreement on file with FERC as part of this Agreement.

Standard Confirmation Provisions: Provisions setting forth: Seller, Purchaser, period of delivery, schedule, delivery rate, delivery points, type of service (e.g. Service Schedule A, B, C or other), contract quantity, price, transmission path (if any), date, and certain additional information for physically settled options (option type, option style, exercise date or period, premium, premium payout date, and method for providing notice of exercise).

Successor in Operation: The successor entity which takes over the wholesale electric trading operations of the first entity either through a merger or restructuring. A Successor in Operation shall not include an entity which merely acquires power sales contracts from the first entity either through a purchase or other means without taking over the wholesale electric trading operations of the first entity.

Terminated Transaction: As defined in Section 22.2 of this Agreement.

Termination Payment: As defined in Section 22.2 of this Agreement.

Trading Day: As defined in Section 38.2 of this Agreement.

Uncontrollable Forces: As defined in Section 10 of this Agreement or in a Confirmation.

Unit Commitment Service: A capacity and/or associated scheduled energy transaction or a Physically-Settled Option under which the Seller has agreed to sell and the Purchaser has agreed to buy from a specified unit(s) for a specified period, in accordance with the Agreement, including Service Schedule B, and any applicable Confirmation.

WSPP: WSPP Inc., a corporation organized in 1995 and duly existing under the Utah Revised Nonprofit Corporation Act.

WSPP Default Transmission Tariff: The transmission tariff filed on behalf of WSPP members with FERC as it may be amended from time to time.

WSPP Homepage: WSPP's internet web site, www.wspp.org.

5. TERM, TERMINATION AND WITHDRAWAL:

5.1 This Agreement shall remain in effect until the Executive Committee, consistent with the voting provisions of Section 8.3, votes to terminate this Agreement and FERC accepts that termination, or FERC otherwise terminates the Agreement.

5.2 Any Party may withdraw its participation as a member of the WSPP and as a Party to this Agreement by providing thirty (30) days prior written notice to the Operating Agent and to the WSPP Homepage, and to all of its counterparties to outstanding transactions. As of the effective date of any withdrawal, the withdrawing Party shall have no further rights or obligations under this Agreement or as a member of the WSPP, except with respect to each outstanding Confirmation, all outstanding rights and obligations arising under any such Confirmation and this Agreement shall remain in full force and effect as if the withdrawal had not occurred. No Party shall oppose, before any court or regulatory agencies having jurisdiction, any other Party's withdrawal as provided in this Section.

5.3 Except as provided for in Section 5.2, after termination, or withdrawal with respect to the withdrawing Party, all rights to services provided under this Agreement shall cease, and no Party shall claim or assert any continuing right to such services thereunder. Except as provided in Section 5.2, no Party shall be required to provide services based in whole or in part on the existence of this Agreement or on the provision of services under this Agreement beyond the termination date, or date of withdrawal with respect to the withdrawing Party. If the Parties have entered into a master confirmation agreement only for WSPP transactions as that term is defined in Section 32.10, the withdrawing Party shall have no further rights under that master confirmation agreement except for transactions that were outstanding at the time of the withdrawal.

5.4 The Parties subject to FERC jurisdiction under the Federal Power Act shall have the right to terminate their participation as a Member of the WSPP and as Party to this Agreement and any Confirmation without the necessity of filing with or approval by FERC, provided that such Parties comply with the requirements of Section 5.2.

6. SERVICE SCHEDULES AND WSPP DEFAULT TRANSMISSION TARIFF:

6.1 The Parties contemplate that they may, from time to time, add or remove Service Schedules under this Agreement. The attached Service Schedules A through E for Economy Energy Service, Unit Commitment Service, Firm Capacity/Energy Sale or Exchange Service, Operating Reserve – Spinning and Operating Reserve – Supplemental, and Energy Imbalance and Generator Imbalance Power, and Service Schedule R for Renewable Energy Certificate Transactions With And Without Energy, are incorporated into and made a part of this Agreement. Nothing contained herein shall be construed as affecting in any way the right of the Parties to jointly make application to FERC for a change in the rates and charges, classification, service, terms, or conditions affecting WSPP transactions under Section 205 of the Federal Power Act and pursuant to FERC rules and regulations promulgated thereunder. Additional Service Schedules or amendments to existing Service Schedules, if any, shall be adopted only by amendment of this Agreement approved by the Executive Committee pursuant to Section 8.3 and shall become effective on the effective date allowed or accepted by FERC consistent with Section 39.

6.2 **[RESERVED]**

6.3 When the WSPP Default Transmission Tariff applies as specified in the preamble to such Default Transmission Tariff, Transmission Service under it shall be available both to Parties and non-Parties under this Agreement; provided, however, each Party or non-Party must be an eligible customer under the WSPP Default Transmission Tariff in order to receive service.

7. ADMINISTRATION:

7.1 The WSPP shall perform the administrative tasks necessary and appropriate to implement this Agreement. All authority to direct, manage and administer the WSPP shall reside in the Executive Committee. All duties assigned under this Agreement, or otherwise, to the Operating Committee, sub-committees, officers, Administrative Committee, or Operating Agent, are delegated powers of the Executive Committee and are subject to the Executive Committee's direction and control. The WSPP may engage the services of an Operating Agent, from time to time, to perform tasks in furtherance of this Agreement.

7.2 At least sixty (60) days prior to each calendar year that this Agreement is in effect, the Administrative Committee shall submit a budget for said year of operation to the Operating Committee for review. The proposed budget shall then be submitted, with the Operating Committee's recommendations, to the Executive Committee. The Executive Committee may approve the budget as submitted or with revisions. The Administrative Committee, Operating Committee, and Executive Committee shall address any appropriate revisions of the budget in the same manner.

7.3 The WSPP shall, as necessary, bill the Parties for costs incurred under this Agreement on an estimated basis reasonably in advance of when due, and such billings shall be paid by the Parties when due. Such billings shall be adjusted in the following month(s) to reflect recorded costs. Billing and payment of WSPP costs shall otherwise be implemented in accordance with the provisions of Section 9.

7.4 The WSPP shall maintain the WSPP Homepage and, as it deems appropriate, may engage a contractor for this purpose.

7.5 Each Party shall maintain a link to the WSPP Homepage and shall be responsible for expenses related thereto.

7.6 The WSPP, at reasonable times and places, shall make available its books of account, and records and documentation supporting expenditures under this Agreement, for the inspection of any Party for a period of time not to exceed two (2) years from the time such expenditures were incurred. A Party requesting review of the WSPP's records shall give the WSPP sufficient notice of its intent, but in no event less than thirty (30) days. The requesting Party may perform this review using personnel from its own staff or designate a certified public accounting firm for the purpose of this review. All costs incurred to perform this review shall be at the requesting Party's own expense. The Party performing the review shall not voluntarily release the WSPP's records or disclose any information contained therein to any third party unless the written consent of the WSPP and the Executive Committee has been obtained, except as required by law.

7.7 Upon the termination of this Agreement, in accordance with applicable law, the WSPP shall dispose of any and all of its assets and wind up its affairs as the Executive Committee may direct.

8. EXECUTIVE AND OPERATING COMMITTEES:

As a means of securing effective and timely cooperation within the activities hereunder and as a means of dealing on a prompt and orderly basis with various problems which may arise in connection with system coordination and operation under changing conditions, the Parties hereby establish an Executive Committee and an Operating Committee.

8.1 Executive Committee:

The Executive Committee shall consist of one representative and an alternate from each Party designated pursuant to Section 8.5 herein. The responsibilities of the Executive Committee are as follows:

8.1.1 To establish and amend bylaws of the WSPP consistent with this Agreement and to serve as the Board of Directors of the WSPP in accordance with applicable law.

8.1.2 To establish standing or ad hoc sub-committees as it may from time to time deem necessary or appropriate and appoint or elect members thereto. Such sub-committees shall include an Administrative Committee, as a standing committee, to administer the affairs of the WSPP as the Executive Committee may direct or approve. The Administrative Committee shall be comprised of the Chairman, Vice-Chairman, Secretary and Treasurer of the WSPP and the Chairman, and Vice-Chairman, and Secretary of the Operating Committee.

8.1.3 To review at least annually the service activities hereunder to ensure that such activities are consistent with the spirit and intent of this Agreement.

8.1.4 To review any unresolved issues which may arise hereunder and endeavor to resolve the issues.

8.1.5 To review and approve the WSPP's annual budget under this Agreement, and any revision thereto, in accordance with Section 7.2 of this Agreement or otherwise as the Executive Committee deems necessary or appropriate.

8.1.6 To amend this Agreement, from time to time, provided that no such amendment or restatement shall be effective unless approved or accepted by the FERC and subject to terms and conditions of such approval or acceptance. The effectiveness of any amendment also shall be consistent with Section 39.

8.1.7 To review and act on the application of an entity to become a Party to this Agreement, or to delegate such authority as the Executive Committee deems appropriate.

8.1.8 To do such other things and carry out such duties as specifically required or authorized by this Agreement.

8.1.9 To notify any Party of the rescission of its interest in this Agreement due to its failure to continue to meet the requirements of Section 16.1, or to delegate such authority to the Chairman of the Executive Committee, the Chairman of the Operating Committee, or the Administrative Committee.

8.1.10 To arrange for legal representation of the WSPP.

8.2 Operating Committee:

The Operating Committee shall consist of one representative and an alternate from each Party designated pursuant to Section 8.5. The responsibilities of the Operating Committee are as follows:

8.2.1 To establish, review, approve, or modify procedures and standard practices, consistent with the provisions hereof, for the guidance of operating employees in the Parties' electric systems as to matters affecting transactions under this Agreement.

8.2.2 To submit to the Executive Committee any proposed revisions to the Service Schedules or proposed additional Service Schedules.

8.2.3 To submit to the Executive Committee proposed amendments to this Agreement, provided that the Operating Committee shall have no authority to amend this Agreement, and further provided that the Executive Committee may amend this Agreement under Section 8.1.6 without having first received recommendations from the Operating Committee.

8.2.4 To establish, review, approve, or modify any scheduling or operating procedures required in connection with transactions under this Agreement.

8.2.5 To review and make recommendations to the Executive Committee for approval of the annual budget of the WSPP under this Agreement, including any proposed revisions thereto.

8.2.6 To review and recommend as necessary the types and arrangement of equipment for intersystem communication facilities to enhance transactions and benefits under this Agreement.

8.2.7 To monitor the administration and costs of the WSPP Homepage.

8.2.8 If the Executive Committee so directs, to review new member applications for membership in the WSPP under this Agreement and make recommendations on said applications to the Executive Committee, or to delegate such authority as the Operating Committee deems appropriate.

8.2.9 To establish standing or ad hoc sub-committees and appoint or elect members of the Operating Committee thereto, provided that such sub-committees shall make recommendations to the Operating Committee and shall not be authorized to take any action or exercise any power reserved to the Operating Committee. Each sub-committee may elect a chairman, vice chairman, and secretary as it deems appropriate.

8.2.10 To do such other things and carry out such duties as specifically required or authorized by this Agreement or as directed by the Executive Committee; provided, however, that the Operating Committee shall have no authority to amend this Agreement.

8.3 All matters which require Operating Committee or Executive Committee approval as provided in this Agreement shall be by no less than ninety percent (90%) affirmative agreement of the committee members present or voting by proxy.

8.4 Unless otherwise agreed by all committee members of the Executive Committee or Operating Committee, as applicable, the Chairman of the Executive Committee and the Chairman of the Operating Committee shall cause all members of the applicable committee to receive notice of a committee meeting at least ten (10) Business Days prior to the date of the meeting. Such notice shall include an agenda of matters to be discussed and voted on at the meeting. All material issues to be submitted to a vote of the committee shall appear on the agenda.

8.5 In accordance with Section 16.5.1, each Party shall give notice to the WSPP of the name of its designated representative and alternate representative (to act in the absence of the designated representative) on each of the Executive Committee and Operating Committee, and of any changes thereto, and WSPP shall publish a listing of all such representatives on the WSPP Homepage. Each Party's designated representatives shall be authorized to act on its behalf with respect to votes taken of members of each committee and other activities of the committee.

8.6 The Executive Committee shall meet no less than once annually and otherwise as determined by its Chairman in his discretion. The Operating Committee shall meet as necessary, as determined by its Chairman in his discretion. A Chairman shall call a meeting of such committee upon the written request of not less than ten (10) members of the applicable committee.

8.7 The Executive Committee shall elect a Chairman, Vice-Chairman, Secretary and Treasurer. The Operating Committee shall elect a Chairman, Vice-Chairman, and Secretary. These officers shall serve terms of two-years duration, which terms shall commence on January 1 of the year following the election and expire on December 31 of the subsequent year, provided, that despite the expiration of an officer's term, the officer shall continue to serve until the officer's successor is elected and commences to serve, and further provided that with or without cause, the Executive Committee or Operating Committee, as applicable, may elect a substitute officer prior to the expiration of a term.

8.7.1 The Chairman of the Executive Committee shall be the Chairman of the WSPP. The Chairman shall preside over meetings of the Executive

Committee and, when the Executive Committee is not in session, exercise day to day management and control of the business and affairs of the WSPP, subject at all times to this Agreement and the direction of the Executive Committee.

8.7.2 The Vice-Chairman of the Executive Committee shall be the Vice-Chairman of the WSPP. The Vice-Chairman, in the absence or disability of the Chairman, shall exercise the powers and perform the duties of the Chairman and such other duties as the Executive Committee or the Chairman may prescribe, subject at all times to this Agreement and the direction of the Executive Committee.

8.7.3 The Secretary of the Executve Committee shall be the Secretary of the WSPP. The Secretary, or his designee, shall record minutes of meetings and actions of the Executive Committee, perform the customary duties of a secretary of a non-profit corporation, and attend to the giving and serving of all notices required by law or under this Agreement as the Chairman may direct.

8.7.4 The Treasurer of the Executive Committee shall be the Treasurer of the WSPP. The Treasurer shall have custody of all funds, securities, and evidences of indebtedness of the Corporation. The Treasurer shall receive and give receipts for moneys paid in on account of the Corporation and shall pay out of the funds on hand any bills, payrolls and other just debts of the Corporation of whatever nature upon maturity. The Treasurer shall maintain full and accurate accounts of all moneys received and paid out on account of the Corporation. The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the Corporation in such depositories as may be designated by the Executive Committee. The Treasurer shall adhere to budgets determined by the Executive Committee, including the annual budget under section 8.1.4 of this Agreement, and shall perform such other duties as are customary for a treasurer of a non-profit corporation.

8.7.5. The Chairman of the Operating Committee shall preside over Operating Committee meetings. The Vice Chairman of the Operating Committee shall serve in the absence of the Chairman and perform such other duties as the Operating Committee may assign. The Secretary of the Operating Committee, or his designee, shall record minutes of meetings and actions of the Operating Committee, and shall give notice of meetings as the Chairman may direct.

9. PAYMENTS:

9.1 The accounting and billing period for transactions under this Agreement shall be one (1) calendar month. Bills sent to any Party shall be sent to the appropriate billing address as set forth on the WSPP homepage or as otherwise specified by such Party.

9.2 Payments for amounts billed under this Agreement and any Confirmation shall be received by the Party to be paid on the 20th day of the month in which the invoice was received or the tenth (10) day after receipt of the bill, whichever is later. Notwithstanding the foregoing, Premiums shall be paid within three (3) Business Days of receipt of the invoice. Payment shall be made at the location designated by the Party to which payment is due. Payment shall be considered received when payment is received by the Party to which Payment is due at the location designated by that Party. If the due date falls on a non-Business Day of either Party, then the payment shall be due on the next following Business Day.

9.3 Amounts not paid on or before the due date shall be payable with interest calculated daily, at a rate equal to 200 basis points above the per annum Prime Rate reported daily in the Wall Street Journal for the period beginning on the day after the due date and ending on the day of payment, provided that such interest shall not exceed the amount permitted by law.

9.4 In order to dispute a bill in whole or in part, a Party must provide written notice of the dispute to the other Party to the transaction. Such written notice shall specify the amount in dispute and state the basis for the dispute. In case any portion of any bill is in dispute, the entire bill shall be paid when due. Any excess amount of bills which, through inadvertent errors or as a result of a dispute, may have been overpaid shall be returned by the owing Party upon determination of the correct amount, with interest calculated in the manner set forth in Section 9.3. A Party shall have the right to dispute the accuracy of any bill or payment only for a period of two (2) years from the date on which the bill was initially delivered.

9.5 If a Party's records reveal that a bill was not delivered, then the Party may deliver to the appropriate Party a bill within two (2) years from the date on which the bill would have been delivered under Section 9.1 of this Agreement. The right to payment is waived with respect to any amounts not billed within such two (2) year period.

9.6 Each Party, or any third party representative of a Party, shall keep complete and accurate records, and shall maintain such data as may be necessary for the purpose of ascertaining the accuracy of all relevant data, estimates, or statements of charges submitted hereunder for a period of two (2) years from the date the bill was delivered under this Agreement and/or Confirmation.

Within a two (2) year period from the date on which the bill was initially delivered, any Party to the applicable transaction may request in writing copies of the records of the other Party for that transaction to the extent reasonably necessary to verify the accuracy of any statement or charge. The Party from which documents or data has been requested shall provide all reasonably requested documents and data within a reasonable time period.

10. UNCONTROLLABLE FORCES:

No Party shall be considered to be in breach of this Agreement or any applicable Confirmation to the extent that a failure to perform its obligations under this Agreement or any such Confirmation is due to an Uncontrollable Force. The term "Uncontrollable Force" means an event or circumstance which prevents one Party from performing its obligations under one or more transactions, which event or circumstance is not within the reasonable control of, or the result of the negligence of, the claiming Party, and which by the exercise of due diligence the claiming Party is unable to avoid, cause to be avoided, or overcome. So long as the requirements of the preceding sentence are met, an "Uncontrollable Force" may include and is not restricted to flood, drought, earthquake, storm, fire, lightning, epidemic, war, riot, act of terrorism, civil disturbance or disobedience, labor dispute, labor or material shortage, sabotage, restraint by court order or public authority, and action or nonaction by, or failure to obtain the necessary authorizations or approvals from, any governmental agency or authority.

The following shall not be considered "Uncontrollable Forces": (i) Seller's cost of obtaining capacity and/or energy; or (ii) Purchaser's inability due to the price of the capacity and/or energy, to use or resell such capacity and/or energy. No Party shall, however, be relieved of liability for failure of performance to the extent that such failure is due to causes arising out of its own negligence or due to removable or remediable causes which it fails to remove or remedy within a reasonable time period. Nothing contained herein shall be construed to require a Party to settle any strike or labor dispute in which it may be involved. Any Party rendered unable to fulfill any of its obligations by reason of an Uncontrollable Force shall give prompt notice of such fact and shall exercise due diligence, as provided above, to remove such inability within a reasonable time period. If oral notice is provided, it shall be promptly followed by written notice.

Where the entity providing transmission services for transactions under this Agreement and Confirmation interrupts such transmission service, the interruption in transmission service shall be considered an Uncontrollable Force under this Section 10 only in the following two sets of circumstances:

(1) An interruption in transmission service shall be considered an Uncontrollable Force if (a) the Parties agreed on a transmission path for that transaction in the Confirmation (b) firm transmission involving that transmission path was obtained pursuant to a transmission tariff or contract to effectuate the transaction under this Agreement and Confirmation, and (c) the entity providing transmission service curtailed or interrupted such firm transmission pursuant to the applicable transmission tariff or contract. There shall be no due diligence obligation associated with interruptions under this subparagraph (1).

(2) If the Parties did not agree on the transmission path for a transaction in the Confirmation, an interruption in transmission service shall be considered an Uncontrollable Force only if (a) the Party contracting for transmission services shall have made arrangements with the entity providing transmission service for firm transmission to effectuate the transaction under the Agreement and Confirmation, (b) the entity providing transmission service curtailed or interrupted such transmission service, and (c) the Party which contracted for such firm transmission services could not obtain alternate energy at the delivery point, alternate

transmission services, or alternate means of delivering energy after exercising due diligence.

No Party shall be relieved by operation of this Section 10 of any liability to pay for power delivered to the Purchaser or to make payments then due or which the Party is obligated to make with respect to performance which occurred prior to the Uncontrollable Force.

11. WAIVERS:

Any waiver at any time by any Party of its rights with respect to a default under this Agreement or any Confirmation, or any other matter under this Agreement, shall not be deemed a waiver with respect to any subsequent default of the same or any other matter.

12. NOTICES:

12.1 Except for the oral notice provided for in Section 10 of this Agreement, any formal notice, demand or request provided for in this Agreement shall be in writing and shall be deemed properly served, given or made if delivered in person, or sent by either registered or certified mail (postage prepaid), prepaid telegram, fax, or overnight delivery (with record of receipt).

12.2 Notices and requests of a routine nature applicable to delivery or receipt of capacity and/or energy shall be given in such manner as the Parties to a transaction shall prescribe in a Confirmation or otherwise; provided, however, if the Parties have not prescribed a method of providing such routine notices, then the procedures in Section 12.1 shall apply.

13. EFFECT OF APPROVALS:

13.1 This Agreement and all Confirmations are subject to valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction. Nothing contained in this Agreement or any Confirmation shall give FERC jurisdiction over those Parties not otherwise subject to such jurisdiction or be construed as a grant of jurisdiction over any Party by any state or federal agency not otherwise having jurisdiction by law.

13.2 Nothing in this Agreement or any Confirmation is intended to restrict the authority of the Bonneville Power Administration (BPA) pursuant to applicable statutory authority to use its existing wholesale power and transmission rates or to adopt new rates, rate schedules, or general rate schedule provisions for application under this Agreement and obtain interim or final approval of those rates from FERC pursuant to Section 7 of the Pacific Northwest Electric Power Planning and Conservation Act, 16 U.S.C. Sec. 839e, provided such rates do not exceed the maximum rates in the applicable Service Schedule and are consistent with the terms and conditions of said Service Schedule.

13.3 Nothing contained in this Agreement or any Confirmation shall be construed to establish any precedent for any other agreement or to grant any rights to or impose any obligations on any Party beyond the scope and term of this Agreement or any Confirmation.

14. TRANSFER OF INTEREST IN AGREEMENT:

No Party shall voluntarily transfer its membership in the WSPP under this Agreement without the written consent and approval of all other Parties except to a Successor in Operation of such Party. With regard to the transfer of the rights and obligations of any Party associated with transactions under this Agreement and Confirmation(s), neither Party to such transactions may assign such rights or obligations unless (a) the other Party provides its prior written consent which shall not be unreasonably withheld; or (b) the assignment is to a Successor in Operation which provides reasonable creditworthiness assurances (see Section 27 for examples of such assurances) if required by the non-assigning Party based upon its reasonably exercised discretion. Any successor or assignee of the rights of any Party, whether by voluntary transfer, judicial or foreclosure sale or otherwise, shall be subject to all the provisions and conditions of this Agreement and Confirmation(s) (where applicable) to the same extent as though such successor or assignee were the original Party under this Agreement or the Confirmation(s), and no assignment or transfer of any rights under this Agreement or any Confirmation(s) shall be effective unless and until the assignee or transferee agrees in writing to assume all of the obligations of the assignor or transferor and to be bound by all of the provisions and conditions of this Agreement and any Confirmation(s) (where applicable). The execution of a mortgage or trust deed or a judicial or foreclosure sale made thereunder shall not be deemed a voluntary transfer within the meaning of this Section 14.

15. SEVERABILITY:

In the event that any of the terms, covenants or conditions of this Agreement or any Confirmation, or the application of any such term, covenant or condition, shall be held invalid as to any person or circumstance by any court, regulatory agency, or other regulatory body having jurisdiction, all other terms, covenants or conditions of this Agreement and the Confirmation and their application shall not be affected thereby, but shall remain in force and effect unless a court, regulatory agency, or other regulatory body holds that the provisions are not separable from all other provisions of this Agreement or such Confirmation(s).

16. MEMBERSHIP:

16.1 Any Electric Utility, Retail Entity, Qualifying Facility, or Demand Response Entity may become a Party to this Agreement. The Executive Committee shall notify such Electric Utility, Retail Entity, Qualifying Facility, or Demand Response Entity of its decision within sixty (60) days of a request to become a Party to this Agreement, and any acceptable entity shall become a Party hereto by the execution of this Agreement or a counterpart hereof, payment of costs pursuant to Section 16.4, and concluding any necessary acceptance or approval referred to in Section 13. Any such Party, if it is subject to the ratemaking jurisdiction of FERC, shall be responsible for any FERC filing necessary for it to implement its performance under this Agreement.

16.2 Each Party shall continue to meet the requirements of Section 16.1 in order to remain a Party to this Agreement

16.3 Being a Party to this Agreement shall not serve as a substitute for contractual arrangements that may be needed between any Party which operates a Control Area and any other Party which operates within that Control Area.

16.4 Any entity that becomes a Party to this Agreement which was not a party to the experimental Western Systems Power Pool Agreement shall pay a one time fee of $25,000 under this Agreement in recognition of prior efforts and costs incurred by the parties to the experimental Western Systems Power Pool Agreement, which efforts greatly facilitated development of this Agreement. Such fee shall be credited to future costs of the WSPP incurred hereunder.

16.5 In addition to requirements set forth elsewhere in this Agreement imposed on Parties as part of their membership in the WSPP, each Party shall abide by the following requirements:

16.5.1 Each Party shall maintain updated information regarding its Executive Committee and Operating Committee representatives on the WSPP Homepage and shall submit changes within a reasonable time period.

16.5.2 With regard to disputes involving transactions under this Agreement or other agreements, no Party shall seek to conduct discovery of the WSPP or issue or seek to obtain the issuance of any subpoena to the WSPP or WSPP officers acting in their capacities as officers of the WSPP or of the WSPP's attorneys or consultants with regard to their work for the WSPP or their opinions regarding the construction or interpretation of any clause of the Agreement, provided that the foregoing prohibition shall not apply in proceedings brought against the WSPP. In the event a Party seeks to compel discovery or testimony in violation of this Section, that Party shall be deemed to have consented to the quashing of the subpoena or other process providing therefor. Notwithstanding any other provision in this Agreement, a Party that seeks to conduct discovery or issue or seek to obtain the issuance of any subpoena in breach of this provision shall compensate the WSPP and its officers, attorneys, and consultants, as applicable, for all out-of-pocket costs incurred.

16.6 An entity shall become a Party to this Agreement and a member of the WSPP upon satisfaction of the requirements in this Section 16 and on the date allowed by FERC if it is a FERC public utility or upon the date of satisfaction of the requirements in this Section 16 if it is not a FERC public utility.

17. RELATIONSHIP OF PARTIES:

17.1 Nothing contained in this Agreement or in any Confirmation shall be construed to create an association, joint venture, trust, or partnership, or agency relationship between or among the Parties, or to impose a trust or partnership covenant, obligation, or liability on or with regard to any of the Parties. Each Party shall be individually responsible for its own covenants, obligations, and liabilities under this Agreement and under any applicable Confirmation.

17.2 All rights and obligations of the Parties under this Agreement are several and are not joint.

18. NO DEDICATION OF FACILITIES:

Any undertaking by one Party to another Party under any provision of this Agreement shall not constitute the dedication of the electric system or any portion thereof of the undertaking Party to the public or to the other Party, and it is understood and agreed that any such undertaking under any provision of this Agreement by a Party shall cease upon the termination of such Party's obligations under this Agreement.

19. NO RETAIL SERVICES:

Nothing contained in this Agreement shall grant any rights to or obligate any Party to provide any services hereunder directly to or for retail customers of any Party.

20. THIRD PARTY BENEFICIARIES:

This Agreement shall not be construed to create rights, in, or to grant remedies to, any third party as a beneficiary of this Agreement or of any duty, obligation or undertaking established herein except as provided for in Section 14.

21. LIABILITY AND DAMAGES:

21.1 This Agreement contains express remedies and measures of damages in Sections 21.3 and 22 for non-performance or default. This Agreement also contains additional remedies to enforce payment of monies due and to enforce terms of the Agreement and applicable Confirmations in Section 21.2.

ALL OTHER DAMAGES OR REMEDIES ARE HEREBY WAIVED. Therefore, except as provided in Sections 21.3 and 22, no Party or its directors, members of its governing bodies, officers or employees shall be liable to any other Party or Parties for any loss or damage to property, loss of earnings, or revenues, personal injury, or any other direct, indirect, or consequential damages or injury, or punitive damages, which may occur or result from the performance or non-performance of this Agreement (including any applicable Confirmation), including any negligence arising hereunder. Any liability or damages incurred by an officer or employee of a Federal agency or by that agency that would result from the operation of this provision shall not be inconsistent with Federal law.

21.2 Any Party due monies under this Agreement, the amounts of which are not in dispute or if disputed have been the subject of a decision awarding monies, (i) shall have the right to seek payment of such monies in any forum having competent jurisdiction and (ii) shall possess the right to seek relief directly from that forum without first utilizing the mediation or arbitration provisions of this Agreement and without exercising termination and liquidation rights under Section 22.

In addition, each Party shall possess the right to seek specific performance (injunctive relief) of the non-delivery related terms of this Agreement and any

Confirmation in any forum having competent jurisdiction. In seeking to enforce the terms of this Agreement, however, consistent with Section 21.1, no Party is entitled to receive or recover monetary damages except as provided in Sections 21.3 and 22.

21.3 The following damages provision shall apply to all transactions under this Agreement. For transactions under Service Schedule A, however, this damages provision or some other damages provision will apply only if such a damages provision is agreed to through a Confirmation. The damages under this Section 21.3 apply to a Party's failure to deliver or receive (or make available in the case of capacity) capacity and/or energy in violation of the terms of the Agreement and any Confirmation. The Contract Quantity and Contract Price referred to in this Section 21.3 are part of the agreement between the Parties for which damages are being calculated under this Section.

(a) If either Party fails to deliver or receive (or make available in the case of capacity), as the case may be, the quantities of capacity and/or energy due under the Agreement and any Confirmation (thereby becoming a "Non-Performing Party" for the purposes of this Section 21.3), the other party (the "Performing Party") shall be entitled to receive from the Non-Performing Party an amount calculated as follows (unless performance is excused by Uncontrollable Forces as provided in Section 10, the applicable Service Schedule, or by the Performing Party):

(1) If the amount the Purchaser scheduled or received in any hour is less than the applicable hourly Contract Quantity, then the Purchaser

shall be liable for (a) the product of the amount (whether positive or negative), if any, by which the Contract Price differed from the Resale Price (Contract Price - Resale Price) and the amount by which the quantity provided to the Purchaser was less than the hourly Contract Quantity; plus (b) the amount of transmission charge(s), if any, for firm transmission service upstream of the delivery point, which the Seller incurred to achieve the Resale Price, less the reduction, if any, in transmission charge(s) achieved as a result of the reduction in the Purchaser's schedule or receipt of electric energy (based on Seller's reasonable commercial efforts to achieve such reduction). If the total amounts for all hours calculated under this paragraph (1) are negative, then neither the Purchaser nor the Seller shall pay any amount under this Section 21.3(a)(1).

(2) If the amount the Seller scheduled or delivered (or made available in the case of capacity) in any hour is less than the applicable hourly Contract Quantity, then the Seller shall be liable for (a) the product of the amount (whether positive or negative), if any, by which the Replacement Price differed from the Contract Price (Replacement Price - Contract Price) and the amount by which the quantity provided by the Seller was less than the hourly Contract Quantity; plus (b) the amount of transmission charge(s), if any, for firm transmission service downstream of the delivery point, which the Purchaser incurred to achieve the Replacement Price, less the

reduction, if any, in transmission charge(s) achieved as a result of the reduction in the Seller's schedule or delivery (based on Purchaser's reasonable commercial effort to achieve such reduction). If the total amounts for all hours calculated under this paragraph (2) are negative, then neither the Purchaser nor the Seller shall pay any amount under this Section 21.3(a)(2).

(3) The Non-Performing Party also shall reimburse the Performing Party for any charges imposed on the Performing Party under open access transmission or FERC accepted or approved tariffs for regional organizations due to the non-performance.

(4) The Non-Performing Party shall pay any amount due from it under this section within the billing period as specified in Section 9 of this Agreement or agreed to in the applicable Confirmation if the Parties agreed to revise the billing period in Section 9.

(5) In the event (a) two Parties entered into two or more Confirmations in which the same Party is the Purchaser and the other Party is the Seller, (b) deliveries under two or more of such Confirmations are to occur, in whole or in part, on the same date and hour, and at the same delivery point, and (c) as to such date, hour, and delivery point, and with respect to one or more of such Confirmations, a Party is a Non-Performing Party (for purposes of this Section 21.3(a)(5), each such instance of non-performance, a “non-performed transaction”), then, as set out in this Section 21.3(a)(5), each non-performed

transaction shall be identified to a Confirmation, and the Contract Price of the Confirmation to which the non-performed transaction is identified, and the Contract Quantity of the non-performed transaction, shall be applied to the calculation of amounts due under Section 21.3(a)(1) through (3), as applicable.

The Parties in good faith shall seek to agree to the identification of each non-performed transaction to a Confirmation.

Each non-performed transaction not identified to a Confirmation by agreement, and any megawatt hours that are not fully accounted for by such identification, shall be identified to Confirmation(s) as follows:

(i) The Performing Party in good faith shall determine whether each Confirmation is real-time, day-ahead, or forward; all Confirmations that are not real-time or day-ahead shall be deemed forward Confirmations.

(ii) The Performing Party in good faith shall determine whether each non-performed transaction is real-time, day-ahead, or forward; all non-performed transactions that are not real-time or day-ahead shall be deemed forward non-performed transactions.

(iii) The Performing Party shall:

(x) identify real-time non-performed transactions to real-time Confirmations, provided, that if the megawatt hours of real-time non-performed transactions exceed the megawatt hours of real-time Confirmations, then such excess megawatt hours shall be identified to day-ahead Confirmations and any excess megawatt hours remaining after such identification to day-ahead Confirmations shall be identified to forward Confirmations.

(y) identify day-ahead non-performed transactions to day-ahead Confirmations, provided, that if the megawatt hours of day-ahead non-performed transactions exceed the megawatt hours of day-ahead Confirmations, then such excess megawatt hours shall be identified to forward Confirmations.

(z) identify all remaining non-performed transactions to forward Confirmations.

The Performing Party, in its billing for amounts due under Section 21.3(a)(1) through (3), shall set out a detailed explanation of each applicable determination under parts (i), (ii), and (iii) of this Section 21.3(a)(5), and state the resulting Contract Quantity and Contract Price, and any amounts associated with each such determination under Section 21.3(a)(3).

(b) The Parties agree that the amounts recoverable under this Section 21.3 are a reasonable estimate of loss and not a penalty, and represent the sole and exclusive remedy for the Performing Party. Such amounts are payable for the loss of bargain and the loss of protection against future risks.

(c) Each Party agrees that it has a duty to mitigate damages in a commercially reasonable manner to minimize any damages it may incur as a result of the other Party's performance or non-performance of this Agreement.

(d) In the event the Non-Performing Party disputes the calculation of the damages under this Section 21.3, the Non-Performing Party shall pay the full amount of the damages as required by Section 9 of this Agreement to the Performing Party. After informal dispute resolution as required by Section 34.1, any remaining dispute involving the calculation of the damages shall be referred to binding dispute resolution as provided by Section 34.2 of this Agreement. If resolution or agreement results in refunds or the need for refunds to the Non-Performing Party, such refunds shall be calculated in accordance with Section 9.4 of this Agreement.

(e) In the event non-performance of a transaction is accounted for by means of a Damages Settlement Transaction and the Damages Settlement Transaction is performed, then no damages shall be calculated or due under § 21.3(a) with respect to the non-performed transaction. Neither Party shall be required to enter into a Damages Settlement Transaction.

22. DEFAULT OF TRANSACTIONS UNDER THIS AGREEMENT AND CONFIRMATIONS:

22.1 EVENTS OF DEFAULT

An "Event of Default" shall mean with respect to a Party ("Defaulting Party"):

(a) the failure by the Defaulting Party to make, when due, any payment required pursuant to this Agreement or Confirmation if such failure is not remedied within two (2) Business Days after written notice of such failure is given to the Defaulting Party by the other Party ("the Non-Defaulting Party"). The Non-Defaulting Party shall provide the notice by facsimile to the designated contact person for the Defaulting Party and also shall send the notice by overnight delivery to such contact person; or

(b) the failure by the Defaulting Party to provide clear and good title as required by Section 33.3, or to have made accurate representations and warranties as required by Section 37 and such failure is not cured within five (5) Business Days after written notice thereof to the Defaulting Party; or

(c) The institution, with respect to the Defaulting Party, by the Defaulting Party or by another person or entity of a bankruptcy, reorganization, moratorium, liquidation or similar insolvency proceeding or other relief under any bankruptcy or insolvency law affecting creditor's rights or a petition is presented or instituted for its winding-up or liquidation; or

(d) The failure by the Defaulting Party to provide adequate assurances of its ability to perform all of its outstanding material obligations to the Non-Defaulting Party under the Agreement or any Confirmation pursuant to

Section 27 of this Agreement or any substitute or modified provision in any Confirmation.

(e) With respect to its Guarantor, if any:

(i) if a material representation or warranty made by a Guarantor in connection with this Agreement, or any transaction entered into hereunder, is false or misleading in any material respect when made or when deemed made or repeated; or

(ii) the failure of a Guarantor to make any payment required or to perform any other material covenant or obligation in any guarantee made in connection with this Agreement, including any transaction entered into hereunder, and such failure shall not be remedied within three (3) Business Days after written notice; or

(iii) the institution, with respect to the Guarantor, by the Guarantor or by another person or entity of a bankruptcy, reorganization, moratorium, liquidation or similar insolvency proceeding or other relief under any bankruptcy or insolvency law affecting creditor's rights or a petition is presented or instituted for its winding-up or liquidation; or

(iv) the failure, without written consent of the other Party, of a Guarantor's guarantee to be in full force and effect for purposes of this Agreement (other than in accordance with its terms) prior to the satisfaction of all obligations of such Party under each transaction to which such guarantee shall relate; or

(v) a Guarantor shall repudiate, disaffirm, disclaim, or reject, in whole or in part, or challenge the validity of, any guarantee.

22.2 REMEDIES FOR EVENTS OF DEFAULT

22.2(a) If an Event of Default shall have occurred and be continuing, the Non-Defaulting Party, upon written notice to the Defaulting Party, shall have the right (i) to suspend performance of transactions under this Agreement; provided, however, (i) in no event shall any such suspension continue for longer than ten (10) Business Days; (ii) such suspension must include all transactions under this Agreement in effect as of the date of the suspension between the Defaulting Party and the Non-Defaulting Party; and (iii) such suspension is available only once for each default. This ten (10) day suspension period shall not affect in any way the thirty (30) day period for exercising a right of termination under Section 22.2(b). The Non-Defaulting Party shall have the unilateral right to exercise its rights under this Agreement including its termination rights at any time within the suspension period. The Defaulting Party shall have no suspension rights. In no event shall the suspension continue beyond the cure of or waiver by the Non-Defaulting Party of the applicable Event of Default. If the Non-Defaulting Party seeks to terminate the suspension period such that the suspension shall be terminated prior to the end of the ten (10) Business Day period specified above, it may do so only by providing at least twenty-four (24) hours written notice to the Defaulting Party before the suspension may be terminated.

22.2(b) If an Event of Default occurs, the Non-Defaulting Party shall possess the right to terminate all transactions between the Parties under this Agreement upon written notice (by facsimile or other reasonable means) to the Defaulting Party, such notice of termination to be effective immediately upon receipt. If the Non-Defaulting Party fails to exercise this right of termination within thirty (30) days following the time when the Event of Default becomes known (or more than thirty days if the Non-Defaulting and Defaulting Parties agree to an extension), then such right of termination shall no longer be available to the Non-Defaulting Party as a remedy for the Event(s) of Default; provided, however, this thirty day requirement for exercising termination rights shall not apply to defaults pursuant to Sections 22.1(c) and 22.1(e)(iii). The Non-Defaulting Party terminating transaction(s) under this Section 22.2 may do so without making a filing at FERC.

If the Non-Defaulting Party elects to terminate under this Section, it shall be required to terminate all transactions between the Parties under the Agreement at the same time. Upon termination, the Non-Defaulting Party shall liquidate all transactions as soon as practicable, provided that in no event will the Non-Defaulting Party be allowed to liquidate Service Schedule A transactions. The payment associated with termination ("Termination Payment") shall be calculated in accordance with this Section 22.2 and Section 22.3. The Termination Payment shall be the sole and exclusive remedy for the Non-Defaulting Party for each terminated transaction ("Terminated Transaction") for the time period beginning at the time notice of termination under this Section 22 is received. Prior to receipt of such notice of termination by the Defaulting Party, the Non-Defaulting Party may exercise any remedies available to it under Section 21.3 of this Agreement or Confirmation(s), and any other remedies available to it at law or otherwise.

Upon termination, the Non-Defaulting Party may withhold any payments it owes the Defaulting Party for any obligations incurred prior to termination under this Agreement or Confirmation(s) until the Defaulting Party pays the Termination Payment to the Non-Defaulting Party. The Non-Defaulting Party shall possess the right to set-off the amount due it under this Section 22 by any such payments due the Defaulting Party as provided in Section 22.3(d).

22.3 LIQUIDATION CALCULATION OPTIONS

The Non-Defaulting Party shall calculate the Termination Payment as follows:

(a) The Gains and Losses shall be determined by comparing the value of the remaining term, transaction quantities, and transaction prices under each Terminated Transaction had it not been terminated to the equivalent quantities and relevant market prices for the remaining term either quoted by a bona fide third-party offer or which are reasonably expected to be available in the market under a replacement contract for each Terminated Transaction. To ascertain the market prices of a replacement contract, the Non-Defaulting Party may consider, among other valuations, quotations from Dealers in energy contracts, any or all of the settlement prices of the NYMEX power futures contracts (or NYMEX power options contracts in the case of Physically-Settled Options) and other bona fide third party offers, all adjusted for the length of the remaining term and differences in transmission. It is expressly agreed that the Non-Defaulting Party shall not be required to enter into replacement transactions in order to determine the Termination Payment.

(b) The Gains and Losses calculated under paragraph (a) shall be discounted to present value using the Present Value Rate as of the time of termination (to take account to the period between the time notice of termination was effective and when such amount would have otherwise been due pursuant to the relevant transaction). The "Present Value Rate" shall mean the sum of 0.50% plus the yield reported on page "USD" of the Bloomberg Financial Markets Services Screen (or, if not available, any other nationally recognized trading screen reporting on-line intraday trading in United States government securities) at 11:00 a.m. (New York City, New York time) for the United States government securities having a maturity that matches the average remaining term of the Terminated Transactions; and

(c) The Non-Defaulting Party shall set off or aggregate, as appropriate, the Gains and Losses (as calculated in Section 22.3(a)) and Costs and notify the Defaulting Party. If the Non-Defaulting Party's aggregate Losses and Costs exceed its aggregate Gains, the Defaulting Party shall, within three (3) Business Days of receipt of such notice, pay the Termination Payment to the Non-Defaulting Party, which amount shall bear interest at the Present Value rate from the time notice of termination was received until paid. If the Non-Defaulting Party's aggregate Gains exceed its aggregate Losses and Costs, the Non-Defaulting Party, after any set-off as provided in paragraph (d), shall pay the remaining amount to the Defaulting Party within three (3) Business Days of the date notice of termination was received including interest at the Present Value from the time notice of termination was received until the Defaulting Party receives payment.

(d) The Non-Defaulting Party shall aggregate or set off, as appropriate, at its election, any or all other amounts owing between the Parties (discounted at the Present Value Rate) under this Agreement and any Confirmation against the Termination Payment so that all such amounts are aggregated and/or netted to a single liquidated amount. The net amount due from any such liquidation shall be paid within three (3) Business Days following the date notice of termination is received.

(e) (i) If the Non-Defaulting Party owes the Defaulting Party monies under this Section 22.3, then notwithstanding the three Business Day payment requirement detailed above, the Non-Defaulting Party may elect to pay the Defaulting Party the monies owed under this Section 22.3 over the remaining life of the contract(s) being terminated. The Non-Defaulting Party may make this election by providing written notice to the Defaulting Party within three Business Days of the notice being provided to terminate and liquidate under this Section

22.3. The Non-Defaulting Party shall provide the Defaulting Party with the details on the method for recovering the monies owed over the remaining life of the contract(s). That method shall ensure that the Defaulting Party receives a payment each month through the end of the term of each contract which allows it to receive the monies which would have been due it under Sections 22.3(c) and (d) in total (to be recovered over the term of the contract(s) to replicate as closely as possible the payment streams under such contract(s)) provided that the discounting using the Present Value Rate referenced in Section 22.3 (b) shall not be reflected in determining the amounts to be recovered under this provision. Any disputes as to the methodology shall be resolved pursuant to the dispute resolution procedures in Section 34, with binding arbitration pursuant to Section 34.2 required for disputes as to the methodology if mediation is unsuccessful.

(ii) This Section 22.3(e) and the rights and obligations under it shall survive termination of any applicable transactions or agreements.

(iii) The Party owed monies under this Section 22.3(e) shall have the right to request credit assurances consistent with Section 27 even after termination of any contract or transaction.

(iv) If the Party owing money defaults on its payment obligations consistent with Section 22.1(a) or defaults with regard to providing credit assurances consistent with Section 22.1(d), then the other

Party shall have the right (by written notice) at any time after the Party owing money defaults to require that Party to pay all monies owed under all of the contracts subject to this Section 22.3(e) within three Business Days of receipt of the written notice. The monies to be paid under this accelerated payment provision shall be the remaining amounts to be paid under the contract(s) reflecting a discount using the Present Value Rate from the date of the written notice.

(f) If the Defaulting Party disagrees with the calculation of the Termination Payment and the Parties cannot otherwise resolve their differences, the calculation issue shall be submitted to informal dispute resolution as provided in Section 34.1 of this Agreement and thereafter binding dispute resolution pursuant to Section 34.2 if the informal dispute resolution does not succeed in resolving the dispute. Pending resolution of the dispute, the Defaulting Party shall pay the full amount of the Termination Payment calculated by the Non-Defaulting Party within three (3) Business Days (except if the option under 22.3(e) has been invoked in which case the payment times in that provision would apply) of receipt of notice as set forth in Sections 22.3(c) and (d) subject to the Non-Defaulting Party refunding, with interest, pursuant to Section 9.4, any amounts determined to have been overpaid.

(g) For purposes of this Section 22.3:

(i) "Gains" means the economic benefit (exclusive of Costs), if any, resulting from the termination of the Terminated Transactions, determined in a commercially reasonable manner as calculated in accordance with this Section 22.3;

(ii) "Losses" means the economic loss (exclusive of Costs), if any, resulting from the termination of the Terminated Transactions, determined in a commercially reasonable manner as calculated in accordance with this Section 22.3;

(iii) "Costs" means brokerage fees, commissions and other similar transaction costs and expenses reasonably incurred in terminating any specifically related arrangements which replace a Terminated Transaction, transmission and ancillary service costs associated with Terminated Transactions, and reasonable attorneys' fees, if any, incurred in connection with the Non-Defaulting Party enforcing its rights with regard to the Terminated Transactions. The Non-Defaulting Party shall use reasonable efforts to mitigate or eliminate these Costs.

(iv) In no event, however, shall a Party's Gains, Losses or Costs include any penalties or similar charges imposed by the Non-Defaulting Party.

22A. DEFAULT IN PAYMENT OF WSPP OPERATING COSTS:

22A.1 A Party shall be deemed to be in default in payment of its share of WSPP operating costs pursuant to Section 7 of this Agreement, if any, when payment is not received within ten (10) days after receipt of written notice. A default by any Party in such payment obligations shall be cured by payment of all overdue amounts together with interest accrued at the rate of one percent (1%) per month, or the maximum interest rate permitted by law, if any, whichever is less, prorated by days from the due date to the date the payment curing the default is made unless and until the Executive Committee shall determine another rate.

22A.2 A defaulting Party, which is in default under Section 22.A1, shall be liable for all costs, including costs of collection and reasonable attorney fees, plus interest as provided in Section 22.A1 hereof.

22A.3 The rights under this Agreement of a Party which is in default of its obligation to pay operating costs under this Agreement for a period of three (3) months or more may be revoked by a vote of the non-defaulting Parties' representatives on the Executive Committee consistent with Section 8.3. The defaulting Party's rights shall not be revoked, however, unless said Party has received at least thirty (30) days written notice of the non-defaulting Parties' intent to revoke such rights. Said notice shall state the date on which the revocation of rights shall become effective if the default is not cured and shall state all actions which must be taken or amounts which must be paid to cure the default. This provision allowing the non-defaulting Parties to revoke such rights is in addition to any other remedies provided in this Agreement or at law and shall in no way limit the non-defaulting Parties' ability to seek judicial enforcement of the defaulting Party's obligations to pay its share of the operating costs under this Agreement. Upon the effective date of such revocation of rights, the defaulting party shall not be allowed to enter into any new transactions under this Agreement. The defaulting party under the Agreement and Confirmation(s) shall be required to carry out all obligations that existed prior to the effective date of such revocation. If a defaulting Party's rights under this Agreement have been revoked, the Executive Committee may restore that Party's rights upon the defaulting Party paying all amounts due and owing under this Agreement.

22A.4 Upon revocation of the rights of a defaulting Party under this Agreement, costs of the WSPP hereunder shall be equally shared among the remaining Parties. Cost allocation adjustments shall be retroactive to the date of the default.

23. OTHER AGREEMENTS:

No provision of this Agreement shall preclude any Party from entering into other agreements or conducting transactions under existing agreements with other Parties or third parties. This Agreement shall not be deemed to modify or change any rights or obligations under any prior contracts or agreements between or among any of the Parties.

24. GOVERNING LAW:

This Agreement and any Confirmation shall be governed by and construed in accordance with the laws of the State of Utah, without regard to the conflicts of laws rules thereof. The foregoing notwithstanding, (1) if both the Seller and Purchaser are organized under the laws of Canada, then the laws of the province of the Seller shall govern, or (2) if the Seller or Purchaser is an agency of or part of the United States Government, then the laws of the United States of America shall govern.

25. JUDGMENTS AND DETERMINATIONS:

Whenever it is provided in this Agreement that a Party shall be the sole judge of whether, to what extent, or under what conditions it will provide a given service, its exercise of its judgment shall be final and not subject to challenge. Whenever it is provided that (i) a service under a given transaction may be curtailed under certain conditions or circumstances, the existence of which are determined by or in the judgment of a Party, or (ii) the existence of qualifications for membership shall be determined by the Executive Committee pursuant to Section 16, that Party's or the Executive Committee's determination or exercise of judgment shall be final and not subject to challenge if it is made in good faith and not made arbitrarily or capriciously.

26. COMPLETE AGREEMENT:

This Agreement and the Confirmation(s), shall constitute the full and complete agreement of the Parties with respect to a transaction, except as provided under Section 32.4.

27. CREDITWORTHINESS:

Should a Party's creditworthiness, financial responsibility, or performance viability become unsatisfactory to the other Party in such other Party's reasonably exercised discretion with regard to any transaction pursuant to this Agreement and any Confirmation, the dissatisfied Party (the "First Party") may require the other Party (the "Second Party") to provide, at the Second Party's option (but subject to the First Party's acceptance based upon reasonably exercised discretion), either (1) the posting of a Letter of Credit, (2) a cash prepayment, (3) the posting of other acceptable collateral or security by the Second Party, (4) a Guarantee Agreement executed by a creditworthy entity; or (5) some other mutually agreeable method of satisfying the First Party. The Second Party's obligations under this Section 27 shall be limited to a reasonable estimate of the damages to the First Party (consistent with Section 22.3 of this Agreement) if the Second Party were to fail to perform its obligations. Events which may trigger the First Party questioning the Second Party's creditworthiness, financial responsibility, or performance viability include, but are not limited to, the following:

(1) The First Party has knowledge that the Second Party (or its Guarantor if applicable) are failing to perform or defaulting under other contracts.

(2) The Second Party has exceeded any credit or trading limit set out in any Confirmation or other agreement between the Parties.

(3) The Second Party or its Guarantor has debt which is rated as investment grade and that debt falls below the investment grade rating by at least one rating agency or is below investment grade and the rating of that debt is downgraded further by at least one rating agency.

(4) Other material adverse changes in the Second Party's financial condition occur.

(5) Substantial changes in market prices which materially and adversely impact the Second Party's ability to perform under this Agreement or any Confirmation occur.

If the Second Party fails to provide such reasonably satisfactory assurances of its ability to perform a transaction hereunder within three (3) Business Days of demand therefore, that will be considered an Event of Default under Section 22 of this Agreement and the First Party shall have the right to exercise any of the remedies provided for under that Section 22. Nothing contained in this Section 27 shall affect any credit agreement or arrangement, if any, between the Parties.

28. NETTING:

28.1 Parties shall net payments (associated with transactions under this Agreement and Confirmation(s)) in accordance with Exhibit A, if such Parties have executed the form attached as Exhibit A. The Parties' obligations to net shall include the netting of all payments received by the Parties in the same calendar month. Parties that have executed Exhibit A shall provide a signed copy of Exhibit A to a representative of the WSPP and to any Party that requests a copy and indicate on the WSPP Homepage that they have executed Exhibit A. If a Party indicated its election to net payments on the WSPP Homepage and that Party desires to withdraw its agreement to net, that Party shall provide at least 30 days notice on the WSPP Homepage of the change in its election to net and also shall provide, concurrent with its withdrawal notice, written notice to all Parties with which it has ongoing transactions or with which it has committed to future transactions under the Agreement at the time of the notice. Any such changes in netting status shall apply beginning at least 30 days after notice required by this Section 28.2 is provided and only shall apply to transactions agreed to beginning on or after the date the change in netting status becomes effective.

28.2 The Parties may by separate agreement either through a Confirmation or some other agreement set out specific terms relating to the implementation of the netting in addition to or in lieu of Exhibit A.

28.3 Each Party reserves to itself all rights, set offs, counterclaims, and other remedies and defenses (to the extent not expressly herein waived or denied) which such Party has or may be entitled to arising from or out of this Agreement and any applicable Confirmation.

29. TAXES:

The Contract Price for all transactions under this Agreement shall include full reimbursement for, and the Seller is liable for and shall pay, or cause to be paid, or reimburse the Purchaser for if the Purchaser has paid, all taxes applicable to a transaction that arise prior to the delivery point. If the Purchaser is required to remit such tax, the amount shall be deducted from any sums due to the Seller. The Seller shall indemnify, defend, and hold harmless the Purchaser from any claims for such taxes. The Contract Price does not include reimbursement for, and the Purchaser is liable for and shall pay, cause to be paid, or reimburse the Seller for if the Seller has paid, all taxes applicable to a transaction arising at and from the delivery point, including any taxes imposed or collected by a taxing authority with jurisdiction over the Purchaser. The Purchaser shall indemnify, defend, and hold harmless the Seller from any claims for such taxes. Either Party, upon written request of the other Party, shall provide a certificate of exemption or other reasonably satisfactory evidence of exemption if either Party is exempt from taxes, and shall use reasonable efforts to obtain and cooperate with the other Party in obtaining any exemption from or reduction of any tax. Taxes are any amounts imposed by a taxing authority associated with the transaction.

30. CONFIDENTIALITY:

30.1 The terms of any transaction under this Agreement or any other information exchanged by the Purchaser and Seller relating to the transaction shall not be disclosed to any person not employed or retained by the Purchaser or the Seller or their affiliates, except to the extent disclosure is (1) required by law, (2) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of any litigation or dispute, (3) otherwise permitted by consent of the other Party, which consent shall not be unreasonably withheld, (4) required to be made in connection with regulatory proceedings (including proceedings relating to FERC, the United States Securities and Exchange Commission or any other federal, state or provincial regulatory agency); (5) required to comply with North American Electric Reliability Organization, regional reliability council, or successor organization requirements; (6) necessary to obtain transmission service; or (7) to a developer of an index of electric power prices in accordance with Section 30.2. In the event disclosure is made pursuant to this provision, the Parties shall use reasonable efforts to minimize the scope of any disclosure and have the recipients maintain the confidentiality of any documents or confidential information covered by this provision, including, if appropriate, seeking a protective order or similar mechanism in connection with any disclosure. This provision shall not apply to any information that was or is hereafter in the public domain (except as a result of a breach of this provision).

30.2 A Party may disclose the terms of transactions under this Agreement, excluding the identities of parties, to any developer of any index of electric power prices without violation of the confidentiality obligations under Section 30.1 if: (1) the disclosing Party and the index developer have entered into a written agreement, prior to the disclosure, under which the developer has agreed to use the information solely for the development of an index of electric power prices for publication and not for any other purpose; and (2) the index with respect to which disclosure is made is an aggregation of terms of transactions and does not identify terms of single transactions or the identities of parties to transactions.

31. TRANSMISSION TARIFF:

Pursuant to FERC Order No. 888, issued on April 24, 1996, and FERC orders where applicable, the WSPP Default Transmission Tariff has been filed and has become effective. The Parties agree to be bound by the terms of that Tariff for so long as they are WSPP members.

32. TRANSACTION SPECIFIC TERMS AND ORAL AGREEMENTS:

32.1 General

32.1.1 A Confirmation shall include, at a minimum, the Standard Confirmation Provisions. (See Exhibit C for a sample). Subject to the limitations in Section 32.2 (Standard Confirmation Provisions) and Section 32.3 (Non-Standard Confirmation Provisions), the Confirmation shall be made in writing by a Documentary Writing or an Electronic Writing, or shall be an Electronic Platform Confirmation.

32.1.2 Pursuant to the provisions of this Section 32, the Parties to a transaction under this Agreement may agree to modify any term of this Agreement (other than provisions regarding the operation of the WSPP as an organization including Sections 7 and 8) which applies to such transaction, such agreement to be stated in a Confirmation or Confirmations.

32.1.3 Sections 32.2 and 32.3 shall not apply to an Electronic Platform Confirmation. Parties may amend an Electronic Platform Confirmation in accordance with the procedures, if any, of the applicable platform or exchange or in any other manner this Agreement permits. Each Electronic Platform Confirmation between WSPP members shall be subject to this Agreement, unless the transaction specified in the Electronic Platform Confirmation is subject to another agreement between the Parties other than a master Confirmation applicable to the Parties' WSPP Confirmations.

32.2 Process For Confirming Standard Confirmation Provisions.

32.2.1 Confirmation of Standard Confirmation Provisions For Transactions of Less Than One Week in Duration.

Confirmation for Standard Confirmation Provisions applicable to transactions of less than one week in duration may be through:

(i) a Documentary Writing (including a Confirmation which is not executed by both Parties but which is binding under Section 32.2.3) or

(ii) an Electronic Writing.

Notwithstanding the foregoing sentence, with respect to a transaction of less than one week in duration as agreed in an Electronic Writing and that is to commence within one week of that agreement, a subsequent proposed confirming Documentary Writing under Section 32.2.3 shall not vary the terms of the Electronic Writing unless the Documentary Writing is executed by both Parties.

32.2.2 Standard Confirmation Provisions For Transactions of One Week or More in Duration.

Written confirmation shall be required for all Standard Confirmation Provisions for transactions of one week or more in duration. Such written confirmation may be made by a Documentary Writing executed by both Parties or a Documentary Writing not executed by both Parties but which is binding under Section 32.2.3.

32.2.3 Written Confirmation Process for Standard Confirmation Provisions.

The Seller shall provide a proposed Documentary Writing containing the proposed Standard Confirmation Provisions which must be received by the Purchaser within five Business Days of the date of the agreement to the transaction. The Purchaser shall have five Business Days from date of receipt to accept or propose modifications to the proposed Documentary Writing. If the Purchaser does not respond within that time period, the Seller's proposed Documentary Writing shall be considered as accepted and shall be the final Confirmation. If the Seller fails to provide a proposed Documentary Writing within the five Business Days period, then, within the immediately subsequent five Business Days, the Purchaser may submit a proposed Documentary Writing to the Seller. The Seller shall then have five Business Days from date of receipt to accept or propose modifications to the proposed Documentary Writing. If the Seller does not respond within that time period, the Purchaser's proposed Documentary Writing shall be considered as accepted and shall be the final Confirmation.

32.3 Process for Confirming Non-Standard Confirmation Provisions.

32.3.1 Non-Standard Confirmation Provisions for Transactions of Less Than One Week in Duration. Confirmation for Non-Standard Confirmation Provisions for a transaction of less than one week in duration only may be through: (i) an Electronic Writing; or (ii) in a Documentary Writing executed by both Parties.

32.3.2 Non-Standard Confirmation Provisions for Transactions of One Week or More in Duration. Confirmation for Non-Standard Confirmation

Provisions for transactions of one week or more only shall be through a Documentary Writing executed by both Parties.

32.3.3 WSPP Agreement is a Default Agreement.

If the Parties to a transaction (i) do not reach agreement on any proposed Non-Standard Confirmation Provision and (ii) do not confirm it under Section 32.3.1 or 32.3.2, as applicable, then the term or terms of the Agreement, which the Parties could not reach agreement to modify or change or which are not considered modified pursuant to this Section 32.3, shall apply to the transaction.

32.4 Prior Discussions And Statements

32.4.1 A Confirmation under Section 32.2 and/or 32.3, shall, together with this Agreement, be an integrated contract with respect to the transaction, shall supersede all discussions and negotiations with respect thereto, and are intended by the Parties as a final expression of their agreement with respect to such terms as are included therein and may not be contradicted by evidence of any prior agreement unless there is clear and convincing evidence of a mutual mistake in the Confirmation.

32.4.2 Notwithstanding any provision in this Agreement (including Sections 32.3.2 and 32.4.1), until the Confirmation has become final in accordance with Sections 32.2 and/or 32.3 for a transaction, any oral agreement or electronic communication establishing agreement of the Parties relating to such transaction shall remain valid and binding.

32.5 The Parties agree not to contest, or assert any defense with respect to, the validity or enforceability of any agreement to the terms concerning a specific transaction, on the basis that documentation of such terms fails to comply with the requirements of any statute that agreements be written or signed. Each Party consents to the recording by the other Party, without any further notice, of telephone conversations between representatives of the Parties, which contain agreements to or discussion concerning the terms of a specific transaction. All such recordings may be introduced and admitted into evidence for the purpose of proving agreements to terms, and any objection to such introduction or admission for such purpose is hereby expressly waived.

32.6 In the event of a conflict between a binding and effective Confirmation and this Agreement, the Confirmation shall govern.

32.7 The Seller shall not be required to file any Confirmation with FERC except as provided in the Service Schedules.

32.8 Other Products and Service Levels: The Parties may apply this Agreement and make a Confirmation with respect to a product/service level defined under any other document or form of agreement (e.g., the California ISO tariff, the ERCOT agreement or the EEI agreement). The confirmation process set forth in Section 32.3 shall apply to any such Confirmation. Unless the Parties expressly state and agree that all the terms and conditions of such other agreement will apply to any such transaction consistent with Section 32.3, the transaction shall be subject to all the terms of this Agreement, except that (1) all service level/product definitions, (2) force majeure/uncontrollable force definitions, and (3) other terms as mutually agreed shall have the meaning ascribed to them in the different agreement or in the applicable Confirmation.

32.9 Reserved.

32.10 The Parties may agree to modify terms of this Agreement for more than one transaction pursuant to a separate written agreement (a "master confirmation agreement"), which agreement shall be considered part of each Confirmation between the Parties and shall apply to all transactions entered into between the two Parties unless the Parties specifically agree to override such changes for a particular transaction consistent with the procedure in Section 32.2 or 32.3, whichever is applicable.

33. PERFORMANCE, TITLE, AND WARRANTIES FOR TRANSACTIONS UNDER SERVICE SCHEDULES:

33.1 Performance

33.1.1 The Seller shall deliver to the delivery point(s) as agreed to in the applicable Confirmation and sell to the Purchaser in accordance with the terms of the Agreement and such Confirmation.

33.1.2 The Purchaser shall receive and purchase the Contract Quantity, as agreed to by the Parties in the applicable Confirmation, at the delivery point(s) and purchase from the Seller in accordance with the terms of the Agreement and such Confirmation.

33.2 Title and Risk of Loss

Title to and risk of loss of the electric energy shall pass from the Seller to the Purchaser at the delivery point agreed to in the Confirmation; provided, however, with regard to federal agencies or parts of the United States Government, title to and risk of loss shall pass to Purchaser to the extent permitted by and consistent with applicable law.

33.3 Warranties

The Seller warrants that it will transfer to the Purchaser good title to the electric energy sold under the Agreement and any Confirmation, free and clear of all liens, claims, and encumbrances arising or attaching prior to the delivery point and that Seller's sale is in compliance with all applicable laws and regulations. **THE SELLER HEREBY DISCLAIMS ALL OTHER WARRANTIES,**

EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

34. DISPUTE RESOLUTION:

34.1 INFORMAL DISPUTE RESOLUTION

Before binding dispute resolution or any other form of litigation may proceed, any dispute between the Parties to a transaction under this Agreement first shall be referred to nonbinding mediation except for actions taken pursuant to Section 21.2. The Parties shall attempt to agree upon a mediator from a list of ten (10) candidates provided by the Chairman of the WSPP Operating Committee or his or her designee. If the Parties are unable to agree, then the Chairman or the designee shall appoint a mediator for the dispute. Neither the mediator nor the person involved on behalf of the WSPP in developing a list of mediators for the Parties to choose from or in selecting the mediator (if the Parties are unable to do so) shall possess a direct or indirect interest in either Party or the subject matter of the mediation. The WSPP shall establish procedures for the appointment of mediators and the conduct of mediation and those procedures shall apply to the mediation.

34.2 BINDING DISPUTE RESOLUTION

The Parties to a dispute may elect binding dispute resolution using the following process unless binding arbitration of certain disputes is required under this Agreement in which event the Parties shall use the process set forth in this Section 34.2 to resolve such disputes, unless the Parties otherwise agree:

(a) WSPP Dispute Resolution: A Party to a dispute (if binding dispute resolution is required) or all Parties to a dispute (if agreement of the Parties is required for binding dispute resolution) may initiate binding dispute resolution under WSPP procedures by notifying the Chairman of the WSPP Operating Committee or his or her designee. The Chairman or his or her designee shall provide the Parties with a list of ten (10) eligible arbitrators. Within ten (10) days of receiving the list, the Parties shall agree on a single arbitrator from the list to conduct the arbitration, or notify the Chairman of the Operating Committee or the designee of their inability to reach agreement. If notified of the Parties inability to reach agreement, then the Chairman or the designee shall choose the arbitrator from the list within five (5) days. Neither the arbitrator nor the person involved on behalf of the WSPP in developing a list of arbitrators for the Parties to choose from or in selecting the arbitrator (if the Parties are unable to do so) shall possess a direct or indirect interest in either Party or the subject matter of the arbitration. The Procedures to be used for this arbitration shall follow the arbitration procedures which shall be developed and maintained by the WSPP and the procedures will be generally consistent with the commercial arbitration rules of the American Arbitration Association though not involving the Association.

If the Parties agree to binding dispute resolution under this Section 34.2, each Party understands that it will not be able to bring a lawsuit concerning any dispute that may arise which is covered by this arbitration provision. Notwithstanding the foregoing, nothing herein is intended to waive any provision of the Federal Arbitration Act, 9 U.S.C. § 1, et. seq., or any right under state statute or common law to challenge an arbitration award or to prevent any action to enforce any arbitration award.

A Party's liability and damages under any arbitration award resulting from the process set forth in this Section 34.2 shall be limited as provided in this Agreement or in any Confirmation.

34.3 COSTS

Each Party shall be responsible for its own costs and those of its counsel and representatives. The Parties shall equally divide the costs of the arbitrator or mediator and the hearing.

34.4 CONFIDENTIALITY

Any arbitration or mediation under this Section 34 shall be conducted on a confidential basis and not disclosed, including any documents or results which shall be considered confidential, unless the Parties otherwise agree or such disclosure is required by law.

35. FORWARD CONTRACTS:

The Parties acknowledge and agree that all transactions under the Agreement and Confirmation(s) are forward contracts and that the Parties are forward contract merchants, as those terms are used in the United States Bankruptcy Code. The Parties acknowledge and agree that all of their transactions, together with this Agreement and the related Confirmation(s) form a single, integrated agreement, and agreements and transactions are entered into in reliance on the fact that the agreements and each transaction form a single agreement between the Parties.

36. TRADE OPTION EXEMPTION

The Parties intend that any Physically Settled Option under this Agreement shall qualify under the trade option exemption, 17 C.F.R. § 32.3. Accordingly, each Party buying or selling a Physically Settled Option agrees and warrants that any such option shall be offered only to a provider, user, or merchant and that the entities entering into the options are doing so solely for purposes related to their business.

37. ADDITIONAL REPRESENTATIONS AND WARRANTIES:

Each Party warrants and represents to the other(s) that it possesses the necessary corporate, governmental and legal authority, right and power to enter into and agree to the applicable Confirmation for a transaction or transactions and to perform each and every duty imposed, and that the Parties' agreement to buy and sell power under this Agreement and the Confirmation represents a contract. Each Party also warrants and represents to the other(s) that each of its representatives executing or agreeing through a Confirmation to a transaction under this Agreement is authorized to act on its behalf.

Each Party further warrants and represents that entering into this Agreement and any applicable Confirmation does not violate or conflict with its Charter, By-laws or comparable constituent document, any law applicable to it, any order or judgment of any court or other agency of government applicable to it or any agreement to which it is a party and that this Agreement and applicable Confirmation, constitute a legal, valid and binding obligation enforceable against such Party in accordance with the terms of such agreements.

Each Party also represents that it is solvent and that on each delivery this representation shall be deemed renewed unless notice to the contrary is given in writing by the Purchaser to the Seller before delivery.

38. FLOATING PRICES:

38.1 In the event the Parties intend that the price for a transaction is to be based on an index, exchange or any other kind of variable reference price (such price being a "Floating Price"), the Parties shall specify the "Floating Price" to be used to calculate the amounts in a Confirmation due Seller for that transaction.

38.2 Market Disruption. If a Market Disruption Event has occurred and is continuing during the Determination Period, the Floating Price for the affected Trading Day shall be determined as follows. The Parties shall negotiate in good faith to agree on a Floating Price (or a method for determining a Floating Price) for the affected Trading Day. If the Parties have not so agreed on or before the twelfth Business Day following the first Trading Day on which the Market Disruption Event occurred or existed, then the Floating Price shall be determined in good faith by the Parties based upon (1) quotes from Dealers in energy contracts; and/or (2) quotes from Brokers in energy contracts. Each Party may obtain up to a maximum of four quotes which must be provided to the other Party no later than twenty-two Business Days following the first Business Day on which the Market Disruption Event occurred or existed. These quotes shall reflect transacted prices. The Floating Price for the affected Trading Day shall equal a simple average of the quotes obtained and provided by the Parties consistent with the provisions of this Section 38. Each Party providing quote(s) to the other Party also shall identify to that other Party the Dealer(s) and/or the Broker(s) who provided each of the quotes to allow verification.

"Determination Period" means each calendar month during the term of the relevant transaction; provided that if the term of the transaction is less than one calendar month the Determination Period shall be the term of the transaction.

"Market Disruption Event" means, with respect to an index, any of the following events (the existence of which shall be determined in good faith by the Parties): (a) the failure of the index to announce or publish information necessary for determining the Floating Price; (b) the failure of trading to commence or the permanent discontinuation or material suspension of trading in the relevant options contract or commodity on the exchange or market acting as the index; (c) the temporary or permanent discontinuance or unavailability of the index; (d) the temporary or permanent closing of any exchange acting as the index; or (e) a material change in the formula for or the method of determining the Floating Price.

"Trading Day" means a day in respect of which the relevant price source published the relevant price or would have published the relevant price but for the Market Disruption Event.

38.3 Calculation of Floating Price. For the purposes of the calculation of a Floating Price, all numbers shall be rounded to three (3) decimal places. If the fourth (4th) decimal number is five (5) or greater, then the third (3rd) decimal number shall be increased by one (1), and if the fourth (4th) decimal number is less than five (5), then the third (3rd) decimal number shall remain unchanged.

38.4 Corrections. For the purposes of determining the relevant prices for any day, if the price published or announced on a given day and used or to be used to determine the relevant price is subsequently corrected and the correction is published or announced by the person responsible for that publication or announcement, either

Party may notify the other Party of (i) that correction and (ii) the amount (if any) that is payable as a result of that correction. If a Party gives notice that an amount is so payable, the Party that originally either received or retained such amount will pay such amount consistent with the provisions of this Section 38.4. The amount that is payable as a result of the correction shall be included in the billing cycle in which the notice of the correction is provided.

39. AMENDMENT:

39.1 This Agreement may be amended upon the submission to FERC and acceptance by FERC of that amendment. The effective date of the amendment shall be the date on which FERC allows the amendment to become effective; provided, however, if the FERC orders a hearing on a filing under Section 205 of the Federal Power Act proposing an amendment to this Agreement, the amendment as it may be revised by the FERC shall not become effective until the FERC issues its final order (i.e. its order on rehearing before any judicial review) on the amendment. The Parties through the Executive Committee shall direct the filing of any amendments. The Parties to this Agreement agree to bound by this Agreement as it may be amended, provided that the Parties possess the right to challenge any amendments at FERC and to exercise any applicable withdrawal rights under this Agreement.

39.2 Unless otherwise stated in the amendment, all amendments shall apply only to new transactions entered into or agreed to on or after the effective date of the amendment. Preexisting agreements and transactions shall operate under the version of the WSPP Agreement effective at the time of the agreement for the transaction unless the Parties to a transaction or transactions mutually agree otherwise.

39.3 An agreement modifying this Agreement or a Confirmation for a transaction needs no consideration to be binding.

40. EXECUTION BY COUNTERPARTS:

This Agreement may be executed in any number of counterparts, and upon execution by all Parties, each executed counterpart shall have the same force and effect as an original instrument and as if all Parties 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 signatures thereon, and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more signature pages.

41. WITNESS:

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representative as of the 27th day of July, 1991 (or as of the date of execution of this Agreement by each Party's duly authorized representation, in the case of any Party that becomes a signatory to this Agreement subsequent to July 27, 1991).

By:________________________________
Name of signing official:
Title:
Name of Member:
Date:

EXHIBIT A

NETTING

Each Party that executes this Exhibit A to the Agreement agrees to net payments for transactions under the WSPP Agreement and the applicable Confirmation(s) with any other Party or Parties which also have agreed to net payments by executing a copy of this Exhibit A. The Party executing this Exhibit A shall indicate below when it desires that its agreement to net becomes effective. A Party agreeing to net under this Exhibit A shall comply with the provisions of Section 28.2 of the Agreement. Defined terms used herein are as defined in the WSPP Agreement. Netting shall be done in accordance with the following provision:

> If the Purchaser and Seller are each required to pay an amount on the payment due date in the same month for transactions under the Agreement and Confirmation(s), then such amounts with respect to each Party will be aggregated and the Parties will discharge their obligations to pay through netting, in which case the Party owing the greater aggregate amount will pay to the other party the difference between the amounts owed consistent with the payment times in Section 9.2 of the Agreement, unless the Parties have otherwise agreed to a different payment time as allowed by the Agreement. Each Party reserves to itself all rights, set-offs, counterclaims and other remedies and/or defenses to which it is or may be entitled, arising from or out of the Agreement. All outstanding payments between the Parties which are to be netted pursuant to this Exhibit A for transactions under WSPP Agreement and the applicable Confirmation(s) shall be offset against each other or set off or recouped therefrom.

______________________________ Name of Authorized Representative	______________________________ Effective Date for Netting
______________________________ Name of WSPP Member	
______________________________ Signature of Authorized Representative	______________________________ Date of Execution

[WSPP SAMPLE FORM – PARTIES ARE FREE TO USE THIS OR DISREGARD IT.]

EXHIBIT B

FORM OF COUNTERPARTY GUARANTEE AGREEMENT

This Guarantee Agreement (this "Guarantee"), dated, as of [__________], 199[__], is made and entered into by [_____________], a [__________] corporation ("Guarantor").

WITNESSETH:

WHEREAS, [___________________] (the "Company") may enter into transactions involving power sales under the WSPP Agreement ("WSPP Agreement") and related Confirmation(s)[1] (collectively "Agreements") with [Company Name] ("Guaranteed Party"); and

WHEREAS, Guarantor will directly or indirectly benefit from the Agreements.

NOW THEREFORE, in consideration of the Guaranteed Party agreeing to conduct business with Company, Guarantor hereby covenants and agrees as follows:

1. GUARANTY. Subject to the provisions hereof, Guarantor hereby irrevocably and unconditionally guarantees the timely payment when due of the obligations of Company (the "Obligations") to the Guaranteed Party in accordance with the Agreements. If Company fails to pay any Obligations, Guarantor shall promptly pay to the Guaranteed Party no later than the next Business Day (as defined in the WSPP Agreement), after notification, the amount due in the same currency and manner provided for in the Agreements. This Guarantee shall constitute a guarantee of payment and not of collection. Guarantor shall have no right of subrogation with respect to any payments it makes under this Guarantee until all of the Obligations of Company to the Guaranteed Party are paid in full. The liability of Guarantor under the Guarantee shall be subject to the following:

(a) Guarantor's liability hereunder shall be and is specifically limited to payments expressly required to be made in accordance with the Agreements (even if such payments are deemed to be damages) and, except to the extent specifically provided in the Agreements, in no event shall Guarantor be subject hereunder to consequential, exemplary, equitable, loss of profits, punitive, tort, or any other even if such fees together with the payments exceed the cap in Section 1(b), damages, costs, except that Guarantor shall be required to pay reasonable attorney fees.

(b) The aggregate liability of the Guarantor shall not exceed [_____] Million U.S. Dollars [___________].

2. DEMANDS AND NOTICE. If Company fails or refuses to pay any Obligations, the Guaranteed Party may make a demand upon Guarantor (hereinafter referred to as a "Payment

1

Demand"). A Payment Demand shall be in writing and shall reasonably and briefly specify in what manner and what amount Company has failed to pay and an explanation of why such payment is due, with a specific statement that the Guaranteed Party is calling upon Guarantor to pay under this Guarantee. A Payment Demand satisfying the foregoing requirements shall be deemed sufficient notice to Guarantor that it must pay the Obligations. A single written Payment Demand shall be effective as to any specific default during the continuance of such default, until Company or Guarantor has cured such default, and additional Payment Demands concerning such default shall not be required until such default is cured.

3. REPRESENTATIONS AND WARRANTIES. Guarantor represents and warrants that:

(a) it is a corporation duly organized and validly existing under the laws of the State of [_____________] and has the corporate power and authority to execute, deliver and carry out the terms and provisions of this Guarantee;

(b) no authorization, approval, consent or order of, or registration or filing with, any court or other governmental body having jurisdiction over Guarantor is required on the part of Guarantor for the execution and delivery of this Guarantee; and

(c) this Guarantee constitutes a valid and legally binding agreement of Guarantor enforceable against Guarantor in accordance with its terms, except as the enforceability of this Guarantee may be limited by the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity.

4. EFFECT OF BANKRUPTCY BY COMPANY. The Guarantor's obligation to pay under this Guarantee shall not be affected in any way by the institution with respect to the Company of a bankruptcy, reorganization, moratorium or similar insolvency proceeding or other relief under any bankruptcy or insolvency law affecting creditor's rights or a petition for the Company's winding-up or liquidation.

5. AMENDMENT. No term or provision of this Guarantee shall be amended, modified, altered, waived, or supplemented except in a writing signed by the Guarantor and Guaranteed Party hereto.

6. WAIVERS. Guarantor hereby waives (a) notice of acceptance of this Guarantee; (b) presentment and demand concerning the liabilities of Guarantor, except as expressly hereinabove set forth; and (c) any right to require that any action or proceeding be brought against Company or any other person, or except as expressly hereinabove set forth, to require that the Guaranteed Party seek enforcement of any performance against Company or any other person, prior to any action against Guarantor under the terms hereof.

Except as to applicable statutes of limitation, no delay of the Guaranteed Party in the exercise of, or failure to exercise, any rights hereunder shall operate as a waiver of such rights, a waiver of any other rights or a release of Guarantor from any obligations hereunder.

Guarantor consents to the renewal, compromise, extension, acceleration or other changes in the time of payment of or other changes in the terms of the Obligations, or any part thereof or any changes or modifications to the terms of the Agreements.

Guarantor may terminate this Guarantee by providing written notice of such termination to the Guaranteed Party and upon the effectiveness of such termination, Guarantor shall have no further liability hereunder, except as provided in the last sentence of this paragraph. No such termination shall be effective until fifteen (15) Business Days after receipt by the Guaranteed Party of such termination notice. No such termination shall affect Guarantor's liability with respect to any obligations arising under any transaction entered into prior to the time the termination is effective, which transaction shall remain guaranteed pursuant to the terms of this Guarantee.

7. ASSIGNMENT. The Guarantor shall not assign this Guarantee without the express written consent of the Guaranteed Party. The Guaranteed Party shall be entitled to assign its rights under this Agreement in its sole discretion.

8. NOTICE. Any Payment Demand, to the Guaranteed Party or the Guarantor notice, request, instruction, correspondence or other document to be given hereunder by any party to another (herein collectively called "Notice") shall be in writing and delivered personally or mailed by certified mail, postage prepaid and return receipt requested, or by telegram or telecopier, as follows:

To [Name of Guaranteed Party] ______________________________
____
____
Attn: ________________________
Fax No.: (___) ________________

To Guarantor: ______________________________
____
____
Attn: ________________________
Fax No.: (___) ________________

Notice given by personal delivery or mail shall be effective upon actual receipt. Notice given by telegram or telecopier shall be effective upon actual receipt if received during the recipient's normal business hours, or at the beginning of the recipient's next business day after receipt if not received during the recipient's normal business hours. All Notices by telegram or telecopier shall be confirmed promptly after transmission in writing by certified mail or personal delivery. Any party may change any address to which Notice is to be given to it by giving notice as provided above of such change of address.

8. MISCELLANEOUS. THIS GUARANTEE SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF [State], WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS. This Guarantee shall be binding upon Guarantor, its successors and assigns and inure to the benefit of and be enforceable by the Guaranteed Party, its successors and assigns. The Guarantee embodies the entire agreement and understanding between Guarantor and the Guaranteed Party and supersedes all prior agreements and understandings relating to the subject matter hereof. The headings in this Guarantee are for purposes of reference only, and shall not affect the meaning hereof. This Guarantee may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

EXECUTED as of the day and year first above written.

[____________________________]
By: ________________________
Name: ______________________
Title: ______________________

EXHIBIT C
SAMPLE FORM FOR CONFIRMATION

1. Transaction Specific Agreements

The undersigned Parties agree to sell and purchase electric energy, or a Physically-Settled Option, pursuant to the WSPP Agreement as it is supplemented and modified below:

(a) Seller: ___________________________________
(b) Purchaser: ___________________________________
(c) Period of Delivery: From ______ To ______
(d) Schedule (Days and Hours): __________________
(e) Delivery Rate:_________________________________
(f) Delivery Point(s): ___________________________
(g) Type of Service (Check as Applicable)
Service Schedule A _________
Service Schedule B _________
Service Schedule C _________
Physically-Settled Option Service Schedule B ______
Physically-Settled Option Service Schedule C ______
Other products per Section 32.6 _________________ **[Describe Product]**
(h) Contract Quantity: ________ Total MWhrs.
(i) Contract or Strike Price: _____________________
(j) Transmission Path for the Transaction (If Applicable):
(k) Date of Agreement if different: _____________
(l) Additional Information for Physically-Settled Options
(i) Option Type: *Put* __________ *Call*______________
(ii) Option Style: __________
(iii) Exercise Date or Period: __________
(iv) Premium: __________
(v) Premium Payment Date: _________
(vi) Method for providing notice of exercise _________________________
(m) Special Terms and Exceptions:
See Attachment A

[Special Terms and Exceptions shall be shown on an Attachment to this Confirmation.]

____________________________	____________________________
Name of Trader for Purchaser	Name of Trader for Seller
____________________________	____________________________
Authorized Signature for Purchaser	Authorized Signature for Seller

Date Date

EXHIBIT D

WSPP MEDIATION AND ARBITRATION PROCEDURES

I. MEDIATION

A. **Informal Mediation.** WSPP members with a dispute or a potential dispute involving transactions under the WSPP Agreement may request non-binding, informal mediation by contacting the WSPP's General Counsel and by providing a brief explanation in writing of the dispute and the remedy being sought. All parties to the dispute must request this Informal Mediation for it to become effective. After this contact, a telephonic conference call will be arranged among the affected WSPP members and the WSPP's General Counsel, the Chairman of the Operating Committee, and/or some other independent and knowledgeable person requested by the Chairman of the Operating Committee to participate. The purpose of the conference call will be to discuss the issues and to have an independent person or persons state their views. Best efforts will be made to set up this conference call within five Business Days after the WSPP's General Counsel is contacted subject to accommodating the schedules of all involved. This Informal Mediation shall be considered as satisfying the Mediation requirements of Section 34.1 of the WSPP Agreement.

B. **Initiating Formal Mediation.** A WSPP member which believes that it possesses a claim against another WSPP member relating to a WSPP transaction, which is unable to resolve the dispute through agreement with the other member to the transaction, and which desires to pursue that claim shall initiate non-binding formal mediation pursuant to Section 34.1 of the WSPP Agreement. The member initiating such mediation shall do so by Serving written notice to the Chairman of the WSPP Operating Committee, the WSPP's General Counsel, and the other members against which the claim is directed. Such notice shall state the nature of the dispute, the remedy sought, and support the claim.

C. **Response to Document Initiating Formal Mediation.** Within eight days, the member or members against which the claim is directed may provide a response to the notice which shall be Served on the member which initiated the Mediation, the Chairman of the WSPP's Operating Committee, and the WSPP's General Counsel.

D. **Choosing the Mediator.** The Mediator shall be chosen in accordance with the procedures set forth in Section 34.1 of the WSPP Agreement. Each Party may suggest persons to be included on the list of Mediators to be presented to the Parties provided that these suggested persons shall be provided to the WSPP Representative together with relevant personal histories within two Business Days of the date by which time the list of Mediators is to be sent out. The WSPP Representative shall allow at least one person suggested by each Party to be added to the list of Mediators. A brief personal history of each person on the list of potential mediators shall be provided to the Parties, with that history showing the person's employment over the last five years and any other relevant facts. The WSPP Representative shall provide the Parties with the list of Mediators within five days of receipt of notice of the dispute. The Parties then shall have five days in which to reach agreement on a Mediator or inform the WSPP Representative that they were unable to reach agreement in which event the WSPP Representative shall appoint the Mediator consistent with Section 34.1 of the WSPP Agreement. Upon request of the Parties for expedition, the WSPP Representative shall use best efforts to expedite this process.

E. **Location for the Formal Mediation.** The Parties shall agree on a location for the Mediation. If the Parties fail to reach agreement, then the WSPP Representative shall set the location which shall be convenient for the Parties and the Mediator.

F. **Time for the Formal Mediation.** The Parties shall agree on the time for the Mediation after consultation with the Mediator if one has been appointed. If the Parties fail to reach agreement, then the WSPP Representative shall set the time which shall not be more than twenty-one days after the notice initiating the Mediation is received after consultation with the Parties and any Mediator.

G. **Conduct of the Formal Mediation.** The Mediator shall have the ability to conduct the Mediation in any manner which the Mediator believes is appropriate to facilitate resolution of the dispute. Each Party shall have at least one representative with the authority to settle the dispute present at the Mediation. The Mediation shall be private and confidential and the Mediator shall have the authority to exclude any person not directly involved unless the Parties agree otherwise in writing. At the Mediation, each Party shall have the right to make a brief presentation of its case and to question the other Party. Each Party also may be represented by counsel.

H. **Replacement of the Mediator.** If the Mediator resigns, withdraws or is no longer able to serve, then the Parties shall have two Business Days in which to agree on a new Mediator. If the Parties are unable to agree within such time, the WSPP Representative shall appoint a replacement Mediator from the list used to select the first Mediator within two Business Days after being notified that the Parties are unable to agree. The dates and deadlines in this section may require modification if the mediator is replaced. Any extensions shall be as limited as possible.

II. ARBITRATION

A. **Initiating Arbitration.** A WSPP member which initiates Arbitration pursuant to Section 34.2 of the WSPP Agreement shall do so by Serving the Chairman of the WSPP Operating Committee, the WSPP General Counsel and the members against which the claim is directed with written notice of its demand for arbitration. Such notice shall state the nature of the dispute, the remedy sought, and support the claim.

B. **Response.** Within ten days of receipt of the notice, any member or members against which the claim is directed may provide a response to the notice. Such response must include any counterclaims which the member believes are appropriate. If a counterclaim is submitted, then the member which submitted the notice may respond to the counterclaim within ten days of receipt. All such responses shall be Served on the Parties, the Chairman of the WSPP Operating Committee, and the WSPP General Counsel.

C. **Choosing the Arbitrator.** The Arbitrator shall be chosen in accordance with the procedures set forth in Section 34.2 of the WSPP Agreement. Each Party may suggest persons to be included on the list of Arbitrators to be presented to the Parties provided that these suggested persons are provided to the WSPP Representative together with relevant personal histories within two business days of the date by which time the list of Arbitrators is to be sent out. The WSPP Representative shall allow at least one person suggested by each Party to be added to the list of potential Arbitrators. A brief personal history of each person on the list of potential

Arbitrators shall be provided to the Parties, with that history showing the person's employment over the last five years and any other relevant facts. The WSPP Representative shall provide the Parties with the list of Arbitrators within seven days of receipt of notice of the request for Arbitration. The Parties then shall have ten days in which to reach agreement on the Arbitrator or to inform the WSPP Representative that they were unable to reach agreement in which event the WSPP Representative shall appoint the Arbitrator consistent with Section 34.2 of the Agreement. Upon request of the Parties for expedition, the WSPP Representative shall use best efforts to cause this process to be expedited.

D. **Location for the Arbitration.** The Parties shall agree on a location for the Arbitration. If the Parties fail to reach agreement, then the WSPP Representative shall set the location which shall be convenient for the Parties and the Arbitrator.

E. **Time for the Arbitration.** The Parties shall agree on the time for the Arbitration and coordinate that time with the Arbitrator if one has been agreed to or appointed. If the Parties fail to reach agreement, then the WSPP Representative shall set the time which shall not be more than 60 days after the notice is received. The WSPP Representative shall set a time after consultation with the Parties and the Arbitrator to check their schedules.

F. **Discovery.** After appointment of the Arbitrator, each Party shall be entitled to obtain relevant documents from the other Parties and to take depositions. Each Party shall respond to such a document request within seven days of receipt of the request and make its employees or consultants available for depositions to the extent that the employee or consultant possesses knowledge and information relevant to the dispute. Each Party shall disclose documents that are confidential or commercially sensitive subject to a reasonable protective order. Any disputes concerning discovery shall be promptly referred to the Arbitrator who shall have authority to resolve such disputes, including the authority to require attendance of witnesses at depositions. The Federal Rules of Civil Procedure shall apply to discovery under these procedures.

G. **Conduct of Arbitration if the Parties Agree to Waive an Oral Hearing.** If the Parties agree to waive an oral hearing, then the Parties shall Serve Initial Briefs no later than 35 days after the notice is received or notify the Arbitrator that they do not wish to submit any additional documents. Parties shall Serve any Reply Briefs no later than ten days after the date for Service of Initial Briefs.

H. **Conduct of the Arbitration Hearing.** No later than fifteen days before any hearing, any Party may Serve an Initial Brief or notify the Arbitrator that they do not wish to submit any additional documents. A Party shall Serve any Reply Brief no later than five Business Days before any hearing. The Arbitrator shall preside over any hearing and rule on all objections including objections as to the admissibility of evidence or whether the questioning is proper. All testimony shall be submitted under oath. The Arbitrator is not bound to follow any particular rules governing the conduct of the proceeding. The Arbitrator may rely on legal advice provided through the WSPP. The Arbitrator may require any person employed by a Party to attend and testify at the hearing. Each Party shall possess the right to present evidence, including witnesses, and to cross-examine other Parties' witnesses. The Arbitration shall be private and the Arbitrator shall have the authority to exclude any person not directly involved unless the Parties otherwise agree. Each Party may be represented by counsel. A stenographic record of the Arbitration shall be kept.

I. **Decision.** Within ten Business Days after the end of the Arbitration hearing, the Arbitrator shall issue his award in writing. If the Parties waived the right to an oral hearing, then the Arbitrator shall issue the award within ten Business Days of the last date Briefs were to be submitted. The Arbitrator is not limited in the remedies he may order so long as any arbitration award is consistent with the provisions and limitations of the WSPP Agreement and any applicable Confirmation with respect to the liability and damages of any Party; provided, however, upon agreement of the Parties to the dispute, the Arbitrator's choice of remedies may be limited.

J. **Replacement of the Arbitrator.** If the Arbitrator resigns, withdraws, or is no longer able to serve then the Parties shall have two Business Days in which to agree on a new Arbitrator. If the Parties are unable to agree within such time, the WSPP Representative shall appoint a replacement Arbitrator from the list used to select the first Arbitrator within two Business Days after being notified that the Parties are unable to agree. The dates and deadlines in this section may require modification if the mediator is replaced. Any extensions shall be as limited as possible.

III. MISCELLANEOUS

A. **Confidentiality.** Any Arbitration or Mediation shall be confidential as provided in Section 34.4 of the WSPP Agreement.

B. **Costs.** Costs shall be borne by Parties as provided in Section 34.3 of the WSPP Agreement.

C. **Restrictions on Lawsuits.** Each Party shall be subject to the restrictions provided in Section 34.2 of the WSPP Agreement.

D. **Attorney-Client/Attorney Workproduct.** The Arbitrator or Mediator shall not take any action which would result in disclosure of information in violation of the attorney-client privilege or attorney workproduct doctrine.

IV. DEFINITIONS

A. **Arbitrator or Arbitration.** The Arbitrator appointed pursuant to these procedures and Section 34.2 of the WSPP Agreement and the Arbitration pursuant to these procedures and the WSPP Agreement.

B. **Initial or Reply Briefs.** Written documents submitted by the Parties to support their positions and respond to each others positions. Such documents shall be limited to 25 pages.

C. **Business Days.** Defined as in the WSPP Agreement.

D. **Mediator or Mediation.** The Mediator appointed pursuant to these procedures and Section 34.1 of the WSPP Agreement and the Mediation pursuant to these procedures and the WSPP Agreement.

E. **Parties.** The WSPP members involved in the Mediation or Arbitration which have a direct interest in the dispute.

F. **Service, Serving, or Served.** The method of service shall be by fax, unless impracticable because of the size of the document. In all events, the document should be delivered to the Party by overnight mail. Parties also should attempt to send the document out by email if possible. Service will be accomplished to a Party if sent to the Party's contact person for the disputed transaction. If there are multiple contact persons for one Party, service to one such person shall suffice. Service shall be to those individuals or entities specified in this procedures, but must include service to the Parties, the Mediator or Arbitrator (if either has been appointed), and to the WSPP General Counsel.

G. **WSPP Representative.** The Chairman of the WSPP Operating Committee or his or her designee for the purposes of the Arbitration or Mediation.

SERVICE SCHEDULE A

ECONOMY ENERGY SERVICE

A-1 PARTIES:

This Service Schedule is agreed upon as a part of this Agreement by the Parties.

A-2 PURPOSE:

The purpose of this Service Schedule is to define additional specific procedures, terms and conditions for requesting and providing Economy Energy Service.

A-3 TERMS:

A-3.1 A Party may schedule Economy Energy Service from another Party by mutual agreement; provided, however, that each Party shall be the sole judge as to the extent to and the conditions under which it is willing to provide or receive such service hereunder consistent with statutory requirements and contractual commitments including the Agreement and any applicable Confirmation.

A-3.2 Scheduling of Economy Energy Service hereunder shall be a responsibility of the Parties involved.

A-3.3 Each Seller/Purchaser may prepare a daily estimate of the amount of Economy Energy Service that it is willing and able to sell/buy each hour and the associated hourly sale/purchase price for the next Business Day, plus the weekend and holidays, and communicate this information to all other Parties via the Hub.

A-3.4 Purchasers shall arrange purchases directly with Sellers, and shall be responsible for transmission arrangements.

A-3.5 Unless otherwise mutually agreed between the Purchaser and the Seller, all Economy Energy Service transactions shall be pre-scheduled, and billings shall be based on amounts and prices agreed to in advance by schedulers, subject to Paragraphs A-3.6 and 3.7 and subject to change by mutual agreement between dispatchers or schedulers due to system changes.

A-3.6 The price for Economy Energy Service shall be mutually agreed to in advance between Seller and Purchaser and shall not be subject to the rate caps specified in Section A-3.7 in either of the following two circumstances:

(1) where the Seller is a FERC regulated public utility and that Seller has been authorized to sell power like that provided for under this Service Schedule at market-based rates; or

(2) where the Seller is not a FERC regulated public utility.

A Party is a FERC regulated public utility if it is a "public utility" as defined in Section 201(e) of the Federal Power Act, 16 U.S.C. § 824(e).

A-3.7 Except as provided for in Section A-3.6, the price shall not exceed the Seller's forecasted Incremental Cost plus up to: $7.32/kW/ month; $1.68/kW/week; 33.78¢/kW/day; 14.07 mills/kWh; or 21.11 mills/kWh for service of sixteen (16) hours or less per day. The hourly rate is capped at the Seller's forecasted Incremental Cost plus 33.78¢/kW/ day. The total demand charge revenues in any consecutive seven-day period shall not exceed the product of the weekly rate and the highest demand experienced on any day in the seven-day period. In lieu of payment, such Parties may mutually agree to exchange economy energy at a ratio not to exceed that ratio provided for in Section C-3.6 of Service Schedule C. The Seller's forecasted Incremental Cost discussed above also may include any transmission and/or ancillary service costs associated with the sale, including the cost of any transmission and/or ancillary services that the Seller must take on its own system. Any such transmission and/or ancillary services charges shall be separately identified by the Seller to the Purchaser for transactions under this Schedule including the exchange of economy energy. The transmission and ancillary service rate ceilings shall be available through the WSPP's Hub or homepage. Any such transmission services (and ancillary service provided in conjunction with such transmission service) by Seller shall be provided pursuant to any applicable transmission tariff or agreement, and the rates therefore shall be consistent with such tariff or agreement. The foregoing hourly rate caps (i) are subject to the submission of cost justification by the applicable Seller to the FERC, and acceptance by FERC thereof, under <u>Western Systems Power Pool</u>, 122 FERC ¶ 61,139 (2008), or (ii) are inapplicable, in the event that the Seller has filed with FERC, and FERC has accepted, a rate schedule applicable solely to such Seller, which rate schedule has been, upon the request of the applicable Seller, incorporated into this Agreement at Schedule "Q" hereof (such incorporation to occur upon Seller's request without approval of the WSPP Executive Committee).

A-3.8 Unless otherwise agreed, the Purchaser shall be responsible for maintaining operating reserve requirements as back-up for Economy Energy Service purchased and the Seller shall not be required to maintain such operating reserve.

A-3.9 Each Party that is a FERC regulated public utility as defined in A-3.6 shall file the Confirmation with FERC for each transaction under this Service Schedule with a term in excess of one year no later than 30 days after service begins if that Party would have been required to file such Confirmation or similar agreements with FERC under an applicable FERC accepted market based rate schedule.

SERVICE SCHEDULE B
UNIT COMMITMENT SERVICE

B-1 PARTIES:

This Service Schedule is agreed upon as part of this Agreement by the Parties.

B-2 PURPOSE:

The purpose of this Service Schedule is to define additional specific procedures, terms, and conditions for requesting and providing Unit Commitment Service.

B-3 TERMS:

B-3.1 A Party may schedule Unit Commitment Service from another Party by mutual agreement; provided, however, that each Party shall be the sole judge as to the extent to and the conditions under which it is willing to provide or receive such service hereunder consistent with statutory requirements and contractual commitments including the Agreement and any applicable Confirmation. Once an agreement is reached, then the obligation for Unit Commitment Service becomes a firm commitment, for both Parties, for the agreed capacity and terms.

B-3.2 Unless otherwise mutually agreed by the Parties involved in a Unit Commitment Service transaction, the terms set forth in this Service Schedule B shall govern such transaction.

B-3.3 Unless otherwise agreed between the Purchaser and the Seller, all transactions shall be prescheduled, subject to any conditions agreed to by schedulers, for a specified unit for a specified period of time.

B-3.4 Purchasers shall arrange purchases directly with Sellers.

B-3.5 The price for Unit Commitment Service shall be mutually agreed to in advance between Seller and Purchaser and shall not be subject to the rate caps specified in

Section B-3.6 in either of the following two circumstances:

(1) where the Seller is a FERC regulated public utility and that Seller has been authorized to sell power like that provided for under this Service Schedule at market-based rates; or

(2) where the Seller is not a FERC regulated public utility.

A Party is a FERC regulated public utility if it is a "public utility" as defined in Section 201(e) of the Federal Power Act, 16 U.S.C. § 824(e).

B-3.6 Except as provided for in Section B-3.5, the price shall not exceed the Seller's forecasted Incremental Cost plus up to: $7.32/kW/month; $1.68/kW/week; 33.78¢/kW/day; 14.07 mills/kWh; or 21.11 mills/kWh for service of sixteen (16) hours or less per day. The hourly rate is capped at the Seller's forecasted Incremental Cost plus 33.78¢/kW/day. The total demand charge revenues in any consecutive seven-day period shall not exceed the product of the weekly rate and the highest demand experienced on any day in the seven-day period. The Seller's forecasted Incremental Cost discussed above also may include any transmission and/or ancillary service costs associated with the sale, including the cost of any transmission and/or ancillary services that the Seller must take on its own system. Any such transmission and/or ancillary service charges shall be separately identified by the Seller to the Purchaser. The transmission and ancillary service rate ceilings shall be available through the WSPP's Hub or homepage. The foregoing hourly rate caps (i) are subject to the submission of cost justification by the applicable Seller to the FERC, and acceptance by FERC thereof, under Western Systems Power Pool, 122 FERC ¶ 61,139 (2008), or (ii) are inapplicable, in the event that the Seller has filed with FERC, and FERC has accepted, a rate schedule applicable solely to such Seller, which rate schedule has been, upon the request of the applicable Seller, incorporated into this Agreement at Schedule “Q” hereof (such incorporation to occur upon Seller’s request without approval of the WSPP Executive Committee).

B-3.7 Start-up costs and no-load costs if included by the Seller shall be stated separately in the price.

B-3.8 Energy schedules for the Purchaser's share of a unit may be modified by the Purchaser with not less than a thirty (30) minute notice before the hour in which the change is to take place, unless otherwise mutually agreed or unforeseen system operating conditions occur.

B-3.9 Unit Commitment Service is intended to have assured availability; however, scheduled energy deliveries may be interrupted or curtailed as follows:

(a) By the Seller by giving proper recall notice to the Purchaser if the Seller and the Purchaser have mutually agreed to recall provisions,

(b) By the Seller when all or a portion of the output of the unit is unavailable, by an amount in proportion to the amount of the reduction in the output of the unit, unless otherwise agreed by the schedulers,

(c) By the Seller to prevent system separation during an emergency, provided the Seller has exercised all prudent operating alternatives prior to the interruption or curtailment,

(d) Where applicable, by the Seller to meet its public utility or statutory obligations to its customers, or

(e) By either the Seller or the Purchaser due to the unavailability of transmission capacity necessary for the delivery of scheduled energy.

B-3.10 Each Party that is a FERC regulated public utility as defined above in B-3.5 shall file the Confirmation with FERC for each transaction under this Service Schedule with a term in excess of one year no later than 30 days after service begins if that Party would have been required to file such Confirmation or similar agreements with FERC under an applicable FERC accepted market based rate schedule.

B-4 BILLING AND PAYMENT PROVISIONS:

B-4.1 Except as provided in Sections B-4.2 and B-5, billing for Unit Commitment Service shall be computed based upon the agreed upon prices.

B-4.2 In the event the Seller requests recall of Unit Commitment Service in a shorter time frame than was mutually agreed pursuant to Section B-3.9(a) and the Purchaser agrees to allow such recall, the Purchaser shall be relieved of any obligation to pay start-up costs.

B-5 TERMINATION PROVISION:

In the event Unit Commitment Service is curtailed or interrupted except as provided in Section B-3.9(a), the Purchaser shall have the option to cancel the Unit Commitment Service at any time by paying the Seller for (i) all energy deliveries scheduled up to the notice of termination and (ii) all separately stated start-up and no-load costs.

SERVICE SCHEDULE C
<u>FIRM CAPACITY/ENERGY SALE OR EXCHANGE SERVICE</u>

C-1 PARTIES:

This Service Schedule is agreed upon as a part of this Agreement by the Parties.

C-2 PURPOSE:

The purpose of this Service Schedule is to define additional specific procedures, terms, and conditions for requesting and providing Firm Capacity/Energy Sale or Exchange Service.

C-3 TERMS:

C-3.1 A Party may schedule Firm Capacity/Energy Sale or Exchange Service from another Party by mutual agreement; provided, however, that each Party shall be the sole judge as to the extent to and the conditions under which it is willing to provide or receive such service hereunder consistent with statutory requirements and contractual commitments including the Agreement and any applicable Confirmation. Once an agreement is reached, then the obligation for Firm Capacity/Energy Sale or Exchange Service becomes a firm commitment, for both Parties, for the agreed service and terms.

C-3.2 Unless otherwise agreed between the Purchaser and the Seller, all transactions shall be prescheduled, subject to any conditions agreed to by schedulers.

C-3.3 Firm capacity transactions shall include buying, selling, or exchanging capacity between Parties with or without associated energy. A firm capacity sale or exchange is a commitment, in accordance with the terms and conditions specified in the Confirmation, of capacity resources.

C-3.4 Firm energy transactions shall include buying, selling, or exchanging firm energy between Parties in accordance with the terms and conditions specified in the Confirmation.

C-3.5 The price for Firm Capacity/Energy Sale or Exchange Service shall be mutually agreed to in advance between Seller and Purchaser and shall not be subject to the rate caps specified in Section C-3.6 in either of the following two circumstances:

(1) where the Seller is a FERC regulated public utility and that Seller has been authorized to sell power like that provided for under this Service Schedule at market-based rates; or

(2) where the Seller is not a FERC regulated public utility.

A Party is a FERC regulated public utility if it is a "public utility" as defined in Section 201(e) of the Federal Power Act, 16 U.S.C. § 824(e).

C-3.6 Except as provided for in Section C-3.5, the price shall not exceed the Seller's forecasted Incremental Cost plus up to: \$7.32/kW/month; \$1.68/kW/week; 33.78¢/kW/day; 14.07 mills/kWh; or 21.11 mills/kWh for service of sixteen (16) hours or less per day. The hourly rate is capped at the Seller's forecasted Incremental Cost plus 33.78¢/kW/day. The total demand charge revenues in any consecutive seven-day period shall not exceed the product of the weekly rate and the highest demand experienced on any day in the seven-day period. Exchange ratios among such Parties shall be as mutually agreed between the Purchaser and the Seller, but shall not exceed the ratio of 1.5 to 1.0. The Seller's forecasted Incremental Cost discussed above also may include any transmission and/or ancillary service costs associated with the sale, including the cost of any transmission and/or ancillary services that the Seller must take on its own system. Any such transmission and/or ancillary service charges shall be separately identified by the Seller to the Purchaser for transactions under this Schedule including exchanges. The transmission and ancillary service rate ceiling shall be available through the WSPP's Hub or homepage. Any such transmission service (and ancillary services provided in conjunction with such transmission service) by Seller shall be provided pursuant to any applicable transmission tariff or agreement, and the rates therefore shall be consistent with such tariff or agreement. The foregoing hourly rate caps (i) are subject to the submission of cost justification by the applicable Seller to the FERC, and acceptance by FERC thereof, under Western Systems Power Pool, 122 FERC ¶ 61,139 (2008), or (ii) are inapplicable, in the event that the Seller has filed with FERC, and FERC has accepted, a rate schedule applicable solely to such Seller, which rate schedule has been, upon the request of the applicable Seller, incorporated into this Agreement at Schedule "Q" hereof (such incorporation to occur upon Seller's request without approval of the WSPP Executive Committee).

C-3.7 Firm Capacity/Energy Sale or Exchange Service shall be interruptible only if the interruption is: (a) within any recall time or allowed by other applicable provisions governing interruptions of service under this Service Schedule, as may be mutually agreed to by the Seller and the Purchaser, (b) due to an Uncontrollable Force as provided in Section 10 of this Agreement; or (c) where applicable, to meet Seller's public utility or statutory obligations to its customers; provided, however, this paragraph (c) shall not be used to allow interruptions for reasons other than reliability of service to native load. If service under this Service Schedule is interrupted under Section C-3.7(a) or (b), neither Seller nor Purchaser shall be obligated to pay any damages under this Agreement or Confirmation. If service under this Service Schedule is interrupted for any reason other than pursuant to Section C-3.7(a) or (b), the Non-Performing Party shall be responsible for payment of damages as provided in Section 21.3 of this Agreement or in any Confirmation.

C-3.8 Each Party that is a FERC regulated public utility as defined in Section C-3.5 shall file the Confirmation with FERC for each transaction under this Service Schedule with a term in excess of one year no later than 30 days after service begins if that Party would have been required to file such Confirmation or similar agreements with FERC under an applicable FERC accepted market based rate schedule.

C-3.9 Seller shall be responsible for ensuring that Service Schedule C transactions are scheduled as firm power consistent with the most recent rules adopted by the applicable NERC regional reliability council.

SERVICE SCHEDULE D

OPERATING RESERVE – SPINNING

AND

OPERATING RESERVE –SUPPLEMENTAL

D-1 PURPOSE

This Service Schedule specifies procedures, terms and conditions pursuant to which the Seller provides Operating Reserve – Spinning and/or Operating Reserve – Supplemental, as specified in the Confirmation, to enable the Designated Authority to meet a reserve obligation or to resell as ancillary services under an OATT.

D-2 DEFINITIONS AND RULES ABOUT THIS SERVICE SCHEDULE

D-2.1 Terms used in this Service Schedule with initial capitalization which are not defined in the Agreement or this Service Schedule shall have the meanings given to them in the NERC Glossary and Applicable Standards. In addition to the definitions specified in Section 4 of the Agreement, the following definitions apply to this Service Schedule.

D-2.1.1 "Applicable Standards" means the NERC Reliability Standards and the respective reliability standards and criteria of NERC, and of any Regional Reliability Organization, Balancing Authority, and Reserve Sharing Group applicable to the Seller's provision and the Designated Authority's use of Operating Reserve – Spinning or Operating Reserve – Supplemental, in force as of the date of the Confirmation.

D-2.1.2 "Demand Response Resource(s)" has the meaning given in 18 C.F.R. §35.28(b)(5).

D-2.1.3 "Designated Authority" means the Regional Reliability Organization, Balancing Authority, Reserve Sharing Group or other entity designated in the Confirmation, which shall have a right to apply the applicable Reserve to the quantity of Reserve it is required to maintain, and to use such Reserve in accordance with the Applicable Standards. The Designated Authority and the Purchaser may be the same entity or two different entities. If the Designated Authority and the Purchaser are the same entity, then the Designated Authority shall also be the Purchaser for all purposes under the Agreement.

D-2.1.4 "Good Utility Practice" means any of the practices, methods, and acts engaged in or approved by a significant portion of the electric utility industry during the applicable time period in the applicable region, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision in question was made, could have been expected to accomplish the desired result in a manner that: (a) is consistent with the Applicable Standards; (b) gives due consideration to reliability, safety and protection of equipment and the public welfare; and (c) is consistent with good business practices, reliability, safety, and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method or act, or the exclusion of all other practices, but rather to be a range of acceptable practices, methods, or acts generally accepted in the region.

D-2.1.5 "NERC Glossary" means the NERC Glossary of Terms Used in Reliability Standards.

D-2.1.6 "Non-Performance" with respect to Seller shall have the meaning given in Section D-4.1, and with respect to Purchaser, the meaning given in Section D-4.2.

D-2.1.7 "OATT" refers to the Open Access Transmission Tariff of the Designated

Authority or, if the Designated Authority has no OATT, the pro forma Open Access Transmission Tariff of the FERC.

D-2.1.8 "OATT Schedule" refers to schedule 5 or 6 of the OATT for sale of ancillary services, or any other schedule under an OATT for sale of Operating Reserve – Spinning or Operating Reserve – Supplemental.

D-2.1.9 "Operating Reserve – Spinning" shall have the meaning given in the NERC Glossary of Terms and the Applicable Standards, and is the product transacted under schedule 5 or similar schedule under an OATT.

D-2.1.10 "Operating Reserve – Supplemental" shall have the meaning given in the NERC Glossary of Terms and the Applicable Standards, and is the product transacted under schedule 6 or similar schedule under an OATT.

D-2.2 The following rules apply to this Service Schedule.

D-2.2.1 In the event of inconsistency between the definition in the NERC Glossary of Terms and the Applicable Standards, the Applicable Standards shall control.

D-2.2.2 No product sold or transferred under this Service Schedule D shall include reactive supply and voltage control service, or Regulation and Frequency Response service.

D-2.2.3 The OATT, OATT Schedules, regulations of the FERC, the NERC Glossary, and Applicable Standards shall be applied in their forms as of the date of the Confirmation.

D-3 TERMS OF SERVICE

D-3.1 Each Confirmation entered into under this Service Schedule shall contain the following information, and may contain other terms and conditions to which the Parties agree:

(a) A prominent designation of the service, Operating Reserve – Spinning and/or Operating Reserve – Supplemental, to which the Confirmation applies;

(b) Identification of the Designated Authority and if the Designated Authority is not a Regional Reliability Organization, the Regional Reliability Organization within which the Designated Authority is electrically located;

(c) The Standard Confirmation Provisions, as applicable;

(d) Any additional attributes of the Operating Reserve – Spinning or Operating Reserve – Supplemental, as the Parties may agree;

(e) The means by which requests for energy required to be delivered under the Service Schedule shall be communicated; and

(f) Any conditions to the effectiveness of the Confirmation, including, for example, the completion of any arrangements or agreements between the Seller and the Designated Authority or among the Seller, Designated Authority, and Purchaser.

D-3.2 Contract Price. The Contract Price may include separately stated charges for capacity and energy, and any agreements concerning transmission arrangements and payment obligations.

D-3.3 Seller shall provide Operating Reserve – Spinning or Operating Reserve – Supplemental, as applicable, to the Designated Authority in conformity with the Applicable Standards and any additional attributes specified in the Confirmation as are consistent with the Applicable Standards. Seller shall provide such service from one or more generation resources or Demand Response Resources. Such resources must be physically and operationally available to respond within the time periods, and in conformance with other technical and operational criteria, prescribed by, the Applicable Standards for the applicable service, and as required to conform to any additional attributes stated in the Confirmation.

D-3.4 Obligations Concerning Capacity and Requests for and Delivery of Energy

D-3.4.1 Seller shall provide capacity and deliver energy associated with Operating Reserve – Spinning or Operating Reserve – Supplemental, in quantities up to the applicable capacity(ies) specified in the Confirmation for the applicable hour(s), as and when the Designated Authority requests such delivery in the manner of request specified in the Confirmation and in accordance with Section D-3.4.2.

D-3.4.2 The Designated Authority shall use the capacity and energy provided by Seller under this Service Schedule for the sole purpose of satisfying the Designated Authority's own obligations pertaining to Operating Reserve – Spinning and Operating Reserve – Supplemental, as specified in the Applicable Standards or the Confirmation. Purchaser shall ensure that the Designated Authority shall not require Seller to deliver energy under this Service Schedule except as and when the Designated Authority determines, in its good faith discretion reasonably exercised in accordance with Good Utility Practice or such other criteria as may be stated in the Confirmation, that such energy is required to enable it to respond to a contingency or other event for which the service specified in the Confirmation is permitted to be utilized under the Applicable Standards or as otherwise stated in the Confirmation.

D-3.5 Inspection and Audit. The Purchaser and Designated Authority shall have the right, to conduct such inspections and audits of Seller's records as are reasonable to assure that the Seller's provision of services under this Service Schedule and Confirmation conforms to the Applicable Standards and the Confirmation. The Seller shall have the right to conduct inspections and audits of the Designated Authority's records as reasonably required to assure that any use by the Designated Authority of the services under this Service Schedule and Confirmation conformed to Section D-3.4.2 and the Confirmation. The Parties may state further details and conditions in the Confirmation concerning these rights, including, for example, provisions concerning confidentiality or limiting inspection to an agreed third-party auditor.

D-3.6 Regulatory Matters – Rate Caps

D-3.6.1 The price for Operating Reserve – Spinning or Operating Reserve – Supplemental shall not be subject to the rate caps specified in Section D-3.6.2 in either of the following two circumstances:

(1) where the Seller is a FERC regulated public utility and that Seller has been authorized to sell power like that provided for under this Service Schedule at market-based rates; or

(2) where the Seller is not a FERC regulated public utility.

A Party is a FERC regulated public utility if it is a "public utility" as defined in Section 201(e) of the Federal Power Act, 16 U.S.C. § 824(e).

D-3.6.2 Except as provided for in Section D-3.6.1, the price shall not exceed the Seller's forecasted Incremental Cost plus up to: $7.32/kW/month; $1.68/kW/week; 33.78¢/kW/day; 14.07 mills/kWh; or 21.11 mills/kWh for service of sixteen (16) hours or less per day. The hourly rate is capped at the Seller's forecasted Incremental Cost plus 33.78¢/kW/day. The total demand charge revenues in any consecutive seven-day period shall not exceed the product of the weekly rate and the highest demand experienced on any day in the seven-day period. Exchange ratios among such Parties shall be as mutually agreed between the Purchaser and the Seller, but shall not exceed the ratio of 1.5 to 1.0. The Seller's forecasted Incremental Cost discussed above also may include any transmission and/or ancillary service costs associated with the sale, including the cost of any transmission and/or ancillary services that the Seller must take on its own system. Any such transmission and/or ancillary service charges shall be separately identified by the Seller to the Purchaser for transactions under this Schedule including exchanges. The transmission and ancillary service rate ceiling shall be available through the WSPP's Hub or homepage. Any such transmission service (and ancillary services provided in conjunction with such transmission service) by Seller shall be provided pursuant to any applicable transmission tariff or agreement, and the rates therefore shall be consistent with such tariff or agreement. The foregoing hourly rate caps (i) are subject to the submission of cost justification by the applicable Seller to the FERC, and acceptance by FERC thereof, under Western Systems Power Pool, 122 FERC ¶ 61,139 (2008), or (ii) are inapplicable, in the event that the Seller has filed with FERC, and FERC has accepted, a rate schedule applicable solely to such Seller, which rate schedule has been, upon the request of the applicable Seller, incorporated into this Agreement at Schedule "Q" hereof (such incorporation to occur upon Seller's request without approval of the WSPP Executive Committee).

D-4 NON-PERFORMANCE, DAMAGES AND TERMINATION

D-4.1 Seller Non-Performance. "Non-Performance" with respect to Seller means Seller's failure to provide capacity or deliver energy to the Designated Authority as this Service Schedule and the Confirmation require.

D-4.1.1 Purchaser Entitlement to Damages. In the event of Non-Performance by Seller, Seller shall pay damages to Purchaser calculated in accordance with Section 21.3 of the Agreement.

D-4.1.2 Purchaser Option to Terminate. Purchaser shall have an option to declare any instance of Seller's Non-Performance under Section D-4.2 an Event of Default under the Agreement and the remedies for an Event of Default under Section 22.2(b) of the Agreement shall apply (excluding Section 22.2(a)), provided, that the right to terminate transactions for such Non-Performance shall be limited to transactions under this Service Schedule D. Exercise of the termination option under this Section D-4.1.2 shall not diminish the performing Party's rights to collect damages for such Non-Performance under Section D-4.1.1, or to avail itself of remedies for other Events of Default.

D-4.2 Purchaser Non-Performance. "Non-Performance" with respect to the Purchaser means the Designated Authority's failure to receive capacity and/or energy, or the Designated Authority's use of capacity and/or energy under this Service Schedule which use does not conform to Section D-3.4.2 (such capacity and/or energy, the "unauthorized energy").

D-4.2.1 Seller Entitlement to Damages. In the event of Non-Performance by Purchaser, Purchaser shall compensate Seller in an amount equal to the quantity of unauthorized energy Seller was required to deliver during each hour, multiplied by the energy charge for the applicable hour.

D-4.2.2 Seller Option to Terminate. Seller shall have an option to declare any instance of Purchaser's Non-Performance under Section D-4.2 an Event of Default under the

Agreement and the remedies for an Event of Default under Section 22.2(b) of the Agreement shall apply (but not Section 22.2(a)), provided that the right to terminate all transactions for such Non-Performance shall be limited to transactions under this Service Schedule D. Exercise of the termination option under this Section D-4.2.2 shall not diminish the performing Party's rights to collect damages for such Non-Performance under Section D-4.2.1, or to avail itself of remedies for other Events of Default under the Agreement.

D-4.3 Termination under Section D-4.1.2 or D-4.4.2 shall become effective immediately upon receipt by the non-performing Party of the Performing Party's written notice thereof, which notice shall specify the Non-Performance. If the Performing Party fails to exercise its termination option arising from an instance of Non-Performance under Section D-4.1.2 or D-4.2.2 within thirty (30) days following the date the option to terminate arose, then solely with respect to that instance of Non-Performance, the termination option shall cease to be available to the Performing Party.

D-4.4 Nothing in this Service Schedule shall restrict the right of either Party to avail itself of other remedies provided in the Agreement.

SERVICE SCHEDULE E

ENERGY IMBALANCE AND GENERATOR IMBALANCE POWER

E-1 PURPOSE

This Service Schedule states procedures, terms and conditions pursuant to which the Seller provides Energy Imbalance Power and Generation Imbalance Power to the Purchaser, as specified in the Confirmation, and the Purchaser receives such service to meet a reliability obligation or to resell as ancillary services under an OATT.

E-2 DEFINITIONS AND RULES ABOUT THIS SERVICE SCHEDULE

E-2.1 In addition to the definitions specified in Section 4 of the Agreement, the following definitions apply to this Service Schedule E.

E-2.1.1 "Balancing Power" means a service or product that can be resold as Energy Imbalance Power or Generator Imbalance Power under Schedules 4 and 9, respectively, of the OATT or other schedule under an OATT for sale of imbalance power.

E-2.1.2 "Demand Response Resource(s)" has the meaning given in 18 C.F.R. §35.28(b)(5).

E-2.1.3 "Non-Performance" with respect to Seller shall have the meaning given in Section E-4.1 and with respect to Purchaser the meaning given in Section E-4.2.

E-2.1.4 "OATT" refers to the Purchaser's Open Access Transmission Tariff approved by the FERC or, if the Purchaser has no OATT, the pro forma Open Access Transmission Tariff of the FERC.

E-2.1.5 "OATT Schedule" refers to schedule 4 or 9 of the OATT for sale of ancillary services, or any other schedule for sale of imbalance power under an OATT.

E-2.2 The following rules apply to this Service Schedule.

E-2.2.1 No product sold or transferred under this Service Schedule E shall include reactive supply and voltage control service, or Regulation and Frequency Response service.

E-2.2.2 The OATT and OATT Schedules shall be applied in their forms as of the date of the Confirmation.

E-3 TERMS OF SERVICE

E-3.1 Each Confirmation entered into under this Service Schedule shall contain the following information, and may contain other terms and conditions to which the Parties agree:

(a) A prominent designation of the service, Energy Imbalance and Generator Imbalance Power, to which the Confirmation applies;

(b) The Standard Confirmation Provisions, as applicable;

(c) Any additional attributes of the Balancing Power, as the Parties may agree;

(d) The means by which requests for energy required to be delivered under the Service Schedule shall be communicated; and

(e) Any conditions to the effectiveness of the Confirmation.

E-3.2 Contract Price. The Contract Price may include separately stated charges for capacity and energy, and any agreements concerning transmission arrangements and payment obligations.

E-3.3 Seller shall provide Balancing Power from one or more generation resources or Demand Response Resources. Such resources must be physically and operationally available to respond within the time periods, and in conformance with other technical and operational criteria, as may be stated in the Confirmation.

E-3.4 Obligations Concerning Capacity and Requests for and Delivery of Energy

E-3.4.1 Upon the requests of the Purchaser, Seller shall provide capacity and deliver energy associated with Balancing Power to the Purchaser at any rate of flow up to and including the applicable capacity(ies) and at such intervals as are specified in the Confirmation for the applicable hour(s).

E-3.4.2 Transmission must be available intra-hour, and may be arranged and scheduled in any manner that meets the requirements of the Parties.

E-3.5 Regulatory Matters – Rate Caps

E-3.5.1 The price for Balancing Power shall not be subject to the rate caps specified in Section E-3.5.2 in either of the following two circumstances:

(1) where the Seller is a FERC regulated public utility and that Seller has been authorized to sell power like that provided for under this Service Schedule at market-based rates; or

(2) where the Seller is not a FERC regulated public utility.

A Party is a FERC regulated public utility if it is a "public utility" as defined in Section 201(e) of the Federal Power Act, 16 U.S.C. § 824(e).

E-3.5.2 Except as provided for in Section E-3.5.1, the price shall not exceed the Seller's forecasted Incremental Cost plus up to: $7.32/kW/month; $1.68/kW/week; 33.78¢/kW/day; 14.07 mills/kWh; or 21.11 mills/kWh for service of sixteen (16) hours or less per day. The hourly rate is capped at the Seller's forecasted Incremental Cost plus 33.78¢/kW/day. The total demand charge revenues in any consecutive seven-day period shall not exceed the product of the weekly rate and the highest demand experienced on any day in the seven-day period. Exchange ratios among such Parties shall be as mutually agreed between the Purchaser and the Seller, but shall not exceed the ratio of 1.5 to 1.0. The Seller's forecasted Incremental Cost discussed above also may include any transmission and/or ancillary service costs associated with the sale, including the cost of any transmission and/or ancillary services that the Seller must take on its own system. Any such transmission and/or ancillary service charges shall be separately identified by the Seller to the Purchaser for transactions under this Schedule including exchanges. The transmission and ancillary service rate ceiling shall be available through the WSPP's Hub or homepage. Any such transmission service (and ancillary services provided in conjunction with such transmission service) by Seller shall be provided pursuant to any applicable transmission tariff or agreement, and the rates therefore shall be consistent with such tariff or agreement. The foregoing hourly rate caps (i) are subject to the submission of cost justification by the applicable Seller to the FERC, and acceptance by FERC thereof, under Western Systems Power Pool, 122 FERC ¶ 61,139 (2008), or (ii) are inapplicable, in the event that the Seller has filed with FERC, and FERC has accepted, a rate schedule applicable solely to such Seller, which rate schedule has been, upon the request of the applicable Seller, incorporated into this Agreement at Schedule "Q" hereof (such incorporation to occur upon Seller's request without approval of the WSPP Executive Committee).

E-4 NON-PERFORMANCE, DAMAGES AND TERMINATION

E-4.1 Seller Non-Performance. "Non-Performance" with respect to Seller means Seller's failure to provide capacity or deliver energy to the Purchaser as this Service Schedule and the Confirmation require.

E-4.1.1 Purchaser Entitlement to Damages. In the event of Non- Performance by Seller, Seller shall pay damages to Purchaser calculated in accordance with Section 21.3 of the Agreement.

E-4.1.2 Purchaser Option to Terminate. Purchaser shall have an option to declare any instance of Seller's Non-Performance under Section E-4.1 an Event of Default under the Agreement and the remedies for an Event of Default under Section 22.2(b) of the Agreement shall apply (excluding Section 22.2(a)), provided that the right to terminate transactions for such Non-Performance shall be limited to transactions under this Service Schedule E. Exercise of the termination option under this Section E-4.1.2 shall not diminish the performing Party's rights to collect damages for such Non-Performance under Section E-4.1.1, or to avail itself of remedies for other Events of Default.

E-4.2 Purchaser Non-Performance. "Non-Performance" with respect to Purchaser means Purchaser's failure to receive energy that it had scheduled for receipt under this Service Schedule and the Confirmation.

E-4.2.1 Seller Entitlement to Damages. In the event of Non-Performance by Purchaser, Purchaser shall pay damages to Purchaser calculated in accordance with Section 21.3 of the Agreement.

E-4.2.2 Seller Option to Terminate. Seller shall have an option to declare any instance of Purchaser's Non-Performance under Section E-4.2 an Event of Default under the Agreement and the remedies for an Event of Default under Section 22.2(b) of the Agreement shall apply (excluding Section 22.2(a)), provided that the right to terminate transactions for such Non-Performance shall be limited to transactions under this Service Schedule E. Exercise of the termination option under this Section E-4.2.2 shall not diminish the performing Party's rights to collect damages for such Non-Performance under Section E-4.2.1, or to avail itself of remedies for other Events of Default.

E-4.3 Termination under Section E-4.1.2 or E-4.2.2 shall become effective immediately upon receipt by the non-performing Party of the Performing Party's written notice thereof, which notice shall specify the Non-Performance. If the Performing Party fails to exercise its termination option arising from an instance of Non-Performance under Section E-4.1.2 or E-4.2.2 within thirty (30) days following the date the option to terminate arose, then solely with respect to that instance of Non-Performance, the termination option shall cease to be available to the Performing Party.

E-4.4 Nothing in this Service Schedule shall restrict the right of either Party to avail itself of other remedies provided in the Agreement.

SERVICE SCHEDULE R
RENEWABLE ENERGY CERTIFICATE TRANSACTIONS WITH AND WITHOUT ENERGY

R-1 Introduction; Transaction Documentation; and Rules of Construction. This Service Schedule R states terms and conditions applicable to REC Transactions entered into by Parties under the Agreement.

R-1.1 Documentation. Each REC Transaction shall be documented in a Confirmation. Annex 2 is a Confirmation template, which the Parties may modify and make subject to any other agreement between them. A Confirmation for a REC Transaction will be given legal effect only if a Documentary Writing.

R-1.2 Contract Documents. The Agreement, Service Schedule R, and the fully executed Confirmation comprise a contract for a REC Transaction. Any conflicts between or among the Agreement, Service Schedule R, and the Confirmation shall be resolved in the following order of control: first, the Confirmation; second, Service Schedule R; and third, the Agreement.

R-1.3 Definitions. Definitions contained in the Agreement and Annex 1 apply to this Service Schedule R. Any conflicts among definitions contained in these documents shall be resolved in accordance with Section R-1.2.

R-1.4 Rules of **Construction.**

R-1.4.1 The Annexes of Service Schedule R are incorporated into and made a part of this Service Schedule R, as though set forth fully herein.

R-1.4.2 The word "including" shall mean "including but not limited to." Unless otherwise specified, the word "Section" refers to a section of this Service Schedule R and includes all subparts of the specified section.

R-1.4.3 Subject to any legal restrictions applicable to a Party, the Parties to a REC Transaction may vary any term or condition of this Service Schedule R for that REC Transaction. Provisions in this Service Schedule R concerning such variance of terms, such as "unless otherwise agreed," shall not prejudice the generality of the preceding sentence, provided, that the Parties shall not vary Section C-3.6 of Service Schedule C, Section B-3.6 of Service Schedule B, and Section A-3.7 of Service Schedule A.

R-1.4.4 An Applicable Program shall be applicable to a REC Transaction only if designated expressly in the Confirmation. No rule of contract construction or interpretation, and no inference or implication, shall cause an Applicable Program that is not designated expressly in the Confirmation to be applicable to a REC Transaction.

R-2 Confirmations; REC Products.

R-2.1 REC Transaction. A "REC Transaction" is a purchase and sale of a REC separately from or bundled with Energy. A REC Transaction may be for the purchase and sale of any REC Product defined in Section R-2.3 or another REC Product the Parties may define.

R-2.2 Confirmations. In addition to other terms and conditions to which the Parties may agree, the Confirmation:

R-2.2.1 must include the following terms: REC Product, Contract Quantity, Contract Price, Vintage, and Transfer Date, and whether the Environmental Attributes covered by the REC are All Attributes, Program Attributes, or other coverage the Parties may specify;

R-2.2.2 for a bundled REC Transaction (Firm Bundled REC, Resource Contingent Bundled REC, or Facility As-Run Bundled REC), may include a single Contract Price which may be allocated between the REC and the Energy;

R-2.2.3 must identify the Renewable Energy Facility or Renewable Energy Source if the REC Transaction is All Attributes (Section R-2.4.1) or Program Attributes (Section R-2.4.2), if a designated Applicable Program requires such identification, or if the REC Product is Resource Contingent Bundled REC or Facility As-Run Bundled REC;

R-2.2.4 must designate an Applicable Program if the REC Transaction is Program Attributes, the Seller is to assure compliance with an Applicable Program (Sections R-5.2.1, 6.3, and 6.4), or to recover penalties and alternative compliance payments (Section R-9.1), and if the REC Transaction is All Attributes, may designate an Applicable Program (Section 2.4.1).

R-2.3 **REC Products.** A "REC Product" is any of the following defined products or other product specified in the Confirmation.

R-2.3.1 **Firm REC.** A "Firm REC" is a REC purchased and sold in a transaction that does not include the sale or purchase of energy. The Seller has a firm obligation to Deliver the REC pursuant to the Confirmation. A remedy for non-performance is available under Section R-9, except in the event and to the extent of Uncontrollable Force.

R-2.3.2 **Firm Bundled REC.** A "Firm Bundled REC" is a REC purchased and sold in a transaction that includes the purchase and sale of Energy. The

Seller has a firm obligation to Deliver the REC and Energy pursuant to the Confirmation. A remedy for non-performance is available under Section R-9, except in the event and to the extent of Uncontrollable Force. The terms and conditions of Service Schedule C apply to the purchase and sale of Energy associated with a Firm Bundled REC as the Parties may modify such terms and conditions in the Confirmation, subject to the proviso stated in Section R-1.4.3. The hourly rate caps identified in Section C-3.6 of Service Schedule C shall apply, except (1) where the Seller is a FERC regulated "public utility" as defined in Section 201(e) of the Federal Power Act, 16 U.S.C. § 824(e), and that Seller has been authorized to sell power like that provided for in Service Schedule C at market-based rates; or (2) where the Seller is not such a FERC regulated "public utility." When such hourly rate caps apply, (a) if the Contract Price is allocated between the REC and the Energy, the hourly rate caps shall apply to the Contract Price for the Energy and not the REC; and (b) if the Contract Price is not allocated between the REC and the Energy, the hourly rate caps shall apply to the bundled Contract Price.

R-2.3.3 **Resource Contingent REC.** A "Resource Contingent REC" is a REC purchased and sold in a transaction that does not include the sale or purchase of Energy. The Seller has a resource contingent obligation to Deliver the REC pursuant to the Confirmation. A remedy for non-performance is available under Section R-9, except in the event and to the extent: (i) of Uncontrollable Force; (ii) the Renewable Energy

Facility identified in the Confirmation was not on line to produce energy required for the REC due to Forced Outage, Scheduled Maintenance, or Fuel Impediment; or (iii) of the occurrence of such other circumstances to which the Parties may have agreed in the Confirmation, resulting in a reduction of output or unavailability to produce energy required for the REC. In the event and to the extent of an outage under (ii) or, if applicable, (iii), the resulting reduction in output for the applicable hour shall be allocated among all purchasers of RECs from the Renewable Energy Facility who are identified in the Confirmation (including purchasers identified under any provisions in the Confirmation allowing for subsequent identification) in accordance with any priorities or shares stated in the Confirmation, and if no priorities or shares are stated in the Confirmation, then proportionately in accordance with such purchasers' contract quantities under contracts with Seller.

R-2.3.4 Resource Contingent Bundled REC.

(a) A "Resource Contingent Bundled REC" is a REC purchased and sold in a transaction that includes the purchase and sale of Energy. The Seller has a resource contingent obligation to Deliver the REC and Energy pursuant to the Confirmation. A remedy for non-performance is available under Section R-9, except in the event and to the extent: (i) of Uncontrollable Force; (ii) the Renewable Energy Facility identified in the Confirmation was not on line to produce energy required for the REC or Delivery, due to Forced Outage, Scheduled

Maintenance, or Fuel Impediment; or (iii) of the occurrence of such other circumstances to which the Parties agreed in the Confirmation, resulting in a reduction of output or unavailability to produce energy required for the REC or Delivery. In the event and to the extent of an outage under (ii) or, if applicable, (iii), the resulting reduction in output for the applicable hour shall be allocated among all purchasers of RECs and energy from the Renewable Energy Facility who are identified in the Confirmation (including purchasers identified under any provisions in the Confirmation allowing for subsequent identification) in accordance with any priorities or shares stated in the Confirmation, and if no priorities or shares are stated in the Confirmation, then proportionately in accordance with such purchasers' contract quantities under contracts with Seller.

(b) The terms and conditions of Service Schedule B apply to the purchase and sale of Energy associated with a Resource Contingent Bundled REC as modified herein and as may be modified in the Confirmation, subject to the proviso stated in <u>Section</u> R-1.4.3. The hourly rate caps identified in Section B-3.6 of Service Schedule B shall apply, except (1) where the Seller is a FERC regulated "public utility" as defined in Section 201(e) of the Federal Power Act, 16 U.S.C. § 824(e), and that Seller has been authorized to sell power like that provided for in Service Schedule B at market-based rates; or (2) where the Seller is not such a FERC regulated “public utility.” When such hourly rate caps apply, (a) if the Contract Price is allocated between the REC and the Energy, the hourly rate caps shall apply to the Contract Price for the Energy and not the REC; and (b) if the Contract Price is not allocated between the REC and the Energy, the hourly rate caps shall apply to the bundled Contract Price. Service Schedule B Section B-3.8 is modified to state the following:

> Energy schedules for the Purchaser's share of a Renewable Energy Facility may be modified by the Purchaser with not less than a thirty (30) minute notice before the hour in which the modification is to occur, unless otherwise agreed or unforeseen system operating conditions occur, or as otherwise required by, or pursuant to customary practice in, the applicable regional reliability council. A reduction in the energy schedule shall be made commensurately for the REC requirement for the applicable hour. Seller shall notify Purchaser of volumes to be delivered no later than thirty (30) minutes before the hour in which delivery is to occur unless otherwise agreed or such notification is infeasible due to unforeseen system operating conditions. Seller shall timely notify the Purchaser of Scheduled Maintenance.

The following is added at the end of Section B-3.9:

(f) By the Seller when all or a portion of the unit is unavailable due to Fuel Impediment, unless otherwise agreed by the schedulers.

R-2.3.5 **Facility As-Run REC.** A "Facility As-Run REC" is a REC purchased and sold in a transaction that does not include the sale or purchase of Energy. The Seller is obligated to Deliver the REC pursuant to the Confirmation. A remedy for non-performance is available under Section R-9, except in the event and to the extent that, for any reason or no reason, the Renewable Energy Facility identified in the Confirmation was not on line to produce energy required for the REC. If the Renewable Energy Facility designated in the Confirmation is not operated, the resulting reduction in output for the applicable hour shall be allocated among all purchasers of RECs from the Renewable Energy Facility who are identified in the Confirmation (including purchasers identified under any provisions in the Confirmation allowing for subsequent identification) in accordance with any priorities or shares stated in the Confirmation, and if no priorities or shares are stated in the Confirmation, then proportionately in accordance with such purchasers' contract quantities under contracts with Seller.

R-2.3.6 **Facility As-Run Bundled REC.**

(a) A "Facility As-Run Bundled REC" is a REC purchased and sold in a transaction that includes the purchase and sale of Energy. The Seller has an obligation to Deliver the REC and Energy pursuant to the Confirmation. A remedy for non-performance is available under Section R-9, except in the event and to the extent that, for any reason or no reason, the Renewable Energy Facility identified in the Confirmation was not on line to produce energy required for the REC or Delivery. If the Renewable Energy Facility designated in the Confirmation is not operated, the resulting reduction in output for the applicable hour shall be allocated among all purchasers of RECs and energy from the Renewable Energy Facility who are identified in the Confirmation (including purchasers identified under any provisions in the Confirmation allowing for subsequent identification) in accordance with any priorities or shares stated in the Confirmation, and if no priorities or shares are stated in the Confirmation, then proportionately in accordance with such purchasers' contract quantities under contracts with Seller.

(b) The terms and conditions of Service Schedule A apply to the purchase and sale of Energy associated with a Facility As-Run Bundled REC as modified herein and as may be modified in the Confirmation, subject to the proviso stated in Section R-1.4.3. The hourly rate caps identified in Section A-3.7 of Service Schedule A shall apply, except (1) where the Seller is a FERC regulated "public utility" as defined in Section 201(e) of the Federal Power Act, 16 U.S.C. § 824(e), and that Seller has been authorized to sell power like that provided for in Service Schedule A at market-based rates; or (2) where the Seller is not such a FERC regulated “public utility.” When such hourly rate caps apply, (a) if the Contract Price is allocated between the REC and the Energy, the hourly rate caps shall apply to the Contract Price for the Energy and not the REC; and (b) if the Contract Price is not allocated between the REC and the Energy, the hourly rate caps shall apply to the bundled Contract Price. Service Schedule A Section A-3.3 is modified to state the following:

> Energy schedules may be modified by the Purchaser or Seller with not less than a thirty (30) minute notice before the hour in which the modification is to occur, unless otherwise agreed or unforeseen system operating conditions occur, or as otherwise required by, or pursuant to customary practice in, the applicable regional reliability council. A reduction in the energy schedule shall be made commensurately for the REC requirement for the applicable hour. Seller shall notify Purchaser of volumes to be delivered no later than thirty (30) minutes before the hour in which delivery is to occur unless otherwise agreed or such notification is infeasible due to unforeseen system operating conditions.

R-2.4 Environmental Attributes Contained In The REC. The Confirmation may describe the Environmental Attributes covered by the REC as All Attributes, Program Attributes, or as the Parties otherwise may agree. If the Confirmation does not designate a REC Transaction as Program Attributes or otherwise limit the Environmental Attributes conveyed, and if a Renewable Energy Facility or Renewable Energy Source is specified, the REC Transaction shall be All Attributes. A designation of All Attributes will not be effective unless a Renewable Energy Facility or Renewable Energy Source is designated in the Confirmation.

R-2.4.1 **All Attributes.** An "All Attributes" REC conveys all of the Environmental Attributes the Renewable Energy Facility or Renewable Energy Source designated in the Confirmation is capable of producing, whether known or unknown on the Effective Date, including, at a minimum, all Environmental Attributes required by any Applicable Program designated in the Confirmation. Seller disclaims any warranty that Environmental Attributes other than those required by an Applicable Program designated in the Confirmation fulfill the requirements of any other Applicable Program. To establish the Environmental Attributes conveyed, the Confirmation may include a specification thereof.

R-2.4.2 **Program Attributes.** A "Program Attributes" REC conveys the Environmental Attributes required by an Applicable Program designated in the Confirmation. It conveys no other Environmental Attributes, the rights to which are retained by the Seller. The Parties should verify that a designated Tracking System will recognize a Program Attributes REC. (Note, WREGIS does not recognize a Program Attributes limitation upon conveyed Environmental Attributes.)

R-3 Delivery and Title.

R-3.1 Unbundled REC Transactions. This Section R-3.1 applies if the REC Product is a Firm REC, Resource Contingent REC, or Facility As-Run REC.

R-3.1.1 Delivery. "Deliver(y)(ed)" occurs upon completion of Seller's transfer of the Contract Quantity to Purchaser. If a Tracking System is designated in the Confirmation, Seller shall cause transfer in accordance with the rules and procedures of the Tracking System. If the Tracking System does not state such rules or procedures, then Delivery shall occur upon the Tracking System's transfer of the REC into Purchaser's account. If a Tracking System is not designated in the Confirmation, Delivery is completed upon Seller's delivery to Purchaser of an Attestation.

R-3.1.2 Acceptance. "Accept(ance)(ed)" means Purchaser's receipt of Delivery of the REC from Seller, without Purchaser's rejection. If a Tracking System is designated in the Confirmation, Purchaser shall receive a transfer in accordance with the rules and procedures of the Tracking System, and Acceptance (or rejection) shall be made within five (5) Business Days following the date the Tracking System gives electronic notice to Purchaser that it has initiated transfer (this deadline applies regardless of any different period stated in the Tracking System's rules and procedures) and if timely rejection is not made, then the Delivery is Accepted. If a Tracking System is not designated in the Confirmation, Acceptance occurs upon Purchaser's Acceptance, without rejection within five (5) Business Days of delivery, of the Attestation delivered by Seller.

R-3.1.3 Passage of Title. Title to the REC shall pass from Seller to Purchaser upon Delivery and Acceptance.

R-3.2 Bundled REC Transactions. This Section R-3.2 applies if the REC Product is a Firm Bundled REC, Resource Contingent Bundled REC, or Facility As-Run Bundled REC.

R-3.2.1 Delivery. "Delivery(y)(ed)" occurs upon completion of Seller's transfer to Purchaser of the Contract Quantity of the REC and the Contract Quantity of the Energy. Delivery of the REC shall be completed in accordance with Section R-3.1.1. Delivery of Energy shall be completed in accordance with the terms and conditions of the Confirmation and the Agreement.

R-3.2.2 Acceptance. "Acceptance" of the REC occurs in the manner specified in Section R-3.1.2, and of the Energy upon receipt at the delivery point in accordance with the Confirmation.

R-3.2.3 Passage of Title. If the Vintage of the REC is prior to the Effective Date, title to the REC passes from Seller to Purchaser on the Effective Date or other date to which the Parties agree. If the REC is to be generated on or after the Effective Date, title to the REC passes upon the generation of each megawatt hour of energy required for production of the REC, and Seller shall hold the REC in trust for Purchaser until Delivery. Passage of title to Energy occurs pursuant to the Agreement.

R-3.3 Actions Required of Parties to Assure Delivery.

R-3.3.1 **Provision of Generation Information; Required Actions.** No less than monthly, Seller shall provide Purchaser with a written statement setting forth for applicable periods the quantities of Seller's generation of energy for production of the REC. Seller shall promptly take all actions and do all things necessary and appropriate to cause the designated Tracking System, if any, to transfer the REC to Purchaser, including promptly providing all required information and documents in the required forms, and paying any and all fees the Tracking System imposes on Seller. If the Confirmation provides for a designated Tracking System to expedite issuance of certificates (for example, forward transfer certificates in WREGIS), Seller shall promptly take all actions required to cause such expedition. If no Tracking System is designated in the Confirmation, then upon creation of the REC Seller shall promptly deliver the Attestation to Purchaser.

R-3.3.2 **Failure to Issue REC.** Seller is responsible for transfer and issuance of RECs by the Tracking System; Purchaser's sole responsibilities are maintenance of an account with the Tracking System and Acceptance of conforming RECs pursuant to Section R-3.1.2. Without prejudice to the immediately preceding sentence, in the event a Tracking System designated in the Confirmation declines to issue an electronic credit or physical certificate to document the attempted transfer, Delivery, or Acceptance of a REC, each Party will provide the other Party with all documents, communications, and information sent to or received from the Tracking System that pertain thereto. The Parties will cooperate, and each Party will complete any uncompleted items for which it is responsible, each at its own expense. If following such efforts, and due to no failure of Seller to take all required actions, the Tracking System does not issue the electronic credit or physical certificate to document the attempted transfer, Delivery, or Acceptance of the REC, Seller may, upon Purchaser's agreement (which Purchaser may decline in its discretion), provide an Attestation to Purchaser to effect Delivery. The obligations under this Section R-3.3.2 shall not be construed to diminish the Seller or the Purchaser's respective rights and obligations under the Agreement, Service Schedule R, and the Confirmation.

R-3.4 Conveyance and Transfer. As of both Delivery and passage of title, Seller shall transfer and convey to Purchaser all right, title, and interest in and to the REC and all Environmental Attributes underlying the REC pursuant to the Confirmation, and the exclusive right to any and all Reporting Rights Seller may have in or to the REC and the Environmental Attributes, free and clear of any liens, security interests, or other encumbrances.

R-4 Charges; Credit. The charge shall be an amount equal to the Contract Price multiplied by the Delivered and Accepted quantity, without prejudice to the right to recover damages owed in accordance with Section R-9. The Parties may state any credit terms and conditions to which they agree in the Confirmation; Section 27 of the Agreement applies unless otherwise agreed.

R-5 Governing Law; Change in Law.

R-5.1 Governing Law. Section 24 of the Agreement applies except as follows. If an Applicable Program is designated in the Confirmation, all performance obligations pursuant to the REC Transaction concerning the creation, issuance, transfer, tracking and retirement of the REC shall be governed as follows:

R-5.1.1 If the Applicable Program was created by the laws of a Governmental Authority, then by the laws, rules, regulations, orders, and judicial precedent of such Governmental Authority;

R-5.1.2 If the Applicable Program was not created by the laws of a Governmental Authority, but is a voluntary program, then Section 24 of the Agreement applies without modification, and the Parties shall be bound contractually to comply with the standards and criteria of the voluntary Applicable Program.

R-5.2 Change in Law.

R-5.2.1 Applicability. Section R-5.2 applies only to REC Transactions for which an Applicable Program is designated in the Confirmation. In a REC Transaction for which no Applicable Program is designated, Seller makes no representation or warranty concerning compliance with any particular Applicable Program and any such representation or warranty is expressly disclaimed.

R-5.2.2 Definitions.

(a) "Change in Law" means any addition or amendment, by a Governmental Authority, to any laws, rules, regulations, orders, or judicial precedent, that applies to an Applicable Program designated in the Confirmation, that is enacted or issued after the Effective Date and nullifies compliance of the REC with the Applicable Program. An addition or amendment that is enacted or issued before the Effective Date but effective on or after the Effective Date is not a Change in Law.

(b) "Regulatorily Continuing" means a REC Transaction in which the REC and Environmental Attributes conform to the requirements of an Applicable Program designated in the Confirmation as such requirements exist on the Effective Date and the Transfer Date, including requirements modified or added by a Change in Law.

(c) "Not Regulatorily Continuing" means a REC Transaction in which the REC and Environmental Attributes conform to the requirements of an Applicable Program designated in the Confirmation as such requirements exist on the Effective Date only, and the REC and Environmental Attributes are not required to conform to requirements modified or added by a Change in Law.

R-5.2.3 Default Designation as Regulatorily Continuing. A REC Transaction as to which an Applicable Program is designated in the Confirmation shall be Regulatorily Continuing unless the Parties specify in the Confirmation that the REC Transaction is Not Regulatorily Continuing.

R-5.2.4 Effect of Change In Law in Regulatorily Continuing REC Transaction.

(a) If a Change in Law occurs in a Regulatorily Continuing REC Transaction, Seller shall be obligated to make reasonable efforts to attain compliance with the designated Applicable Program, the costs of which shall not be required to exceed any cost cap specified in the Confirmation. If despite such efforts to attain compliance, including reasonable expenditures, Seller cannot obtain compliance and Purchaser refuses to accept Delivery of the REC due to the Change in Law, Seller shall not be liable for damages under Section R-9.

(b) In the event Purchaser refuses to accept Delivery of the REC under Section 5.2.4(a), and Seller has Delivered energy to Purchaser in the REC Transaction, Purchaser shall not be relieved of its obligation to pay for such energy, which payment shall be either at the price allocated to energy in the Confirmation, if any, and if no allocation is made, then at an amount equal to the Replacement Price.

R-5.2.5 Amendment to Address Change In Law. Nothing in this Section R-5.2 shall be construed to preclude the Parties from agreeing to amend the Confirmation to permit a Seller to perform its obligations in a REC Transaction as to which a Change in Law has occurred.

R-6 Seller Representations and Warranties. In each REC Transaction, Seller represents and warrants to Purchaser the following:

R-6.1 As of both Delivery and passage of title, Seller has and conveys to Purchaser all right, title, interest in and to the REC and all Environmental Attributes underlying the REC as required by the Confirmation, and the exclusive right to any and all Reporting Rights Seller may have in or to the REC and Environmental Attributes, free and clear of any liens, security interests, or other encumbrances.

R-6.2 As of both Delivery and passage of title, the REC and Environmental Attributes conform to the requirements of the REC Transaction.

R-6.3 If the REC Transaction is Regulatorily Continuing (and an Applicable Program is designated in the Confirmation), subject to any limits upon Seller's obligations under Section R-5.2.4, as of both Delivery and passage of title, that the REC and Environmental Attributes conform to the requirements of the designated Applicable Program as such requirements exist on the Effective Date and the Transfer Date.

R-6.4 If the REC Transaction is Not Regulatorily Continuing (and an Applicable Program is designated in the Confirmation), as of both Delivery and passage of title, that the REC and Environmental Attributes conform to the requirements of the designated Applicable Program as such requirements exist on the Effective Date.

R-6.5 With respect to deliveries of Energy in REC Transactions for Firm Bundled REC, Contingent Resource Bundled REC, and Facility As-Run Bundled REC, that Seller has complied with the representations and warranties stated in Section 33 of the Agreement.

SELLER DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

R-7 Records; Confidentiality

R-7.1 **Correction of Records.** If any statement, charge or computation concerning a REC Transaction is inaccurate, the Parties promptly shall make any adjustments to records as reasonably necessary to correct such inaccuracy, and make any adjustment of payments required to correspond to the corrected records, provided, that Purchaser shall not be required to pay a higher Contract Price or accept a lower Contract Quantity than the Confirmation requires.

R-7.2 Exception to Confidentiality. Purchaser has the right to disclose to any Governmental Authority having jurisdiction over Purchaser, or to any voluntary Applicable Program and the person or entity specified by the rules of procedures of the voluntary Applicable Program to perform certification, any information necessary to demonstrate Purchaser's compliance with an Applicable Program (whether or not designated in the Confirmation); provided, however, that Purchaser shall use reasonable efforts to minimize the scope of any such disclosure and shall require, as may be feasible, that the recipient maintain the confidentiality of any documents or confidential information governed by the provisions of Section 30.1 of the Agreement, including, if permitted under applicable procedures of the Governmental Authority or such administrator, and subject to any applicable public records laws, seeking a protective order or similar protective mechanism in connection with any disclosure. With respect to a REC, Purchaser also has the right to disclose the following to any customer or affiliate of Purchaser that is participating in any voluntary or mandatory Applicable Program: the Renewable Energy Source, the location of any Renewable Energy Facility designated in the Confirmation, and monthly generation quantities of energy underlying the REC.

R-8 Uncontrollable Force. The following is substituted for the first sentence of the second paragraph of Section 10 of the Agreement:

The following shall not be considered "Uncontrollable Forces": (i) Seller's cost of producing or obtaining the REC or energy (or ability to sell the REC or energy at a price exceeding the Contract Price); (ii) the loss or failure of Seller's supply, including materials or equipment; or (iii) Purchaser's inability economically to use or resell the REC or energy.

The following is added at the end of the second paragraph of Section 10 of the Agreement:

If production of energy at a Renewable Energy Facility designated in the Confirmation is curtailed due to an Uncontrollable Force, any production during the period of such curtailment shall be allocated as follows: first, among all purchasers of Firm RECs, Firm Bundled RECs, Resource Contingent RECs, Resource Contingent Bundled RECs, and energy purchased under Service Schedules B and C, proportionately to such purchasers' contract quantities under contracts with Seller during such period and subject to any priorities or shares stated in the Confirmation, and second, to all purchasers of Facility As-Run RECs, Facility As-Run Bundled RECs and energy purchased under Service Schedule A, proportionately to such purchasers' contract quantities under contracts with Seller during such period and subject to any priorities or shares stated in the Confirmation.

R-9 Remedies for Non-Performance.

R-9.1 Damages. Section 21.3 of the Agreement, as modified in this Section 9, applies to REC Transactions.

R-9.1.1 Failure to Receive or Deliver in Unbundled REC Transactions. This Section R-9.1.1 applies to REC Transactions for Firm REC, Resource Contingent REC, and Facility As-Run REC. Section 21.3(a)(3) and (5) of the Agreement are inapplicable. Section 21.3(a)(1) of the Agreement is modified as follows:

If Purchaser refuses to Accept Delivery of RECs Delivered by Seller in accordance with the Confirmation, then Purchaser shall be liable to Seller for the product of (i) and (ii) where (i) is the amount, if any, by which the Contract Price exceeded the Resale Price and (ii) is the amount by which the quantity of RECs Purchaser refused to Accept was less than the Contract Quantity, subject to any limitations stated in the Confirmation.

21.3(a)(2) is modified as follows:

If Seller fails to Deliver RECs to Purchaser in accordance with the Confirmation, then Seller shall be liable to Purchaser for: (a) the product of (i) and (ii) where (i) is the amount, if any, by which the Replacement Price exceeded the Contract Price and (ii) is the amount by which the quantity of RECs Seller Delivered was less than the Contract Quantity; plus (b) if an Applicable Program is specified, the amount, if any, of penalties and alternative compliance payments a Governmental Authority required Purchaser to pay due to Seller's non-performance, and which penalties or alternative compliance payments are no longer subject to judicial review, subject to any limitations stated in the Confirmation.

R-9.1.2 Failure to Receive or Deliver in Bundled REC Transactions.

(a) Price Not Allocated between REC and Energy. This Section R-9.1.2(a) applies to REC Transactions for Firm Bundled REC, Resource Contingent Bundled REC, and Facility As-Run Bundled REC, and in which the Confirmation does not allocate the Contract Price between the REC and Energy. Section 21.3(a)(1) of the Agreement is modified as follows:

> If Purchaser refuses to Accept Delivery from Seller in accordance with the Confirmation, then Purchaser shall be liable to Seller for: (a) the product of (i) and (ii) where (i) is the amount, if any, by which the Contract Price exceeded the Resale Price, and (ii) is the amount by which the quantity of RECs and Energy Purchaser refused to Accept was less than the Contract Quantity, plus (b) the amount of transmission charge(s), if any, for firm transmission service upstream of the delivery point, which Seller incurred to achieve the Resale Price, less the reduction, if any, in transmission charge(s) achieved as a result of the reduction in Purchaser's schedule or receipt of Energy (based on Seller's commercially reasonable efforts to achieve such reduction), subject to any limitations stated in the Confirmation. If the Purchaser refused to Accept Delivery of RECs but Accepted Delivery of Energy, then Purchaser shall pay Seller for such received Energy at the Resale Price of the Energy; if the Purchaser refused to Accept Delivery of Energy but Accepted Delivery of RECs, the Purchaser shall pay Seller for Accepted RECs at an amount equal to the Contract Price less the Resale Price of the Energy.

Section 21.3(a)(2) of the Agreement is modified as follows:

If Seller fails to Deliver to Purchaser in accordance with the Confirmation, then Seller shall be liable to the Purchaser for: (a) the product of (i) and (ii) where (i) is the amount, if any, by which the Replacement Price exceeded the Contract Price, and (ii) is the amount by which the quantity of RECs and Energy Delivered was less than the Contract Quantity; plus (b) the amount of transmission charge(s), if any, for firm transmission service downstream of the delivery point, which Purchaser incurred to achieve the Replacement Price, less the reduction, if any, in transmission charge(s) achieved as a result of the reduction in Seller's schedule or delivery of Energy (based on Purchaser's commercially reasonable efforts to achieve such reduction), plus (c) if an Applicable Program is specified, the amount, if any, of penalties and alternative compliance payments a Governmental Authority required Purchaser to pay due to Seller's non-performance, and which penalties or alternative compliance payments are no longer subject to judicial review, subject to any limitations on such amounts stated in the Confirmation. In the event Seller Delivers Energy but not RECs, and regardless of Purchaser's receipt of Energy, Purchaser shall not be required to pay Seller for such Energy.

(b) **Price Allocated between REC and Energy.** This Section R-9.1.2(b) applies to REC Transactions for Firm Bundled REC, Resource Contingent Bundled REC, and Facility As-Run Bundled REC, in which the Confirmation sets forth an allocation of the Contract Price between the REC and energy.

(i) If Purchaser refuses to Accept Delivery of RECs in accordance with the Confirmation, then Purchaser shall be liable to Seller as set forth in Section R-9.1.1.

(ii) Subject to part (v) of this Section, if Seller fails to Deliver RECs in accordance with the Confirmation, then the Seller shall be liable to Purchaser as set forth in Section R-9.1.1.

(iii) If Purchaser refuses to receive Delivery of Energy in accordance with the Confirmation, then Section 21.3(a) of the Agreement shall apply as set forth in the Agreement without modification by this Service Schedule R.

(iv) If Seller fails to Deliver Energy in accordance with the Confirmation, then Section 21.3(a) of the Agreement shall apply as set forth in the Agreement without modification by this Service Schedule R.

(v) In the event Seller Delivers Energy but fails to Deliver RECs, and regardless of Purchaser's receipt of Energy, Purchaser shall not be required to pay Seller for such Energy.

R-10 Other Modifications of the Agreement for REC Transactions.

R-10.1 Revised Agreement Definitions. For purposes of REC Transactions, the following revisions to definitions contained in Section 4 of the Agreement shall apply:

R-10.1.1 Contract Quantity: The amount of RECs and, if applicable, Energy, to be supplied for a transaction under the Agreement.

R-10.1.2 Power Marketer: An entity which buys, sells, and takes title to RECS, electric energy, transmission and/or other services from traditional utilities and other suppliers.

R-10.1.3 Physically Settled Option: Includes (i) a call option which is the right, but not the obligation, to buy an underlying REC and/or power product as defined under Service Schedule R according to the price and exercise terms set forth in the Confirmation; and (ii) a put option which is the right, but not the obligation, to sell an underlying REC or power product as defined under Service Schedule R according to the price and exercise terms set forth in the Confirmation.

R-10.1.4 Replacement Price: The price at which the Purchaser, acting in a commercially reasonable manner, effects a purchase of substitute REC(s), capacity and/or energy in place of the REC(s), capacity and/or energy not Delivered (for REC(s) and/or energy) or made available (for capacity only) by the Seller or, absent such a purchase, the market price for such quantity of REC(s), capacity and/or energy, as determined by the Purchaser in a commercially reasonable manner, for Energy at the delivery point specified in the Confirmation. Substitute REC(s) must be similar in all material respects to the REC(s) specified in the Confirmation.

R-10.1.5 Resale Price: The price at which the Seller, acting in a commercially reasonable manner, effects a resale of the REC(s), capacity and/or energy not received by the Purchaser or, absent such a resale, the market price for such quantity of REC(s), capacity and/or energy, as determined by the Seller in a commercially reasonable manner, for Energy at the delivery point specified for the transaction in a Confirmation.

R-10.2 Notices. Section 12.2 of the Agreement is revised by inserting “RECs or” before the phrase “capacity and/or energy.”

SERVICE SCHEDULE R
ANNEX 1 - DEFINITIONS

"Acceptance" has the meaning given in Sections R-3.1.2 or R-3.2.2, as applicable.

"All Attributes" has the meaning given in Section R-2.4.1.

"Applicable Program" means (a) a program adopted by a Governmental Authority that requires the sale, purchase, or use of energy generated or produced by a facility that converts renewable natural resources such as wind, sunlight, rain, tides, geothermal heat, hydro, or biomass into electric energy, including any Renewable Portfolio Standard (RPS) adopted by a Governmental Authority and all Governing Law that pertains thereto, or (b) a voluntary program for reporting, crediting or attributing RECs and all rules, standards and procedures adopted by the administering organization that pertain thereto.

"Attestation" means (a) the Seller's written statement, certified as true and correct by an authorized officer of Seller, that the REC is Delivered and title to the REC has been transferred to the Purchaser, and that the Seller has taken all steps to effect transfer of the REC required by any Tracking System designated in the Confirmation, and (b) that satisfies the requirements of any Applicable Program designated in the Confirmation or is a generation information system record of ownership transfer. Annex 2 Exhibit 1 is a template for use of the Parties; an agreed form of Attestation should be included as a part of the Confirmation, and the agreed form will suffice as an Attestation regardless of whether or not it meets the criteria of this definition.

"Change in Law" has the meaning given in Section R-5.2.2(a).

"Deliver" has the meaning given in Sections R-3.1.1 or 3.2.1, as applicable.

"Effective Date" means the date both Parties have executed the Confirmation, or which the Parties otherwise specify in the Confirmation.

"Environmental Attribute" means the following, unless a Tracking System is designated in the Confirmation, and such Tracking System defines "Environmental Attribute," in which case the Tracking System's definition of "Environmental Attribute" shall control: a characteristic concerning or affecting the environment created by or resulting from the generation of electric energy by a Renewable Energy Source, and which capable of measurement, verification, or calculation. The term does not include tax credits or other tax benefits under any law or other direct third-party subsidies for generation of electric energy by a Renewable Energy Source. The term includes "non-energy attributes" under Oregon law and "non-power attributes" under Washington law. By way of example, the term may include the following: avoided emissions of CO_2 or other gases, or avoided water use (but not water or other rights or credits required under an Applicable Program to site and develop the Renewable Energy Facility itself).

"Facility As-Run REC" has the meaning given in Section R-2.3.5.

"Facility As-Run Bundled REC" has the meaning given in Section R-2.3.6(a).

"Firm Bundled REC" has the meaning given in Section R-2.3.2.

"Energy" in the case of a Firm Bundled REC refers to Firm Capacity/Energy Sale or Exchange Service under Service Schedule C as may be modified by Service Schedule R, in the case of a Resource Contingent Bundled REC refers to Unit Commitment Service under Service Schedule B as may be modified by Service Schedule R, and in the case of Facility As-Run Bundled REC refers to Economy Energy Service under Service Schedule A as may be modified by Service Schedule R.

"Firm REC" has the meaning given in Section R-2.3.1.

"Fuel Impediment" means the reduction or lack of wind or sunlight, excessive wind, or other insufficiency or excess of a Renewable Energy Source (excluding biomass), that causes a reduction or cessation of generation of electric energy by a Renewable Energy Facility.

"Forced Outage" means the removal from service availability of a generating unit, transmission line, or other facility for emergency reasons, or the condition in which the equipment is unavailable due to unanticipated failure (such unanticipated failure does not include a Fuel Impediment).

"Governing Law" has the meaning given in Section 24 of the Agreement as that Section may be modified by Section R-5.1.

"Governmental Authority" means the United States, a State thereof, any political subdivision or governmental body thereof, including any department or agency, with jurisdiction over a Party or an Applicable Program.

"Not Regulatorily Continuing" has the meaning given in Section R-5.2.2(b).

"Program Attributes" has the meaning given in Section R-2.4.2.

"Regulatorily Continuing" has the meaning given in Section R-5.2.2(a).

"REC" refers to a renewable energy certificate and means a credit or certificate representing Environmental Attributes created by or resulting from the generation of one (1) megawatt hour of electric energy by a Renewable Energy Source, subject to the terms and conditions stated in the Confirmation.

"REC Product" has the meaning given in Section R-2.2.

"REC Transaction" has the meaning given in Section R-2.1.

"Resource Contingent REC" has the meaning given in Section R-2.3.3.

"Resource Contingent Bundled REC" has the meaning given in Section R-2.3.4(a).

"Renewable Energy Facility" means an electric generation unit or other facility or installation capable of producing or emitting electric energy using a Renewable Energy Source.

"Renewable Energy Source" means (a) a resource that is recognized as a renewable energy source under an Applicable Program designated in the Confirmation, or (b) if no Applicable Program is designated in the Confirmation, a natural resource from or through which electric energy can be generated, including wind, solar, geothermal, landfill gas, wave, tidal, thermal ocean technologies, and hydroelectric power, and excluding fossil carbon-based, non-renewable, or radioactive fuel.

"Reporting Rights" means the right to report and register the exclusive ownership of the REC or Environmental Attributes under Governing Law or any other laws, regulations, orders or judicial precedents of the government of the United States of America or any department or agency thereof, or any State or political subdivision thereof, including mandatory and voluntary reporting, and including reporting under section 1605(b) of the Energy Policy Act of 1992 and any foreign or international emissions trading or reporting program.

"Scheduled Maintenance" means an outage or partial outage scheduled to perform the necessary normal maintenance on a generating unit, transmission line, or other facility to preserve the reliability of the unit or overall system reliability, including scheduled outages for such maintenance.

"Tracking System" means the entity, if any, the Parties designated in the Confirmation that will perform REC tracking and accounting functions, including receiving evidence of generation of the REC and crediting the resulting REC to the Purchaser's account.

"Transfer Date" means the date specified in the Confirmation, no later than which Seller must make Delivery as defined in Sections R-3.1.1 or R-3.2.1, as applicable.

"Vintage" means the period in which the REC was or will be created.

SERVICE SCHEDULE R ANNEX 2

FORM OF
REC TRANSACTION CONFIRMATION

IDENTIFICATION OF PARTIES

Name of Seller: ________________________________

Seller Information: ________________________________
Contact

Tel (O): ______________________

Tel (Cell): ______________________

E-mail: __________________________

Fax: __________________________

Name of Purchaser: ________________________________

Purchaser Information: ________________________________
Contact

Tel (O): ______________________

Tel (Cell): ______________________

E-mail: __________________________

Fax: __________________________

Contact information is subject to change by notice.

ADDRESSES FOR FORMAL NOTCES:

Purchaser:	Seller
______________________________	______________________________
______________________________	______________________________
______________________________	______________________________
______________________________	______________________________

INCORPORATED DOCUMENTATION (any "long form" or other bilateral agreements between the Parties applicable to this Confirmation and incorporated herein)

____

REC TRANSACTION TERMS

REC Product (e.g., Firm REC, Firm Bundled REC, etc.) (see <u>Section</u> R-2.3):

____

Vintage of REC already created or period of generation for REC to be created (mm/yyyy)

____

Contract Quantity (stated either on a megawatt hour basis or percentage of output of a designated Renewable Energy Facility)

____

Transfer Date (generally the Effective Date of this Confirmation for REC that already exists, and future date for REC to be generated after Effective Date)

____

Contract Price:

____

Allocation, if agreed:

REC:

____

Energy:

____

Environmental Attributes (Check One)

□ All Attributes (this designation is effective only if a Renewable Energy Source or Renewable Energy Facility is designated below)

□ Program Attributes (this designation is effective only if an Applicable Program is identified below) (Note: WREGIS and possibly other Tracking Systems will not recognize a Program Attributes REC, or may treat it as an All Attributes REC)

Applicable Program (required for Program Attributes; not required for All Attributes, but designation establishes the minimum Environmental Attributes required by a designated Applicable Program). Also required for recovery of penalties and alternative compliance payments (Section R-9.1). Designation should include detailed information, including any applicable legal citations, to assure adequate description of the program.

____

Designation of Renewable Energy Source or Renewable Energy Facility (required for All Attributes).

Renewable Energy Source: ____

Renewable Energy Facility

Name: _______________________

Location: ___________________________________

Generation Information System number: _________________

Tracking System number: ________________________

Fuel (wind, solar, etc.: __________________

Change in Law Provisions (Check One)

□ Regulatorily Continuing (<u>Section</u> R-5.2.2(b), requiring that Seller make commercial reasonable efforts to obtain compliance with Changes in Law in the designated Applicable Program. If checked, state any agreed maximum costs of such efforts (if no maximum is stated, then no maximum applies):

$______________

□ Not Regulatorily Continuing (Section R-5.2.2(c)).

Tracking System(s) if any: (if none specified, then Delivery occurs by Attestation and not by Tracking System crediting)

Damages. Damages include reimbursement for penalties and alternative compliance payments, subject to any agreed cap on this damages component, which can be zero (<u>Section</u> R-9.1):

$ __________________

Any agreements concerning forward certificates in WREGIS or other Tracking System Expedition) (<u>Section</u> R-3.3.1):

____

TERMS APPLICABLE TO ENERGY IF INCLUDED IN REC PRODUCT

Period (Schedule) of Delivery: From ______ To ______
Schedule (Days and Hours): __________________
Delivery Rate:________________________________
Delivery Point(s): __________________________
Contract Quantity (specify all details): _______________

Transmission Path for the Transaction (If Applicable):__________________

EFFECTIVE DATE AND OTHER PROVISIONS

Effective Date (no earlier than mutual execution of this Confirmation)

____

Other provisions: ____ [generally stated in attachment to the Confirmation]

The Parties agree to the REC Transaction set forth herein as of the Effective Date

Seller	Purchaser
Signed: __________________________	Signed: ____________________________
Name: ___________________________	Name: ____________________________

Date: _______________________ Date: _____________________

ANNEX 2, Exhibit 1
Form of Attestation To Be Included As Exhibit To Confirmation

Attestation Of [Seller] ("REC Generator")
Of Sale, Transfer, and Delivery Of Renewable Energy Certificate to
[Purchaser] "Purchaser"

Party and Contact Information:
[Insert names and addresses of Parties, address, and contact information]
Attestation:
I, [name of attesting officer], the [title] of Seller, declare and certify that Seller sold and delivered

Elect one:

___ Environmental Attributes Only

___ Bundled with electricity

to Purchaser, and further, that

1. Was generated by the Renewable Energy Facility ("REF") designated below and sold, transferred and delivered, subject to receipt of payment, to Purchaser.
2. Is associated with electricity delivered into the [insert delivery area] in compliance with applicable energy delivery rules.

REF Generator Name and Number	Technology Type	Fuel Type (Renewable Energy Source)	Generation Period (mm/yy)	Generator First Day of Operation

The above statements are true and correct to the best of my knowledge, and based on my duly diligent inquiry. This Attestation may serve as a Bill of Sale to document, in accordance with the Confirmation, the transfer from Generator to Purchaser of all of Seller's right, title and interest in and to the REC and environmental attributes it represents, as set forth above.

Either Party may disclose this Attestation to others, including a Tracking System, public utility commissions and other regulatory bodies having jurisdiction over Purchaser, and administrators of voluntary green energy programs, to substantiate and verify the accuracy of the Parties' compliance, advertising and public claims.

Signature:

_____________________________ Date _____________________

Print Name: _____________________________

SCHEDULE Q
FERC ACCEPTED SELLER-SPECIFIC COST-BASED RATE SCHEDULES

Note: Each rate schedule included in this Schedule Q is applicable solely to the Member which submitted that rate schedule to FERC, and not to any other Member.

INDEX

Name of Member	FERC Order Re Underlying Rate Schedule
Arizona Public Service Company	Letter Order, Docket No. ER16-1877-000 (July 15, 2016)
Nevada Power Company	Letter Order, Docket No. ER11-1832-000 (Nov. 23, 2010)
PacifiCorp	Letter Order, Docket No. ER16-1964-000 (Aug. 16, 2016)
Public Service Company of Colorado	Letter Order, Docket No. ER15-678-000 (Feb. 4, 2015)
Sierra Pacific Power Company	Letter Order, Docket No. ER14-1420-000 (Apr. 15, 2014)
Southwestern Public Service Company	Letter Order, Docket No. ER08-857-001 (Aug. 28, 2008)
Westar Energy, Inc.	Letter Order, Docket No. ER11-3233-000 (May 26, 2011)

WSPP AGREEMENT SCHEDULE Q FOR ARIZONA PUBLIC SERVICE COMPANY

Determination of Ceiling Rates Applicable to Sales Made by Arizona Public Service Company Under the WSPP Agreement

I. DEFINITIONS

The following terms shall have the specified meaning when used in any Transaction between Arizona Public Service Company ("APS") and any Customer pursuant to this Cost-Based Tariff ("Tariff"):

1. **APS:** Arizona Public Service Company or any successor-in-interest to Arizona Public Service Company.
2. **Commission:** The Federal Energy Regulatory Commission, or any successor federal agency having jurisdiction over this tariff.
3. **Customer:** Any entity entering into a Transaction with APS under this Tariff.
4. **System Incremental Cost:** ("SIC") System Incremental Cost means, with respect to a Transaction, all reasonably forecasted incremental generation, power purchase, and other, related costs that APS would not otherwise incur if such Transaction is not entered into. System Incremental Cost shall include, but not be limited to, costs associated with fuel, labor, variable operation and maintenance, start-up, shut-down, fuel handling, regulatory commission charges, emission allowance and other environmental compliance costs, transmission losses, wheeling charges, any applicable taxes or assessments based on the revenues received or quantities sold under the Transaction, and with respect to capacity and energy purchased from a third party, the total forecasted amount that would be paid for that capacity and energy by APS. For purchases of energy and capacity by APS, System Incremental Cost will also include, but not be limited to, regulatory commission charges, emission allowances, transmission losses, wheeling charges and taxes.
5. **Tariff:** This Cost-Based Tariff, as it may be amended and/or superseded from time to time.
6. **Transaction:** An individual transaction scheduled pursuant to this Tariff.
7. **Party**: References to a Party shall mean either APS or the Customer, who collectively shall be referred to as "Parties."

II. AVAILABILITY

Service under this Tariff shall be available to Customers for Transactions that have a duration as agreed to by the Parties under the Service Agreement.

III. SALES OF ELECTRIC CAPACITY AND/OR ENERGY

APS and Customers may enter into Transactions under this Tariff from time-to-time. All such Transactions shall be voluntary on the part of APS and the Customer(s). APS at its sole discretion will determine the amounts of and times that electric capacity and/or energy is to be made available under this Tariff prior to entering into a Transaction.

IV. RATES

1. A Transaction will be priced at rates established by agreement between Seller and Buyer, provided that the sum of all charges with respect to each Transaction may be up to but shall not exceed the sum of:

   a) A demand charge, equal to, as appropriate:

      i. \$9,233 /MW/month;

      ii. \$2,131 /MW/week;

      iii. \$426 /MW/day, provided the total demand charge in any week, pursuant to a sale of daily electric power, shall not exceed the weekly rate times the highest amount in megawatts of purchased electric power in any day during such week; or

      iv. \$26.63 /MW/hour, provided that the total demand charge in any day, pursuant to a sale of hourly electric power, shall not exceed the daily rate times the highest amount in megawatts of purchased electric power in any hour during such day, and the total demand charges in any week, pursuant to a sale of hourly or daily electric power, shall not exceed the weekly rate times the highest amount in megawatts of purchased electric power in any such week; and

   b) The System Incremental Cost, forecasted at the time the Transaction is executed, plus 10% of the forecasted System Incremental Cost; and

   c) The cost of transmission service and any ancillary services purchased by APS and resold to Customer, as known or forecasted at the time the Transaction is executed.

V. EXPANSION OF FACILITIES

APS will have no obligation under this Tariff to plan its system or modify its facilities in order to provide service hereunder.

VI. OTHER TERMS AND CONDITIONS

Except to the extent otherwise specifically agreed to by the Parties, all Transactions under APS's Schedule Q shall be governed by the terms and conditions set forth in the WSPP Agreement.

COST-BASED RATE SCHEDULE
FOR
PACIFICORP

Determination of Ceiling Rates Applicable to Cost-Based Sales Made by PacifiCorp

1. The following rates shall be applicable to any cost-based sale of power and/or energy made by PacifiCorp (1) pursuant to the applicable terms and conditions of the WSPP Agreement, including under Service Schedule A (Economy Energy Service), Service Schedule B (Unit Commitment Service), and Service Schedule C (Firm Capacity/Energy Sale or Exchange Service), and (2) for a term of less than one year.

2. The rates for any cost-based power and/or energy sale made by PacifiCorp pursuant to the applicable terms and conditions of the WSPP Agreement from PacifiCorp's generating resources shall not exceed the following:

   (i) Maximum Demand Charge:

   The Maximum Demand Charge shall be capped using the following methodology:

   Units Most Likely To Participate Methodology

Monthly	Up to \$11,317/MW
Weekly	Up to \$2,612/MW
Daily	Up to \$522/MW, provided, however, that the Daily rate of \$522/MW shall not exceed the product of the number of kilowatts sold for a week multiplied by the maximum weekly demand charge of \$2,612/MW.
Hourly	Up to \$32.64/MW, provided, however, that the hourly rate of \$32.64/MW shall not exceed the product of the number of kilowatts sold for a day multiplied by the maximum daily demand charge of \$522/MW, and also not exceed the product of the number of kilowatts sold for a week multiplied by the maximum weekly demand charge of \$2,612/MW.

   (ii) Energy Charge of 100% of SIC, plus up to 10% of SIC; and

   (iii) All charges incurred for transmission service, ancillary services, and transmission losses.

3. If PacifiCorp enters into a purchased power transaction specifically for the purpose of reselling such power hereunder, the rates shall not exceed the sum of the following:

(i) PacifiCorp's out-of-pocket costs of purchasing such capacity and/or energy, including all related charges incurred for transmission service, ancillary services, transmission losses and any applicable taxes or other similar governmental impositions; and

(ii) $1.00 per megawatt-hour multiplied by the total megawatt-hours scheduled.

4. System Incremental Costs ("SIC") means all reasonably forecasted costs of such power and/or energy and which otherwise would not have been incurred by PacifiCorp including, but not limited to, costs associated with fuel, labor, variable operation and maintenance, start-up, shut-down, fuel handling, taxes or other similar governmental impositions, regulatory commission charges, emission allowances and other environmental compliance costs.

5. Purchasers in cost-based transactions shall also be responsible for any taxes, purchased power costs, and for any other costs incurred by PacifiCorp in fulfilling its obligations for the provision of power and/or energy under the WSPP Agreement, which cost would otherwise not have been incurred, had such service not been provided.

WSPP AGREEMENT SCHEDULE Q FOR NEVADA POWER COMPANY

Determination of Ceiling Rates Applicable to Cost-Based Sales Made by Nevada Power Company

1. The following rates shall be applicable to any cost-based sale of power and/or energy made by Nevada Power Company, d/b/a NV Energy ("Nevada Power") (1) pursuant to the applicable terms and conditions of the WSPP Agreement, including under Service Schedule A (Economy Energy Service), Service Schedule B (Unit Commitment Service), and Service Schedule C (Firm Capacity/Energy Sale or Exchange Service), (2) at a delivery point located within the Nevada Power balancing authority area, and (3) for a term of less than one year.

2. The rates for any cost-based power and/or energy sale made by Nevada Power pursuant to the applicable terms and conditions of the WSPP Agreement from Nevada Power's generating resources shall not exceed the following:

   (i) Maximum Demand Charge:

   The Maximum Demand Charge shall be capped using the following methodology:

   Units Most Likely To Participate Methodology

Monthly	Up to $8,390/MW
Weekly	Up to $1,940/MW
Daily	Up to $390/MW, provided, however, that the Daily rate of $390/MW shall not exceed the product of the number of kilowatts sold for a week multiplied by the maximum weekly demand charge of $1,940/MW.
Hourly	Up to $24.40/MW, provided, however, that the hourly rate of $24.40/MW shall not exceed the product of the number of kilowatts sold for a day multiplied by the maximum daily demand charge of $390/MW, and also not exceed the product of the number of kilowatts sold for a week multiplied by the maximum weekly demand charge of $1,940/MW.

   (ii) Energy Charge of 100% of SIC, plus up to 10% of SIC; and

   (iii) All charges incurred for transmission service, ancillary services, and transmission losses.

3. If Nevada Power enters into a purchased power transaction specifically for the purpose of reselling such power hereunder, the rates shall not exceed the sum of the following:

   (i) Nevada Power's out-of-pocket costs of purchasing such capacity and/or energy, including all related charges incurred for transmission service, ancillary services, transmission losses and any applicable taxes or other similar governmental impositions; and

   (ii) $1.00 per megawatt-hour multiplied by the total megawatt-hours scheduled.

4. System Incremental Costs (“SIC”) means all reasonably forecasted costs of such power and/or energy and which otherwise would not have been incurred by Nevada Power including, but not limited to, costs associated with fuel, labor, variable operation and maintenance, start-up, shut-down, fuel handling, taxes or other similar governmental impositions, regulatory commission charges, emission allowances and other environmental compliance costs.

5. Purchasers in cost-based transactions shall also be responsible for any taxes, purchased power costs, and for any other costs incurred by Nevada Power Company in fulfilling its obligations for the provision of power and/or energy under the WSPP Agreement, which cost would otherwise not have been incurred, had such service not been provided.

WSPP AGREEMENT SCHEDULE Q FOR PUBLIC SERVICE COMPANY OF COLORADO

Determination of Ceiling Rates Applicable to Sales Made by Public Service Company of Colorado under the WSPP Agreement

1. The following rates shall be applicable to any cost-based sale of power and/or energy made by Public Service Company of Colorado ("Public Service") (1) pursuant to the WSPP Agreement, including under Service Schedule A (Economy Energy Service), Service Schedule B (Unit Commitment Service), and Service Schedule C (Firm Capacity/Energy Sale or Exchange Service) and (2) at a delivery point located within the Public Service balancing authority area.

2. The rates for any cost-based power and/or energy sale made pursuant to the WSPP Agreement from certain Public Service generation resources shall not exceed the following:

   <u>Maximum Demand Charge:</u>

   The Maximum Demand Charge shall be capped at either of the following methodologies:

   <u>Units Most Likely to Participate Methodology</u>

Annual	$123.73/kW
Monthly	$10.62/kW
Weekly	$2.45/kW
Daily	$0.49/kW, provided, however, that the Daily rate of $0.49/kW shall not exceed the product of the number of kilowatts sold for a week multiplied by the maximum weekly demand charge of $2.45/kW.
Hourly	$0.0306/kW, provided, however, that the hourly rate of $0.0306/kW shall not exceed the product of the number of kilowatts sold for a day multiplied by the maximum daily demand charge of $0.49/kW, and also not exceed the product of the number of kilowatts sold for a week multiplied by the maximum weekly demand charge of $2.45/kW.

   <u>Unit Revenue Constraint Methodology</u>

Annual	$265.72/kW
Monthly	$22.14/kW
Weekly	$5.11/kW
Daily	$1.02/kW, provided, however, that the Daily rate of $1.02/kW shall not exceed the product of the number of kilowatts sold for a week multiplied by the maximum weekly demand charge of $5.11/kW.
Hourly	$0.0639/kW, provided, however, that the hourly rate of $0.0639/kW

shall not exceed the product of the number of kilowatts sold for a day multiplied by the maximum daily demand charge of 1.02/kW, and also not exceed the product of the number of kilowatts sold for a week multiplied by the maximum weekly demand charge of \$5.11/kW.

Note: The total amount of Power available for cost-based sales by Public Service based on the costs of Comanche 3 under the WSPP Agreement and under other Public Service tariffs and arrangements, for which the agreed upon demand charge is determined based on Comanche 3, is limited to 500 MWs on an hourly basis.

Plus:

Energy Charge:

(a) no less than 100% of Public Service's System Incremental Costs (SIC); plus
(b) up to 10% of SIC, provided, however, that whenever the SIC for an hour is based on purchased power, the 10% mark up shall be limited to one mill/kWh.

Note: The total charges for any sale by Public Service using the Maximum Demand Charge as determined based on the Unit Revenue Constraint Methodology shall not exceed (1) the product of the requested demand (kW) multiplied by the applicable Maximum Demand Charge using the Unit Revenue Constraint Methodology as specified above, plus the variable costs of Comanche 3 (based on the most recent historical month where Comanche 3 was operational at least 80 percent of the time), and (2) be lower than a floor equal to 100% of Public Service's System Incremental Cost.

3. When a cost-based sale of power and/or energy made by Public Service under the WSPP Agreement is conditioned upon Public Service acquiring purchased power, Purchaser shall pay the following amounts to Public Service for power and energy:

   (a) Public Service's actual purchased power costs; plus
   (b) a one mill adder for transactions of less than one year in duration.

4. Purchasers in cost-based transactions shall also be responsible for any taxes, purchased power costs, and for any other costs incurred by Public Service in fulfilling its obligations for the provision of power and/or energy under the WSPP Agreement, which otherwise would not have been incurred, had such service not been provided.

5. For purposes of this Schedule Q, "Purchased Power" means the Power and Energy purchased from a third party by Public Service and shall consist of the total amount paid therefor by Public Service associated with such purchase, plus any cost which otherwise

would not have been incurred, including, but not limited to, regulatory commission charges, transmission losses, third-party transmission charges, and taxes, fees or assessments related to such transactions. Tax expenses shall include the expenses that are incurred as taxes either in connection with the sale or production of such Power and Energy. The term Purchased Power shall not apply to long-term purchases that are secured to supply Public Service's obligation load requirements as a system resource or to meet other regulatory requirements.

6. For purposes of this Schedule Q, System Incremental Costs ("SIC")[1] shall be determined as follows:

SIC are any costs forecasted to be incurred by Public Service solely by reason of its provision of an incremental amount of coordination-type energy to supply to another company, including but not limited to, costs for fuel, reactant, labor, operation, maintenance, start-up, fuel handling, taxes, emission allowances, and services provided by RTOs, ISOs, or other transmission providers such as transmission and ancillary services and losses. Such costs may also include costs paid to third parties where Public Service has an existing contractual entitlement to purchase energy.

- For intraday (real-time) transactions, incremental cost is determined through a review of hourly system characteristics.

- For non-intraday transactions, incremental cost is determined by using a resource optimization model such as, but not limited to ProSym or GenTrader.

The forecasted incremental cost represents the relative increase in total variable cost, in comparison to the previously determined base variable cost. Public Service forecasts incremental costs on a monthly, daily and hourly basis in order to evaluate whether it would be economic to engage in a wholesale sale of coordination energy.[2] In order for Public Service to transact, and sell power to another entity, the purchaser must be willing to pay no less than the forecasted incremental cost for the period during which the energy is sold. It is necessary to use forecasted costs because transactions are entered into in the market in advance. The forecast incremental costs for Public Service utilize its unique portfolio resources, applicable fuel costs and generation characteristics.

Monthly forecasted incremental variable costs are developed utilizing an optimization and unit commitment model. Generation characteristics such as forecasted fuel prices, effective heat rates, system penalty factors, start-up costs, unit parameters (*e.g.*, minimum run time, dispatch minimum, dispatch maximum), variable O&M, and tolling costs are utilized in the model to establish the base cost to serve a forecasted amount of obligation (load and the net of applicable firm purchase and sales transactions). Planned and forced outages are also considered in the model. Additional obligations are added to the model (consistent with blocks traded in the market), and the optimized costs are returned. The difference in costs between the first and second run, *i.e.*, with and without an incremental transaction or load addition, will represent the incremental cost to serve the additional obligation. The forecasted incremental cost to serve the additional obligation will establish the minimum price required in order to engage in a sale of similar energy volume.

Daily forecasted incremental costs are developed utilizing a unit commitment and optimization program. The best available generation characteristics are utilized in the model to forecast the base cost to serve the next-day obligation. Additional obligations are applied and system costs evaluated to establish the forecasted cost to serve a potential incremental sale.

On an hourly basis, the system operator forecasts the incremental cost to serve an additional obligation by evaluating current and short-term forecast system conditions and the resources that are not previously allocated to meet established obligations. If additional portfolio resources are available (not allocated for native load requirements), the system operator will evaluate the comprehensive cost to produce the quantity of energy needed for an incremental sale.

If the Parties to a transaction under this WSPP Agreement expressly agree in a transaction agreement, incremental costs may be determined in the same manner as specified above, but on an after-the-fact, actual basis.

Note 1: The Commission previously accepted this incremental rate methodology in *Xcel Energy Services, Inc., et al*., 117 FERC ¶ 61,180, at PP 45-49 (2006).

Note 2: The Commission has found this approach to be acceptable. *See, e.g., Western Systems Power Pool*, 55 FERC ¶ 61,495, at 62,718 (1991) (noting that incremental cost "may be forecasted hourly, weekly, or monthly").

WSPP AGREEMENT SCHEDULE Q FOR SIERRA PACIFIC POWER COMPANY

Determination of Ceiling Rates Applicable to Cost-Based Sales Made by Sierra Pacific Power Company

1. The following rates shall be applicable to any cost-based sale of power and/or energy made by Sierra Pacific Power Company, d/b/a NV Energy ("Sierra") (1) pursuant to the applicable terms and conditions of the WSPP Agreement, including under Service Schedule A (Economy Energy Service), Service Schedule B (Unit Commitment Service), and Service Schedule C (Firm Capacity/Energy Sale or Exchange Service), (2) at a delivery point located within the Nevada Power Company balancing authority area ("NEVP"), and (3) for a term of less than one year.

2. The rates for any cost-based power and/or energy sale made by Sierra pursuant to the applicable terms and conditions of the WSPP Agreement from Sierra's generating resources shall not exceed the following:

   (i) Maximum Demand Charge:

   The Maximum Demand Charge shall be capped using the following methodology:

   Units Most Likely To Participate Methodology

Monthly	Up to $9,810/MW
Weekly	Up to $2,260/MW
Daily	Up to $450/MW, provided, however, that the Daily rate of $450/MW shall not exceed the product of the number of kilowatts sold for a week multiplied by the maximum weekly demand charge of $2,260/MW.
Hourly	Up to $28.10/MW, provided, however, that the hourly rate of $28.10/MW shall not exceed the product of the number of kilowatts sold for a day multiplied by the maximum daily demand charge of $450/MW, and also not exceed the product of the number of kilowatts sold for a week multiplied by the maximum weekly demand charge of $2,260/MW.

   (ii) Energy Charge of 100% of SIC, plus up to 10% of SIC; and

   (iii) All charges incurred for transmission service, ancillary services, and transmission losses.

3. If Sierra enters into purchased power transaction specifically for the purpose of reselling such power hereunder, the rates shall not exceed the sum of the following:

   (i) Sierra's out-of-pocket costs of purchasing such capacity and/or energy, including all related charges incurred for transmission service, ancillary services, transmission losses and any applicable taxes or other similar governmental impositions; and

(ii) $1.00 per megawatt-hour multiplied by the total megawatt-hours scheduled.

4. System Incremental Costs ("SIC") means all reasonably forecasted costs of such power and/or energy and which otherwise would not have been incurred by Sierra including, but not limited to, costs associated with fuel, labor, variable operation and maintenance, start-up, shut-down, fuel handling, taxes or other similar governmental impositions, regulatory commission charges, emission allowances and other environmental compliance costs.

5. Purchasers in cost-based transactions shall also be responsible for any taxes, purchased power costs, and for any other costs incurred by Nevada Power Company in fulfilling its obligations for the provision of power and/or energy under the WSPP Agreement, which cost would otherwise not have been incurred, had such service not been provided.

WSPP AGREEMENT SCHEDULE Q FOR SOUTHWESTERN PUBLIC SERVICE COMPANY

Determination of Ceiling Rates Applicable to Sales Made by Southwestern Public Service Company under the WSPP Agreement

1. The following rates shall be applicable to any cost-based sale of power and/or energy made by Southwestern Public Service Company ("SPS") (1) pursuant to the WSPP Agreement, including under Service Schedule A (Economy Energy Service), Service Schedule B (Unit Commitment Service), and Service Schedule C (Firm Capacity/Energy Sale or Exchange Service and (2) at a delivery point located within the SPS balancing authority area.

2. The rates for any cost-based power and/or energy sale made pursuant to the WSPP Agreement from SPS generation resources shall not exceed the following:

   <u>Maximum Demand Charge:</u>

Monthly	\$ 7.56/kW
Weekly	\$ 1.745/kW
Daily (On-peak)	\$ 0.349/kW, provided, however, that the Total Weekly charges for a customer paying the Daily rate of \$0.349/kW (on-peak) or \$0.249 (off-peak) shall not exceed the product of the number of kilowatts sold for a week multiplied by the maximum Weekly demand charge of \$1.745/kW.
Daily (Off-peak)	\$ 0.249/kW
Hourly	\$ 21.813/MW, provided, however, that the Total Daily charges for a customer paying the Hourly rate of \$21.813/MW shall not exceed the product of the number of kilowatts sold for a day multiplied by the maximum Daily (on-peak) demand charge, and total Weekly charges for such a customer shall not exceed the product of the number of kilowatts sold for a week multiplied by the maximum Weekly demand charge of \$1.745/kW.

   plus

   <u>Energy Charge:</u>

   (a) no less than 100% of SPS's System Incremental Costs (SIC); plus
   (b) up to 10% of SIC, provided, however, that whenever the SIC for an hour is based on purchased power, the 10% mark up shall be limited to one mill/kWh.

<u>Note A:</u> The total charges for any cost-based sale under the WSPP Agreement shall not exceed the product of the requested demand (kW) multiplied by the applicable Maximum Demand Charge in this Section 1, plus the variable costs of Lea Power Partners (based on the second previous month's cost data), and not withstanding

the foregoing, a floor equal to 100% of SPS's System Incremental Cost.

Note B: The total amount of Power available for cost-based sales by SPS under the WSPP Agreement and under other SPS tariffs and agreements for which the agreed upon demand charge is determined based on Lea Power Partners is limited to 600 MWs on an hourly basis.

3. When a cost-based sale of power and/or energy made by SPS under the WSPP Agreement is conditioned upon SPS acquiring Purchased Power, Purchaser shall pay the following amounts to SPS for power and energy:

   (a) SPS's actual Purchased Power costs; plus
   (b) a one mill adder for transactions of less than one year in duration.

4. Purchasers in cost-based transactions shall also be responsible for any taxes, purchased power costs, and for any other costs incurred by SPS in fulfilling its obligations for the provision of power and/or energy under the WSPP Agreement, which otherwise would not have been incurred, had such service not been provided.

5. For purposes of the WSPP Agreement, System Incremental Costs ("SIC") shall be determined as follows:

SIC are any costs forecasted to be incurred by SPS solely by reason of its provision of an incremental amount of coordination-type energy to supply to another company, including but not limited to costs for fuel, reactant, labor, operation, maintenance, start-up, fuel handling, taxes, emission allowances, and services provided by RTOs, ISOs, or other transmission providers such as transmission and ancillary services and losses. Such costs may also include costs paid to third parties where the SPS has an existing contractual entitlement to purchase energy.

- For intraday (real-time) transactions, incremental cost is determined through a review of hourly system characteristics.

- For non-intraday transactions, incremental cost is determined by using a resource optimization model such as, but not limited to ProSym, Couger or GenTrader.

The forecasted incremental cost represents the relative increase in total variable cost, in comparison to the previously determined base variable cost. SPS forecasts incremental costs on a monthly, daily and hourly basis in order to evaluate whether it would be economic to engage in a wholesale sale of energy.2 In order for SPS to transact, and sell power to another entity, the purchaser must be willing to pay no less than the forecasted incremental cost for the period during which the energy is sold. It is necessary to use forecasted costs because transactions are entered into in the market in advance. The forecast incremental costs for SPS

[2] The Commission has found this approach to be acceptable. *See, e.g., Western Systems Power Pool*, 55 FERC ¶ 61,495 at 62,718 (1991) (noting that incremental cost "may be forecasted hourly, weekly, or monthly").

utilize its unique portfolio resources, applicable fuel costs and generation characteristics.

Monthly forecasted incremental variable costs are developed utilizing an optimization and unit commitment model. Generation characteristics such as forecasted fuel prices, effective heat rates, system penalty factors, start-up costs, unit parameters (e.g., minimum run time, dispatch minimum, dispatch maximum), variable O&M, and tolling costs are utilized in the model to establish the base cost to serve a forecasted amount of obligation (load and the net of applicable firm purchase and sales transactions). Planned and forced outages are also considered in the model. Additional obligations are added to the model (consistent with blocks traded in the market), and the optimized costs are returned. The difference in costs between the first and second run, i.e., with and without an incremental transaction or load addition, will represent the incremental cost to serve the additional obligation. The forecasted incremental cost to serve the additional obligation will establish the minimum price required in order to engage in a sale of similar energy volume.

Daily forecasted incremental costs are developed utilizing a unit commitment and optimization program. The best available generation characteristics are utilized in the model to forecast the base cost to serve the next-day obligation. Additional obligations are applied and system costs evaluated to establish the forecasted cost to serve a potential incremental sale.

On an hourly basis, the system operator forecasts the incremental cost to serve an additional obligation by evaluating current system conditions and the resources that are not previously allocated to meet established obligations. If additional portfolio resources are available (not allocated for native load requirements), the system operator will evaluate the comprehensive cost to produce the quantity of energy needed for an incremental sale.

WSPP AGREEMENT SCHEDULE Q FOR WESTAR ENERGY

Determination of Ceiling Rates Applicable to Cost-Based Sales Made by Westar Energy under the WSPP Agreement

1. The following rates shall be applicable to any cost-based sale of power and/or energy made by Westar Energy ("Westar") (1) pursuant to the applicable terms and conditions of the WSPP Agreement, including under Service Schedule A (Economy Energy Service), Service Schedule B (Unit Commitment Service), and Service Schedule C (Firm Capacity/Energy Sale or Exchange Service) and (2) at a delivery point located within the Westar Energy balancing authority area.

2. The rates for any cost-based power and/or energy sale made by Westar Energy pursuant to the applicable terms and conditions of the WSPP Agreement from Westar Energy's generating resources shall not exceed the following:

   (i) Maximum Demand Charge:

   The Maximum Demand Charge shall be capped at either of the following methodologies:

   <u>Units Most Likely To Participate Methodology</u>

Monthly	Up to $13,520/MW
Weekly	Up to $3,120/MW
Daily	Up to $624/MW, provided, however, that the Daily rate of $624/MW shall not exceed the product of the number of kilowatts sold for a week multiplied by the maximum weekly demand charge of $3,120/MW.
Hourly	Up to $39.00/MW, provided, however, that the hourly rate of $39.00/MW shall not exceed the product of the number of kilowatts sold for a day multiplied by the maximum daily demand charge of $624/MW, and also not exceed the product of the number of kilowatts sold for a week multiplied by the maximum weekly demand charge of $3,120/MW.

   (ii) Energy Charge of no less than 100% of SIC, plus up to 10% of SIC; and

   (iii) All charges incurred for transmission service, ancillary services, and transmission losses.

3. If Westar Energy enters into a purchased power transaction specifically for the purpose of reselling such power hereunder, the rates shall not exceed the sum of the following:

(i) Westar Energy's out-of-pocket costs of purchasing such capacity and/or energy, including all related charges incurred for transmission service, ancillary services, transmission losses and any applicable taxes or other similar governmental impositions; and

(ii) $1.00 per megawatt-hour multiplied by the total megawatt-hours scheduled.

4. System Incremental Costs (“SIC”) means all reasonably forecasted costs of such power and/or energy and which otherwise would not have been incurred by Westar Energy including, but not limited to, costs associated with fuel, labor, variable operation and maintenance, start-up, shut-down, fuel handling, taxes or other similar governmental impositions, regulatory commission charges, emission allowances and other environmental compliance costs.

5. Purchasers in cost-based transactions shall also be responsible for any taxes, purchased power costs, and for any other costs incurred by Westar Energy in fulfilling its obligations for the provision of power and/or energy under the WSPP Agreement, which cost would otherwise not have been incurred, had such service not been provided.

LIST OF MEMBERS

26SB 8me LLC
45MG 8me LLC
90FI 8me LLC
92JT 8me LLC
100RD 8me LLC
3 Phases Renewables Inc.
3PR Trading, Inc.
AEP Energy Partners, Inc.
AES Marketing and Trading, LLC
AES Redondo Beach, LLC
Aha Macav Power Service
Alameda Municipal Power
AlbertaEX, L.P.
Albertsons Companies, Inc.
Alcoa Power Marketing LLC
AltaGas Ripon Energy Inc.
Altop Energy Trading LLC
American Electric Power Service Corporation as agent for Indiana Michigan Power Company
American Electric Power Service Corporation as agent for Public Service Company of Oklahoma and Southwestern Electric Power Company
Anahau Energy, LLC
Arizona Electric Power Cooperative, Inc.
Arizona Public Service Company
Arkansas Electric Cooperative Corp.
Associated Electric Cooperative, Inc.
ATCO Energy Ltd.
ATNV Energy, LP
Ava Community Energy Authority
Avangrid Power, LLC
Avista Corporation
Basin Electric Power Cooperative
Bear Valley Electric Service, Inc.
BigBeau Solar, LLC
Black Hills Colorado Electric LLC
Black Hills Power Inc.
Black Hills Wyoming, Inc.
Blythe Energy Inc.
BOCA bn, LLC
Bolt Energy Marketing, LLC
Bonneville Power Administration
Boston Energy Trading and Marketing LLC
BP Energy Company
bp Energy Retail Company California LLC
Brookfield Renewable Trading and Marketing LP
Caballero CA Storage, LLC

California Choice Energy Authority
California Department of Water Resources
California Power Holdings, LLC
CalPeak Power LLC
Calpine Energy Services, L.P.
Calpine Energy Solutions, LLC
Cargill Power Markets, LLC
Castanea Project, LLC
Castleton Commodities Merchant Trading L.P.
Central Arizona Water Conservation District
Central Coast Community Energy
CFE International LLC
Chevron Power Holdings Inc.
Cheyenne Light, Fuel and Power
Citadel Energy Marketing LLC
Citigroup Energy Inc.
City and County of San Francisco
City of Anaheim, Public Utilities Dept.
City of Azusa, California
City of Banning, California
City of Burbank, California
City of Cerritos (Cerritos Electric Utility)
City of Colton, California
City of Corona Utilities Department
City of Farmington, New Mexico
City of Gillette
City of Glendale, California
City of Independence, Missouri
City of Industry
City of Iola, Kansas
City of Lancaster
City of Lodi Electric Utility
City of Mesa, Arizona
City of Moreno Valley, California
City of Palo Alto, California
City of Pasadena, California
City of Rancho Cucamonga, California
City of Redding, California
City of Riverside, California
City of Roseville, California
City of San José
City of Shasta Lake
City of Sikeston, Board of Municipal Utilities
City of St. George Energy Service Department
City of Vernon, California
City of Wathena, Kansas

Clatskanie People's Utility District
Clean Energy Alliance
Clean Power Alliance of Southern California
Cleco Power LLC
Coast Mountain Hydro Limited Partnership
Colorado River Commission of Nevada
Colorado Springs Utilities
Colton Power L.P.
Columbia Power Corporation
Comision Federal de Electricidad
Commercial Energy of Montana Inc.
Condon Wind Power, LLC
ConocoPhillips Company
Constellation Energy Generation, LLC
Constellation NewEnergy, Inc.
Cooperative Energy, a Mississippi electric cooperative
CORE Electric Coop
Coso Geothermal Power Holdings, LLC
Covanta Energy Marketing, LLC
CP Energy Marketing (US) Inc.
Credit Suisse Energy LLC
CWP Energy, Inc.
CXA La Paloma, LLC
Deseret G&T
Desert Harvest II, LLC
Direct Energy Business, LLC
DRW Energy Trading LLC
DTE Energy Trading, Inc.
Dynasty Power Inc.
Dynegy Marketing and Trade, LLC
Dynegy Power Marketing, LLC
East Bay Municipal Utility District
East Texas Electric Cooperative, Inc.
EDF Renewable Windfarm V, Inc.
EDF Trading North America, LLC
Electrical District No. 3 of Pinal County, Arizona
El Paso Electric Company
Elk Hills Power, LLC
Empire District Electric Company
Enel Trading North America, LLC
Energy Development & Construction Corporation
Energy Keepers, Inc.
Energy Unlimited, Inc.
Enersponse Inc.
Engelhart CTP Energy Marketing LLC
Engelhart CTP (US) LLC

ENGIE Energy Marketing NA, Inc.
ENMAX Energy Corporation
ENMAX Energy Marketing Inc.
Entergy Services, Inc. (also Entergy Arkansas, Inc., Entergy Louisiana, LLC, Entergy Mississippi, Inc., Entergy New Orleans, Inc., Entergy Texas, Inc.)
ETC Endure Energy L.L.C.
Eugene Water & Electric Board
Evergy Kansas Central, Inc.
Evergy Metro, Inc.
Evergy Missouri West, Inc.
Evolugen Trading and Marketing LP
Florida Power & Light Company
FortisBC Inc.
Freepoint Commodities LLC
Freeport-McMoRan Cooper & Gold Energy Services, LLC
GenOn Energy Management, LLC
Geysers Power Company, LLC
Goal Line, LP
Golden Spread Electric Cooperative, Inc.
Goldman Sachs Renewable Power Marketing LLC
Gonzaga Ridge Wind Farm, LLC
Google Energy LLC
Goose Prairie Solar LLC
Grand River Dam Authority
Grays Harbor Energy LLC
Great River Energy
Greenleaf Energy Unit 2, LLC
Gunvor USA LLC
Guzman Energy Partners LLC
Guzman Energy, LLC
Harquahala Sun 1, LLC
Hartree Partners, LP
Heartland Generation Ltd.
Hermiston Generating Company, L.P.
High Desert Power Project, LLC
Hinson Power Company, Inc.
Holy Cross Electric Association d/b/a Holy Cross Energy
Idaho Falls Power
Idaho Power Company
Illinois Power Marketing Company
Imperial Irrigation District
Indigo Generation LLC
Inland Empire Energy Center LLC
Inland Power and Light
J. Aron & Company
J.P. Morgan Ventures Energy Corporation

Jonesboro City Water and Light
Just Energy Solutions Inc.
Kaiser Aluminum Washington LLC
Kansas City Board of Public Utilities
Kansas Power Pool
Karbone Energy LLC
Kiowa Power Partners, LLC
Lafayette Utilities System
La Plata Electric Association, Inc.
Larkspur Energy LLC
Las Vegas Power Company, LLC
Leapfrog Power, Inc.
Lehi City, d/b/a/ Lehi City Corporation
Lincoln Electric System
Los Alamos County
Los Angeles Department of Water and Power
Louisiana Energy and Power Authority
Louisville Gas & Electric Company
Luminant Energy Company LLC
Macquarie Energy LLC
MAG Energy Solutions Inc.
Malaga Power, LLC
Manitoba Hydro
Marin Clean Energy
Mariposa Energy, LLC
Maverick Solar 4, LLC
Maverick Solar 7, LLC
McMinnville Water & Light
Merced Irrigation District
Mercuria Energy America, LLC
Merrill Lynch Commodities, Inc.
Mesquite Power, LLC
Metropolitan Water District of Southern California
MidAmerican Energy Company
Midway Peaking, LLC
Midwest Energy, Inc.
Missouri Joint Municipal Electric Utility Comm.
Modesto Irrigation District
Mohave Electric Cooperative, Inc.
Morgan Stanley Capital Group, Inc.
Mountain Parks Electric, Inc.
MRP San Joaquin Energy LLC
M-S-R Public Power Agency
Municipal Energy Agency of Nebraska
NaturEner Power Watch, LLC
Navajo Tribal Utility Authority

Nebraska Public Power District
Nevada Cogeneration Associates No. 2
Nevada Gold Energy, LLC
Nevada Power Company
New Harquahala Generating Company, LLC
New-Indy Ontario LLC
New-Indy Oxnard LLC
New West Energy
Nexen Energy Marketing U.S.A. Inc.
NextEra Energy Marketing, LLC
Nexus Energy Inc.
NG Renewables Energy Marketing, LLC
Noble Americas Gas & Power Corp.
Northern California Power Agency
Northern States Power Company
Northern Wasco County People's Utility District
NorthPoint Energy Solutions Inc.
NorthWestern Corporation dba NorthWestern Energy
NRG Business Marketing LLC
Occidental Power Services, Inc.
Oklahoma Gas & Electric Company
Oklahoma Municipal Power Authority
Omaha Public Power District
Ontario Power Generation Inc.
Orange County Power Authority
Otter Tail Power Company
Pacific Gas & Electric Company
Pacific Summit Energy LLC
PacifiCorp
Pattern Energy Management Services LLC
Patua Acquisition Company, LLC
Peninsula Clean Energy Authority
Phillips 66 Energy Trading LLC
Pilot Power Group, Inc.
Pioneer Community Energy
Pittsburg Power Company
Placer County Water Agency
Platte River Power Authority
Plumas-Sierra Rural Electric Cooperative
PNGC Power
Poblano Energy Storage, LLC
Port of Oakland
Portland General Electric
Power and Water Resources Pooling Authority
Power Company of America, L.P.
Power Resources Cooperative

Powerex Corp.
Public Service Company of Colorado
Public Service Company of New Mexico
Public Utility District No. 1 of Benton County
Public Utility District No. 1 of Chelan County
Public Utility District No. 1 of Clark County
Public Utility District No. 1 of Cowlitz County
Public Utility District No. 1 of Douglas County
Public Utility District No. 1 of Franklin County
Public Utility District No. 1 of Grays Harbor County
Public Utility District No. 1 of Klickitat County
Public Utility District No. 1 of Lewis County
Public Utility District No. 1 of Okanogan County
Public Utility District No. 1 of Pend Oreille County
Public Utility District No. 1 of Snohomish County
Public Utility District No. 2 of Grant County
Public Utility District No. 3 of Mason County
Puget Sound Energy
Quintessence, LLC
Rainbow Energy Marketing Corporation
Renewable Power Strategies LLC dba RPS Advisors
Resi Station, LLC
REV Energy Marketing, LLC
Rising Tree Wind Farm LLC
Royal Bank of Canada
RWE Trading Americas Inc.
Saavi Energy Solutions, LLC
Sacramento Municipal Utility District
Saguaro Power Company
Salt River Project Agricultural Improvement and Power District
Salton Sea Power L.L.C.
San Diego Community Power
San Diego Gas & Electric Co.
San Gorgonio Farms, Inc.
Seattle City Light
Second Foundation US Trading, LLC
Sempra Gas & Power Marketing LLC
Sentinel Energy Center, LLC
Shell Energy North America (US), L.P.
Sierra Pacific Power Co.
Silicon Valley Clean Energy Authority
Silicon Valley Power
Silver State Energy Association
Skylar Energy Resources, LLC
Skylar Power Marketing, LLC
Skylar Resources, LP

Solar of Alamosa LLC
Sonoma Clean Power Authority
Southern Calif. Edison Co.
Southern California Public Power Authority
Southern Company Services, Inc., as agent for: Alabama Power Company, Georgia Power Company, Gulf Power Company, Mississippi Power Company and Southern Power Company
Southern Energy Solution Group LLC
Southern Illinois Power Cooperative
Southern Nevada Water Authority
Southwest Public Power Agency, Inc.
Southwestern Power Administration
Southwestern Public Service Company
Sulphur Springs Valley Electric Cooperative, Inc.
Sunrise Power Company, LLC
Sun Streams 2, LLC
Suncor Energy Marketing Inc.
Sunflower Electric Power Corp.
Switched On, LLC
Tacoma Power
Talen Energy Marketing, LLC
Talen Montana, LLC
TC Energy Marketing Inc.
TEC Energy, Inc.
Teck Metals Ltd.
Tenaska Gateway Partners, LTD
Tenaska Power Services Co.
Tennessee Valley Authority
Tesoro Refining & Marketing Company, LLC
TGP Energy Management, LLC
The Energy Authority, Inc.
The Regents of the University of California
Tidal Energy Marketing (U.S.) L.L.C.
TotalEnergies Gas & Power North America, Inc.
Town of Apple Valley
Townsite Solar, LLC
Trafigura Trading LLC
TransAlta Energy Marketing (US) Inc.
TransCanada Energy Sales Ltd.
Trico Electric Cooperative, Inc.
Triolith Energy Fund, LP
Tri-State Generation and Transmission Association, Inc.
Tucson Electric Power Company
Turlock Irrigation District
Twin Eagle Resource Management, LLC
Umatilla Electric Cooperative
Union Electric Company d/b/a Ameren Missouri

Union Power Partners, L.P.
Uniper Global Commodities North America LLC
United Power, Inc.
UNS Electric Inc.
Utah Associated Municipal Power Systems
Utah Municipal Power Agency
Valley Clean Energy Alliance
Valley Electric Association, Inc.
Vantage Wind Energy LLC
Victorville Municipal Utility Services
Vitol Inc.
WAPA-Colorado River Storage Project
WAPA-Desert Southwest Region
WAPA – Rocky Mountain Region (LAP)
WAPA-Sierra Nevada Region
WAPA-Upper Great Plains Region
Watson Cogeneration Company LLC
Wellhead Power EXchange, LLC
Western Community Energy
Western Farmers Electric Coop.
Western Power and Steam II, LLC
Western Power Services, Inc.
Westlands Grape, LLC
Westlands Solar Blue (OZ) Owner, LLC
WGP Redwood Holdings, LLC
WTMPA/City of Lubbock (Lubbock Power & Light)
Yuba County Water Agency

Southern California Public Power Authority

AGENDA ITEM STAFF REPORT

MEETING DATE: 09/17/2026 **RESOLUTION NUMBER:** 2026-098

SUBJECT: Award of a Master Professional Services Agreement to The Cadmus Group LLC for Customer Programs and Utility Fleet Electrification Engineering Services

DISCUSSION: ☒ **OR** **CONSENT:** ☐

Select the appropriate box(es):

FROM:		**METHOD OF SELECTION:**	
Finance	☐	Competitive	☒
Project Development	☐	Cooperative Purchase	☐
Program Development	☒	Sole Source	☐
Regulatory/Legislative	☐	Other	☐
Project Administration	☐	*Other (Please describe):*	
Legal	☐		
Executive Director	☐		

MEMBER PARTICIPATION:

Sponsoring Member: Burbank, Pasadena, Imperial Irrigation District

Other Members Potentially Participating: Other Members may participate as desired

Approved by Executive Director: Signed by: [signature] DAE0F3A6ECDE496...

RECOMMENDATION:

Award and approve the execution of a Master Professional Services Agreement ("Agreement" or "MPSA") with The Cadmus Group LLC (Cadmus), for Customer Programs and Utility Fleet Electrification Engineering Services.

BACKGROUND:

Cadmus is a Virgina-based engineering consulting firm headquartered in Arlington. The company provides services across the energy program lifecycle, including program design, implementation, evaluation, energy efficiency and demand reduction planning, data analysis, and regulatory support.

DISCUSSION:

Through coordination with the Customer Programs Working Group, SCPPA staff identified the need for engineering services to provide integrated support for the design, implementation, and evaluation of energy efficiency, demand reduction, and related customer programs, as well as utility fleet electrification.

SCPPA conducted extensive outreach to market the solicitation to national trade associations and California hi tech hubs, including California Association of Environmental Professionals, Los Angeles Cleantech Incubator (LACI) and University of California Los Angeles Smart Grid Energy Research (SMERC). SCPPA issued a Request for Proposals (RFP) and received eight proposals in response to the RFP. Based on the evaluation of proposals, SCPPA staff is recommending award of a Master Professional Services Agreement to Cadmus to support implementation of customer programs and utility fleet electrification engineering services. The proposed term of the Agreement would be three years, with an option to extend for an additional three-year term.

- **Scope of Contract Services:**

  Cadmus will provide comprehensive engineering and technical consulting services to support SCPPA Members with the design, implementation, evaluation, and optimization of energy efficiency and demand reduction programs.

  Cadmus's scope of work includes, but is not limited to, the following core services:

  1. Energy efficiency and demand reduction program design and development
  2. Energy efficiency and demand reduction incentive program implementation and technical support
  3. Energy efficiency incentive and demand reduction programs evaluation and reporting

  In addition, the Agreement will provide electric utility fleet electrification support, including assessing fleet electrification opportunities, evaluating operational needs and infrastructure requirements, and developing charging implementation plans consistent with the Advanced Clean Fleets (ACF) rule. Services will focus on practical implementation, operational feasibility, system reliability, and regulatory requirements.

  The Agreement will also provide general engineering services that support Member utilities in evaluating technologies, improving system performance, and strengthening internal technical capacity regarding energy efficiency and demand reduction. This includes assessing emerging and existing technologies, conducting performance testing, and reviewing codes and standards to identify opportunities for energy efficiency and demand reduction.

- **Selection Method:**
  On April 15, 2026, SCPPA issued an RFP for Customer Programs and Utility Fleet Electrification Engineering Services that would provide SCPPA Members with integrated support for the design, implementation, and evaluation of energy efficiency, demand reduction, and utility fleet electrification programs. The submittal deadline for the RFP was May 22, 2026.

  A total of eight responses were received and independently evaluated by staff of Burbank, Imperial Irrigation District, and Pasadena, based on each proposer's qualifications, experience, skills required to provide the required services, demonstration of project management abilities, references, and cost-competitiveness. Cadmus is recommended for award as one of the most qualified and cost-effective firms for customer programs and utility fleet electrification engineering services out of the eight respondents to SCPPA's competitive solicitation.

- **SCPPA's Authority:**
  SCPPA has the authority to execute this Agreement in accordance with the California Joint Exercise of Powers Act, the SCPPA Joint Powers Agreement and the provisions of Section 9615 of the California Public Utilities Code ("Section 9615"). The SCPPA Joint Powers Agreement provides SCPPA with the authority to develop, finance, construct, operate and maintain electric energy generation and transmission projects. SCPPA's ability to exercise this right is supplemented by the requirements of Section 9615 which requires that each local publicly owned electric utility, in procuring energy, "shall first acquire all available energy efficiency and demand reduction resources that are cost effective, reliable and feasible." As a local publicly owned utility, as that term is defined by the California Public Utilities Code, SCPPA and its Members are subject to the requirements of Section 9615. This Agreement will provide participating SCPPA Members with technical and engineering support for the development, implementation, and evaluation of customer energy efficiency programs. In addition, in managing their generation and transmission assets, SCPPA and its Member agencies must comply with advanced clean fleet requirements found in Article 3.2, Title 13 of the California Code of Regulations, and accordingly, are certain SCPPA Members are engaged in evaluating and planning for utility fleet electrification initiatives. The proposed services will include program design, engineering analysis, technical assessments, project evaluation, and implementation support to help Members identify cost effective opportunities, achieve energy and demand savings, and responsibly advance their electric utility fleet electrification goals. SCPPA is permitted to contract for such services on behalf of its Members pursuant to Section 5 of its Joint Powers Agreement, which allows SCPPA to, among other things, operate and maintain generation and transmission facilities and enter into contracts with respect thereto.

FISCAL IMPACT:

There is de minimis impact on SCPPA's Administrative and General budget relating to staff time to administer the MPSA.

The amount to be spent under this MPSA by participating Members shall not exceed $1,000,000 over the 3-year term of the Agreement.

Participating Members will commit in writing to paying for any, and all, services procured from Cadmus under the MPSA pursuant to separate Task Orders to be signed by each SCPPA Member who elects to receive such services from Cadmus.

ATTACHMENTS:

1. Resolution No. 2026-098
2. MPSA between SCPPA and Cadmus

RESOLUTION NO. 2026-098

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY AWARDING A MASTER PROFESSIONAL SERVICES AGREEMENT TO THE CADMUS GROUP, LLC AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE SUCH AGREEMENT, PROVIDING FOR ADDITIONAL CONTRIBUTIONS TO THE AUTHORITY'S REVOLVING GENERAL FUND, AND AUTHORIZING CERTAIN RELATED ACTION

WHEREAS, the Southern California Public Power Authority (the "Authority") owns interests in various generation and transmission projects, the output or services of which has been sold to the members utilities of the Authority ("Members"), who are engaged in the generation, transmission, and distribution of electrical energy to retail customers, including assisting such customers with the efficient use of said energy; and

WHEREAS, the Authority and its Members are subject to the requirements of Section 9615 of the California Public Utilities Code ("Section 9615"), which requires that each local publicly owned electric utility, in procuring energy, "shall first acquire all available energy efficiency and demand reduction resources that are cost effective, reliable, and feasible"; and accordingly, certain Authority Members have a need from time to time for energy efficiency services and demand reduction services, including the need for energy efficiency services leading to lower overall electricity demand and helping reduce the need for new generation capacity; and

WHEREAS, in accordance with advanced clean fleet requirements found in Article 3.2, Title 13 of the California Code of Regulations, certain Authority Members have a need for time to time for program design, engineering analysis, technical assessments, project evaluation, and implementation support to help Members identify cost effective, responsible and reliable methods to advance their electric utility fleet electrification goals, manage utility fleet-related electric demand, and continue to reliably operate their generation and transmission assets, while complying with regulatory requirements; and

WHEREAS, on April 15, 2026, the Authority issued a competitive solicitation for such energy efficiency services, and demand reduction services, and engineering support for electric utility fleet electrification planning (collectively, the "Services"), and Cadmus was recommended by the Authority's evaluation team for the award of a contract; and

WHEREAS, Cadmus can provide such Services to the Authority the Authority is willing and able to enter into a Master Professional Services Agreement with Cadmus to provide the Services; and

WHEREAS, the Board of Directors of the Authority, in its Resolution No. 1990-15, established a revolving general fund (the General Fund) for the payment of costs and expenses incurred by the Authority from time to time in carrying out its purposes; and

WHEREAS, the Board of Directors of the Authority, in its Resolution No. 1992-1, provided for the continuation of the General Fund and established a procedure to be followed with respect to additional contributions to the General Fund; and

WHEREAS, the Board of Directors of the Authority, in its Resolution No. 1995-2, provided for a separate bank account (the Joint Planning Account) to hold and disburse the additional contributions to the General Fund with respect to joint planning matters; and

WHEREAS, the Board of Directors of the Authority, in its Resolution No. 1995-13, changed the name of the Joint Planning Account to the Restructuring Account and charges to the Restructuring Account are referred to as “Resolution Billing”; and

WHEREAS, the Board of Directors of the Authority wishes to provide for additional contributions to the General Fund, and certain Members of the Authority are willing to make such additional contributions.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority as follows:

1. The Board of Directors hereby awards a contract to Cadmus for the Services.

2. The Executive Director is authorized and directed to execute a Master Professional Services Agreement with Cadmus for the Services, which agreement been presented to the Board of Directors in substantially final form, with such changes, insertions, and omissions as shall be approved by the Authority’s President, Vice President, or Executive Director (such approval to be conclusively evidenced by her or his execution and delivery thereof).

3. The Board of Directors hereby provides for additional contributions to the General Fund. Notwithstanding anything to the contrary in Resolution No. 1992-1, such additional contributions:

    a) shall be solely for the purpose of paying costs and expenses incurred by the Authority with respect to Services provided by Cadmus, and pending application for such purpose the contributions shall not be expended to pay costs or expenses for any other purpose;

    b) with respect to each invoice the Authority receives from Cadmus, each such invoice shall be billed to the Members that have received services from Cadmus with respect to such invoice, with the amount of each such Member’s bill to be based upon the services performed by Cadmus for the benefit of such Member; and

    c) shall be billed and collected from each Member under the Alternative Billing Method authorized by Resolution 2015-025, with such amount designated as a charge under this Resolution.

4. Although the amounts to be contributed under this Resolution and related income shall constitute part of the General Fund, they shall be held and accounted for within the existing Restructuring Account. The Executive Director of the Authority is hereby directed to utilize the Restructuring Account for the purpose of holding contributions and related

income, and making disbursements, under this Resolution. The President, Vice President, Secretary, any Assistant Secretary and the Executive Director of the Authority are each authorized to execute checks drawn on the Restructuring Account from time to time.

5. Amounts contributed to and held in the General Fund pursuant to this Resolution will not be contributed or held for the purposes of any project for which the Authority has obtained any form of external financing. Such amounts shall not constitute (a) Revenues, or (b) revenues, income, rents or receipts derived by the Authority from or attributable to Authority Capacity (or to the payment of the costs thereof) or the ownership or operation of any Project. As used herein, "Revenues", "Authority Capacity" and "Project" shall have the respective meanings set forth in the indentures of trust and other instruments governing the external financing arrangements entered into from time to time by the Authority.

6. The President, Vice President, Secretary, any Assistant Secretary, Executive Director and any other officer of the Authority are each hereby authorized to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution.

7. This Resolution shall become effective immediately.

THE FOREGOING RESOLUTION is approved and adopted by the Authority this 17th day of September 2026.

MANDIP SAMRA
PRESIDENT
Southern California Public
Power Authority

ATTEST:

DANIEL E GARCIA
ASSISTANT SECRETARY
Southern California Public
Power Authority

MASTER PROFESSIONAL SERVICES AGREEMENT
BETWEEN
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY
AND
THE CADMUS GROUP LLC

This MASTER PROFESSIONAL SERVICES AGREEMENT ("Agreement") is dated and effective September 17, 2026, by and between The Cadmus Group LLC ("Consultant"), a limited liability company, located at 800 N. Glebe Rd., Suite 500, Arlington, VA 22203, 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 goods and/or 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 goods and/or 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. **Work to be Provided:**
   SCPPA engages Consultant to provide goods and/or services and related tasks ("Goods" or "Services," respectively, or collectively "Work") outlined in Exhibit A for itself and its Members to utilize pursuant to one or more separate task orders ("Task Order") substantially

in the form attached hereto as Exhibit C. The Work performed and provided by Consultant under all Task Orders 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 for all Task Orders under this Agreement. Each Task Order shall specify the tasks and assignments from among the Work identified in Exhibit A, to be performed and provided by Consultant. Each Task Order may include a cap for all payments for Work performed and provided under each individual Task Order and a time schedule for completion of the Work. Any Member that elects to participate in any individual Task Order is referred to herein as the "Participating Member."

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 work to be provided hereunder, 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 Work under this Agreement are customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the Work to be performed under this Agreement. Consultant shall furnish the Work 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. Work 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 Work 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 Work under this Agreement, including Participating Member(s) business practices or other requirements as set forth in any applicable Task Order, 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 Work. 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 Work performed hereunder shall comply with such requirements where applicable. Consultant shall be in full compliance with all applicable rules, regulations, guidelines, and procedures adopted by any Card Association or Payment Network relating to the privacy and security of Cardholder and Card transaction data, including without limitation the most up to date version of the Payment Card Industry Data Security Standards (PCI-DSS), as amended from time to time by the Payment Card Industry Security Standards Council. 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. No Task Order issued under this Agreement may be amended except by written agreement executed by Consultant, SCPPA and the Participating Member, provided further that if a Participating Member has elected to confirm its Task Order participation through a letter to SCPPA, the Participating Member shall have submitted a new letter to SCPPA requesting the amendment to the Task Order prior to SCPPA's execution of the amended Task Order.

5. **Payment:**

SCPPA shall pay Consultant for Work in accordance with the terms of this Agreement and the applicable Task Order. Consultant is not authorized to perform any Work or incur any costs whatsoever until: (1) a Task Order has been signed by both Parties (and the Participating Member has signed either the Task Order or a letter to SCPPA confirming the Participating Member's participation in the Task Order); and (2) a written purchase order providing authorization for the start of Work for such Task Order has been issued to the Consultant by the SCPPA designated representative. In addition to any specific requirements in a Task Order, each invoice from Consultant shall include the following:

a. A reference to the purchase order number issued by SCPPA for such Work to be performed under the Agreement and Task Order and any other number assigned by SCPPA for invoices under this Agreement;
b. Name of each Participating Member that has received Goods and/or Services for which the invoice is being issued by Consultant; and
c. The basis for the amount invoiced, including a description of Goods and/or Services provided.

Consultant shall submit all invoices to SCPPA. Consultant shall submit invoices at no more than monthly intervals and no later than **"the invoicing dates specified in the milestone payment schedule set forth in a Task Order, and if no milestone payment schedule is set forth in a Task Order, then no later than thirty (30) days after completion of the Work covered by the invoice."** Invoices delivered to SCPPA shall be sent to billinginvoices@scppa.org. Invoices received by SCPPA on or before the 15th day of a given month and subsequently approved by the Participating Member(s) 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, provided that the funds for the payment of such invoices have been transmitted to SCPPA by the Participating Member(s). 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 Work 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 or the supply of Goods under this Agreement, or both ("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 or Goods to be provided under this Agreement.

9. **Intellectual Property Infringement:**

Consultant shall defend, indemnify, and hold harmless SCPPA and each Participating Member from and against any loss, cost, and expense that SCPPA or each Participating Member 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 or the Participating Member. 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 and any Participating Member 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 and any Participating Member 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 and any Participating Member.

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 Work 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 and each Participating Member as an additional insured, include a severability of interest provision, and be primary and not contributory with respect to any insurance carried by SCPPA or Participating Members.

(c) Commercial Automobile Liability insurance providing coverage for all owned, non-owned, and hired automobiles used by Consultant in the performance of the Work 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 Work 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 or Participating Members that is otherwise required by this Section 10; and any policy or endorsement language that (i) negates coverage to SCPPA or Participating Members for SCPPA's or Participating Members' own negligence; (ii) limits the duty to defend SCPPA or Participating Members under the policy; (iii) provides coverage to SCPPA or Participating Members 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 Participating Members' rights under this Agreement.

Consultant shall furnish SCPPA proof of all specified insurance evidencing the required coverages prior to commencement of Work under this Agreement or any Task Order issued pursuant to 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, or any Task Order hereunder, 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 Work not yet completed and supplied, or (ii) if outstanding payments are owed to Consultant, SCPPA shall pay Consultant for all Work satisfactorily performed and supplied in accordance with this Agreement up to the date of termination.

(c) No Task Order shall be executed pursuant to this Agreement if the time or deadline for performance thereof extends beyond the then-applicable expiration date of the Agreement. Notwithstanding the foregoing, at SCPPA's sole discretion and for good cause shown, this Agreement shall not expire while Work to be performed under an existing Task Order remains incomplete.

(d) 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.

(e) 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 Work provided under this Agreement.

(b) SCPPA and the Participating Members 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/or the Participating Members, and not otherwise subject to any confidentiality requirement, SCPPA and/or the Participating Members, upon Consultant's request, shall provide to the Consultant in a timely manner any information reasonably needed to perform the Work hereunder. Consultant may rely on the accuracy of information provided by SCPPA and Participating Members. Any Customer Data (as defined in Section 13 herein) furnished to Consultant by SCPPA or Participating Members 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 Participating 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 Participating 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 Participating 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 a Participating 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 Participating Members' Confidential Information, Consultant shall provide prompt written notice to each of SCPPA and the affected Participating Members of such request or requirement so that SCPPA and the affected Participating 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. Confidential Information received from or pertaining to customers of a Member shall only be provided by Consultant to the Participating Member providing service to that customer, and to no other party, and 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 Goods and 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:
Brandon Czworniak, (626) 793-9364, and e-mail address is **Bczworniak@scppa.org**. All questions to SCPPA pertaining to this Agreement shall be referred to the person named above.

Consultant's representative for this Agreement:
Andrea Marr, 443-254-8258, and andrea.marr@cadmusgroup.com.
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:

Andrea Marr
Senior Vice President
800 N. Glebe Rd. Suite 500
Arlington, VA 22203
Andrea.Marr@cadmusgroup.com

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 any Task Order or purchase order issued hereunder, the terms of this Agreement shall control. In the event of any conflicts between the Exhibits and any Task Order or purchase order, the Exhibits shall control. In the event of a conflict between any Task Order or purchase order, the Task Order shall control.

(c) Third Party Beneficiary – SCPPA Participating Members are not parties to this PROFESSIONAL SERVICES AGREEMENT but are third party beneficiaries to the PROFESSIONAL SERVICES AGREEMENT and are entitled to the rights and benefits hereunder and may enforce the provisions hereof as if they were parties hereto.

(d) 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.

(e) 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.

(f) 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.

(g) 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
General Counsel

THE CADMUS GROUP LLC

By: ______________________________________

ANDREA MARR
Senior Vice President

EXHIBIT A

SCOPE OF WORK TO BE PROVIDED UNDER THIS AGREEMENT

Goods and/or Services not expressly set forth in this Exhibit A are excluded.

1. **Energy Efficiency and Demand Reduction Program Design and Development**

   - **Program Design**
     Consultant will design energy efficiency and demand reduction programs focused on specific market segments and/or targeted technologies. Services include market assessment; customer segmentation; scenario analysis; savings forecast, budget, and cost-effectiveness modeling; program structure development; eligibility criteria definition; incentive design; and alignment with utility objectives and applicable regulatory requirements.
   - **Program Policies and Procedures**
     Consultant will develop and document program policies, guidelines, and standard operating procedures to support consistent program administration, implementation, and compliance. This includes application processes, review and approval protocols, quality assurance measures, and contractor and participant requirements.
   - **Project Documentation and Review – Oversight and Reporting**
     Consultant will create standardized project summary forms and establish review and approval processes to ensure consistent project evaluation, documentation, and recordkeeping in support of program oversight, reporting, and audit requirements.
   - **Savings Calculation Tools**
     Consultant will develop, customize, and maintain energy and demand savings calculation tools consistent with approved methodologies and industry best practices. Tools will support transparent assumptions, accurate impact estimation, and reporting for program tracking and evaluation purposes.

2. **Energy Efficiency and Demand Reduction Incentive Program Implementation and Technical Support**

   - **Project Evaluation**
     Consultant will evaluate proposed and completed projects to assess energy and demand savings, greenhouse gas emission reductions, project costs, and overall

cost-effectiveness in accordance with approved methodologies, program guidelines, and industry best practices.

- **Equipment Inspections**
  Consultant will conduct on-site and/or remote inspections of customer equipment and installations to verify compliance with program requirements, confirm measure installation, and support quality assurance and quality control processes.
- **Third-Party Contractor Oversight**
  Consultant will provide oversight of third-party contractors engaged in program delivery, including review of contractor work products, verification of compliance with program requirements, coordination of technical activities, and support for quality assurance and quality control processes.
- **Program Support Tools**
  Consultant will develop, implement, and maintain program support tools to assist with program administration, project tracking, data management, and reporting. Tools include tracking spreadsheets, databases, calculators, dashboards, and other technical resources as needed.
- **Energy Audits**
  Consultant can perform energy audits for residential, commercial, and/or industrial customers to identify energy efficiency and demand reduction opportunities. Audits include data collection, load analysis, measure identification, savings estimation, and the preparation of audit reports and recommendations.

3. **Energy Efficiency Incentive and Demand Reduction Programs Evaluation and Reporting**

- **Savings and Cost Verification**
  Consultant will verify program energy and demand savings, incentive expenditures, and program costs for use in utility, regulatory, and internal reporting, consistent with approved methodologies and documentation requirements. This work may include sampling, engineering review, field verification, and development of realization rates, providing defensible results that support regulatory filings and long-term planning.
- **Cost-Effectiveness Analysis**
  Consultant will evaluate program cost-effectiveness using established tests, including the Total Resource Cost (TRC) and Program Administrator Cost (PAC) tests, and prepare supporting analysis and documentation.
- **Site Inspections**
  Consultant will conduct on-site and/or remote inspections to support evaluation activities, verify measure installation and operation, and confirm reported energy and demand savings.

- **Evaluation, Measurement, and Verification (EM&V)**
  Consultant will perform program-level and project-level EM&V activities in accordance with industry standards and best practices. Services include impact evaluations, process evaluations, data analysis, and the preparation of EM&V reports documenting methodologies, findings, and recommendations. Methodologies may include metering, regression modeling, building simulation, and site inspections to improve savings accuracy and program performance.

4. **Electric Utility Fleet Electrification Program Assistance Services**
   Consistent with SCPPA's Joint Powers Agreement, EV Utility Fleet Electrification Program Assistance Services provided hereunder are limited to those supporting SCPPA and Member electric utility fleets.

- **EV Fleet Opportunity Assessment**
  Consultant will evaluate electric vehicle (EV) fleet opportunities for member utilities, including assessment of existing fleet assets, vehicle usage patterns, duty cycles, infrastructure needs, and electrification potential.

- **Fleet Charging Implementation Planning**
  Consultant will design comprehensive fleet charging implementation plans tailored to member utility needs. Services include charger siting and sizing, load and infrastructure analysis, phasing strategies, coordination with utility operations, and identification of cost and funding considerations.

- **Advanced Clean Fleets Support**
  Consultant will design and implement strategies to support member utility fleet electrification consistent with the ACF rule and the utility's objective to cost effectively build, operate, and maintain a reliable transmission and/or distribution system. This includes fleet transition planning, electrification planning, load impact analysis, technology evaluation, and documentation and reporting support. Services also include the development of assessments or reports identifying operational, financial, infrastructure, or other issues that may affect the ability of a member utility to maintain a utility fleet consistent with the ACF rule and the utility's objective to cost effectively build, operate, and maintain a reliable transmission and/or distribution system.

5. **General Engineering Services**
   Consistent with SCPPA's Joint Powers Agreement (JPA), general engineering services provided hereunder must fall within the scope of SCPPA's authorized powers and must be pre-approved on a case by case basis by SCPPA based upon a JPA nexus evaluation.

- **Technology Assessment**
  Consultant will assess emerging and established energy technologies for applicability, performance, and cost-effectiveness in support of member utility programs and initiatives. Evaluations may include technology readiness, market availability, implementation considerations, and alignment with member utility objectives.

- **System Performance Testing**
  Consultant will conduct system and equipment performance testing to evaluate operational efficiency, reliability, and compliance with applicable specifications, standards, and program requirements. Testing may include field measurements, data analysis, and performance reporting.

- **Distributed Generation Evaluation**
  Consultant will evaluate distributed generation opportunities, including technical feasibility, system integration considerations, load modeling, interconnection assessment, operational impacts, and potential energy and demand benefits for member utilities.
- **Codes and Standards Assessment**
  Consultant will assess building and equipment codes and standards to identify opportunities for energy efficiency improvements, demand reduction, and program development. Services may include review of proposed or adopted codes, analysis of impacts on utility programs, and support for compliance and reporting activities.

- **Staff Training and Development**
  Consultant will provide training and professional development support for member utility staff on energy efficiency, demand reduction, distributed energy resources, and related engineering topics. Training may include workshops, technical briefings, written guidance materials, and ongoing technical assistance to support effective program implementation and oversight.

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Table 1. Cadmus Billing Rates

ADMINISTRATIVE SUPPORT I	$129.00
ADMINISTRATIVE SUPPORT II	$170.00
TECHNICAL EDITOR	$155.00
RESEARCH ANALYST	$139.00
ANALYST I	$149.00
ANALYST II	$160.00
ANALYST III	$170.00
SR. ANALYST I	$180.00
SR. ANALYST II	$191.00
SR. ANALYST III	$201.00
ASSOCIATE I	$211.00
ASSOCIATE II	$232.00
ASSOCIATE III	$252.00
SR. ASSOCIATE I	$263.00
SR. ASSOCIATE II	$283.00
SR. ASSOCIATE III	$304.00
PRINCIPAL I	$335.00
PRINCIPAL II	$361.00
SR. MANAGING CONSULTANT	$376.00
EXECUTIVE CONSULTANT	$397.00
SR. EXECUTIVE CONSULTANT I	$417.00
SR. EXECUTIVE CONSULTANT II	$438.00

In no event shall SCPPA's payment obligations to Consultant for all Goods received or Services performed or for any other reason exceed $1,000,000 (the "Not to Exceed Amount"). Consultant shall provide notice to SCPPA prior to reaching the Not to Exceed Amount. Any Goods or 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 and Participating Member shall not be liable for any unauthorized excess billings whatsoever.

All travel must be preapproved in writing by SCPPA or the applicable Participating Member. 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.

EXHIBIT C

EXEMPLARY TASK ORDER FORM

TASK ORDER No.: […input number, sequential to prior Task Orders, if applicable…]

Date: [ ]

Project Description: [ ]

Participating Member (if applicable): [ ]

Consultant: [ ]

Consultant, SCPPA and the Participating Member(s) identified above agree that Consultant shall provide the Services specified herein pursuant to the terms and conditions of the [Agreement Type] ("Agreement") between SCPPA and Consultant dated [Agreement Effective Date], except as specifically modified herein. Capitalized terms used but not described herein shall have the meanings ascribed to them in the Agreement.

Term

This Task Order shall commence upon issuance of a purchase order by SCPPA and shall terminate on the earlier of [date] or the end of the Agreement's term (the "Task Order Termination Date"). Any Goods received or Services provided by Consultant (i) prior to issuance of a SCPPA purchase order, or (ii) on or after the Task Order Termination Date without prior execution of an amendment hereto by the Parties, shall be at Consultant's sole risk and without payment. SCPPA or Participating Member may terminate this Task Order, with or without cause, upon thirty (30) calendar days' written notice to Consultant.

Scope of Services

[General Description Of Services]

Compensation

[Specify Fees and Schedule – must include a Not to Exceed Amount for services under the Task Order (the "Not to Exceed Amount")]

Consultant shall provide notice to SCPPA and Participating Member prior to and upon reaching the Not to Exceed Amount. Any Goods received or Services provided by Consultant in excess of the Not to Exceed Amount, 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 and Participating Member shall not be liable for any unauthorized excess billings whatsoever.

Representative(s) of Participating Member(s)

[Identify Names and appropriate Contact information for all Member staff who are authorized representatives for the administration of the Agreement and who should be sent invoices from Consultant]

Execution in Counterparts; Electronic Signatures

This Task Order 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 Task Order may be detached from any counterpart of this Task Order without impairing the legal effect of any signature thereon, and may be attached to another counterpart of this Task Order identical in form hereto by having attached to it one or more signature pages.

The Parties may execute this Task Order by manual signature or by electronic signature, each of which shall have the same force and effect. A signed copy of this Task Order 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 Task Order 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 signed this Task Order as of the date first written above.

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

By: ______________________________

DANIEL E GARCIA
Executive Director

Approved as to Legal Form:

____

[NAME]
[Title]

[LEGAL ENTITY NAME]

By: ______________________________

[PRINTED NAME IN CAPS]
[Printed Title]

Participating Member's Acknowledgement and Agreement

The undersigned hereby attests that the undersigned has the requisite authority to bind the Participating Member to the obligations set forth in this Task Order No. [###]. Participating Member agrees to be responsible for any and all fees, costs and expenses invoiced to SCPPA by Consultant for work performed on behalf of, or for the benefit of, Participating Member pursuant to the Agreement.

Participating Member agrees to indemnify, defend and hold harmless SCPPA, all other Members and their respective directors, officers, agents, representatives, employees, successors and assigns from and against any and all losses, injuries, costs and expenses, damages, liens, claims, or liabilities, including reasonable attorney's fees, incurred by SCPPA in connection with the Work performed for the benefit of, or on behalf of, Participating Member pursuant to this Task Order, except for the gross negligence or willful misconduct of SCPPA or such other SCPPA members, and their officers, agents, representatives or employees.

NAME OF PARTICIPATING MEMBER (required)

By: ______________________________

[PRINTED NAME IN CAPS]
[Title of Authorized Signatory]

☐ Check here if Participating Member has indicated acknowledgement and agreement to pay for Work procured under this Task Order by letter from Participating Member's General Manager addressed to SCPPA.