



BANC

BALANCING AUTHORITY OF NORTHERN CALIFORNIA Request for Proposals for Renewable Energy Resources, Carbon Free Energy Resources, and Energy Storage Solutions

**Issuance Date: November 1, 2021
Response Deadline: December 3, 2021**

Introduction

The Balancing Authority of Northern California (BANC) is soliciting competitive proposals for renewable energy projects or products in an amount up to 500 MW of capacity, consistent with the California Renewable Energy Resources Program (Public Resources Code sec. 25740 *et seq.*) and the California Renewables Portfolio Standard Program (Public Utilities Code sec. 399.11 *et seq.*), including amendments enacted by passage of Senate Bill 100 (De Leon, 2018), and carbon free energy resources, which can assist BANC and its Member public agencies in meeting their respective resource adequacy requirements. Since supporting resource adequacy requirements is a key feature of this solicitation, ensuring energy delivery to the BANC Balancing Authority Area (BAA) footprint is a key factor in project selection.

BANC is targeting proposals for renewable resources and carbon-free resources with commercial operation or delivery starting as early as 2024-2025 towards the pathway to 100% fossil-fuel free electricity by 2045. RFP responses may propose (i) project ownership by BANC, (ii) a power purchase agreement with an ownership option or (iii) a power purchase agreement without an ownership option.

An energy storage component may be included with renewable projects as set forth below in Section 3.o. BANC is also soliciting competitive proposals for standalone energy storage as set forth below in Section 3.p.

Background

BANC is a joint powers agency formed under the Joint Exercise of Powers Act (Government Code Title 1, Division 7, Section 5), with the Modesto Irrigation District; Cities of Redding, Roseville, and Shasta Lake; Sacramento Municipal Utility District; and Trinity Public Utilities District. BANC was established in 2010 and provides BAA, planning coordination, and Energy Imbalance Market Entity services for its Members. Collectively BANC's Members serve nearly 1,000,000 electric customers in Northern California with annual sales in 2020 of ~17,500,000 MWh.



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BANC also supplies BAA services under contract arrangements for Western Area Power Administration – Sierra Nevada Region (WAPA-SNR) and Transmission Agency of Northern California (TANC) and EIM Entity services for WAPA-SNR.

BANC is well-positioned to facilitate joint ownership structures for renewable power or other projects for the benefit of its Members. Under the terms and conditions of the BANC Joint Powers Agreement entered into by all Members, BANC possesses the general powers to acquire, purchase, generate, transmit, distribute and sell electrical capacity and energy. Specific powers include the power to enter into contracts, acquire and construct electric generating facilities, set rates, issue revenue bonds and notes and acquire property by eminent domain. BANC will consider power purchase agreements, either with or without an option to purchase the project during the term of the agreement, and energy prepayment structures. There is a willingness by the BANC Members to consider an option to purchase a project during the term of a power purchase agreement.

RPS and EPS Compliance and Carbon Free

BANC seeks cost effective resources to support its Members' Renewable Portfolio Standard (RPS) and carbon free objectives for 2030 and beyond and to assist in meeting resource adequacy requirements. This RFP seeks to find a best combination of projects or products to deliver energy from facilities that will be RPS compliant (pursuant to Public Utilities Code Sections 399.16 (b)(1), i.e., energy and associated RECs in Portfolio Content Category 1) and compliant with the emissions performance standard (ESP) regulations adopted by the California Energy Commission (20 Cal. Code of Regulations section 2900 et seq.) upon COD and throughout the term of the agreement, or carbon free energy with energy delivered to the BANC footprint.

BANC requires that during the term of any agreement, the Seller shall assume the risk of maintaining and bringing the facility or project into compliance should there be a change in law that renders the facility non-compliant with RPS. Since this is one of the critical elements of a renewable project or product for BANC, please describe how this risk would be assumed and addressed by Seller.

Further, given the potential for further evolution and expansion of organized market, such as has already occurred with the Western Energy Imbalance Market (EIM) operated by the California Independent System Operator Corporation (CAISO) or another market expansions operated by the CAISO, another Independent System Operator (ISO) or Regional Transmission Organization (RTO), Seller shall be: 1) responsible for integration of the facility or project into the EIM as a participating resource; and 2) responsible to work with BANC to perform any needed changes to integrate the facility or project into any future expanded markets BANC may need to participate in, operated by the CAISO or another ISO or RTO.



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Proposal Delivery Requirements

One electronic copy of your proposal must be e-mailed to RenewableRFP@thebanc.org or delivered on CD or USB flash drive to the address below:

Balancing Authority of Northern California

Attention: Renewable Energy Resource RFP

c/o BBSW Offices

555 Capitol Mall, Suite 570

Sacramento, CA 95814

For general questions, please call the BANC General Manager at 916-870-3774.

Clarification questions regarding this RFP must be in writing via email, addressed to RenewableRFP@thebanc.org.

BANC Members seek tangible and timely opportunities to add renewable technologies to their generation portfolios and thus will not entertain experimental or speculative proposals.

Proposals for this RFP must be submitted by close of business on Friday, December 3, 2021.

No contact may be made with the Commission, Committee Members, or BANC Members concerning this Request for Proposals without prior authorization granted by BANC.

All information received by BANC in response to this RFP is subject to the California Public Records Act, and all submissions may be subject to review in the event of an audit.

Required Elements of Proposals

1. **Transmittal Letter:** Provide a brief statement of the Respondent's understanding of the work to be done and commitment to perform the work as scheduled, including a summary of any exceptions taken to the RFP requirements, statement of work, specifications, and reference to any proposed contractual terms and conditions required by the Respondent. An officer authorized to bind must sign the proposal on behalf of the Respondent and must include the following declarations on the Transmittal Letter:



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

2. **Applicant Information:** Provide the legal name of the company or entity making the proposal, the legal structure or form of the entity (e.g., Corporation, or LLC), physical address, e-mail address, telephone, and names and titles of individuals authorized to represent the Respondent.
3. **Renewable/Resource Category:** Clearly identify the proposal as one or more of a combination of the following eligible renewable energy resource electricity products or other:
 - a) Wind (offshore or land based), including all air-flow technologies involving a turbine of any type;
 - b) Geothermal, including all temperature gradient technologies;
 - c) Biomass, including dedicated waste feedstock or energy crops;
 - d) Biomethane, including landfill, digester gases and gas conversion or gasification technologies where the conversion to electricity occurs on the same premises as the source of fuel;
 - e) Hydro, including all mass-in-motion technologies involving fluids and hydro efficiency improvements;
 - f) Solar, including all photo-voltaic and photo-optic technologies where light is directly converted to electricity. Any solar overbuild beyond 1.2 DC/AC ratio should be noted.;
 - g) Solar Thermal, including all concentration technologies where a heat transfer medium is used to generate electricity;
 - h) Municipal Solid Waste (MSW) or Waste to Energy technologies that can demonstrate the absence of incineration and are able to obtain certification as a Renewable Resource by the California Energy Commission;
 - i) Fuel cell utilizing a renewable fuel such as hydrogen that uses green hydrogen technologies;
 - j) Permanent Load Shifting (PLS), including energy storage and permanent load-shifting technologies with a total round-trip efficiency generally greater than eighty percent (80%);
 - k) Environmental attributes not bundled with energy (Renewable Energy Credits);
 - l) Flexible resource, such as wind, solar, and /or geothermal with the ability to ramp up/down to provide reserve margins and other grid benefits;
 - m) Hydrogen, the production and utilization of green hydrogen technologies;



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- n) Hybrid projects, resources may be bundled together but pricing options for individual technologies should be itemized;
 - o) Energy Storage combined with renewable energy projects (optional), energy storage with a capacity of one half the total capacity offered by the renewable resource with a duration of at least 4 hours is required; in addition, alternative energy storage capacity and duration options can be offered. Options for capacity (MW) or duration (MWh) increases should be itemized separately; or
 - p) Energy Storage (standalone), energy storage can be offered as a standalone proposal. The energy storage capacity must be at least 5 MW and have a duration of at least 4 hours. In addition, alternative energy storage capacity and duration options can be offered. Preference will be given for projects that can provide storage output during critical peak hours (4:00-8:00 pm).
- 4. Energy Storage Solutions (ESS):** BANC Members have an interest in the rapidly developing energy storage market. All types of energy storage technologies are open for consideration to be added into BANC member resource portfolios, if they are determined to be cost effective.
- 5. Project Details:** Clearly identify the proposed project, including the following information:
- a. **Project Description:** Project name and location, and phases of development if applicable.
 - b. **Contract Quantity:** In MW and GWh/year, and by project phase if applicable, including nameplate rating and proposed amount of energy to be delivered. Please provide all MW increment options available for the project.
 - c. **Pricing:** Please provide all pricing structure options available.
 - i. **Variable Index Energy Price Plus Fixed Capacity/REC Price:** Expressed in nominal value (as of the year of COD) in \$/MWh with no escalation thereafter for the value of the capacity and RECs plus a price based on a published market index for the value of the energy.
 - ii. **Energy Price (variable):** Expressed in nominal dollars (as of the year of COD) in \$/MWh, and itemized by cost components if applicable; the Energy Price will start on the Commercial Operation Date (COD) and may include fixed price annual escalation rates or index plus fixed price component.
 - iii. **Energy Price (fixed):** Expressed in nominal dollar value (as of the year of COD) in \$/MWh, with no escalation.
 - iv. **Energy Storage Price:** Expressed in nominal dollar value (as of the year of COD) in \$/MWh, as a component of a renewable project in an overall PPA and in \$/kW- month for 4-hour systems (either combined with a renewable project or as a standalone).



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- d. **Delivery Term:** Minimum term is 1 year with no maximum as the various BANC Members are seeking both short-term and long-term delivery of energy. Long-term delivery is defined in the CEC Guidebook. Please provide all delivery term options available, including seasonal and/or intra-day delivery profile options
- e. **Energy Availability:** Maximum and minimum monthly capacity factors, seasonal shapes, resource availability profile (i.e., 8760 wind profile of availability), reliability indices (reliability of the distribution system distribution indices to potentially Forced Outage Ratios or Planned Outage Ratios of generators), dispatchability (by unit or phase if applicable) and scheduling requirements/limitations, if any; any rights for BANC to perform full or partial dispatch, and economic curtailment.
- f. **Buyer's Step in Right:** Include BANC's requirement in the proposal that the Buyer may assume or cure any default by developer in the land lease.
- g. **Point of Delivery (POD):** Cost of transmission to a delivery point shall be included in the Cost of Energy. Preference will be given to projects in the order of directly located in the BANC BAA footprint, over located in California, over located outside of California.
- h. **Grid Charging:** Specify facility's ability to charge the energy storage system with grid energy. Indicate price impacts for varying levels of grid charging % defined as allowed volume of grid charging energy divided by total charging energy by energy storage system per year.
- i. **Environmental Attributes:** Ensure that BANC shall receive any and all environmental attributes associated with the generating facility and the energy output, including but not limited to renewable energy credits and air emission credits or offsets (i.e., greenhouse gas credits, at the location of source and for the gross output of the plant or otherwise credited).
- j. **Combustion:** For any proposals that involve combustion technologies, provide details on the forecasted emissions, emissions controls, and compliance with applicable emissions regulations.
- k. **Capacity Rights/Shared Facilities:** Ensure that BANC shall receive any and all capacity rights, including, but not limited to Resource Adequacy attributes, associated with the project and/or its produced energy.
 - i. Identify any energy and/or associated project capacity to be provided/committed to parties other than BANC.
 - ii. Identify any project supporting/associated facilities that require shared use or third-party access rights, such as intermediate distribution infrastructure, control rooms, or other intermingled facilities. Describe any controls or provisions to assure the continuation of the described project capacity, e.g., for wind proposals any adjacent or future proposals encroaching on turbine spacing or airflow; for hydro proposals any limitations or regulations on water flow, diversion or water reservoir level



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maintenance requirements; and other potential impacts on the proposed project.

- I. **Ownership Options:** If the proposal includes an offer of ownership to BANC, describe the proposed ownership, terms and conditions, floors and ceilings for purchase prices at different option dates, beginning after Federal Investment Tax Credit (ITC) and/or Federal Production Tax Credit (PTC) capture and up to the end of the term, and operational structures (e.g., 100% BANC-owned turnkey, corporation, general partnership, limited partnership).
 - i. In the case of an offer of initial ownership to BANC, a purchase price at Commercial Operation Date (COD) shall be specified (and expressed as \$/kW) along with an estimate of all recurring owner costs, including but not limited to operation and maintenance costs, taxes, lease payments, royalties, and insurance.
 - ii. In case of an offer of a Power Purchase Agreement (PPA) with a purchase option, the proposal shall include (a) a delivered energy price, in \$/MWh for the energy, environmental attributes and capacity (as Cost of Energy within Section 5.c.); (b) a buyout price or detailed formula to calculate such a buyout price for each future date on which a buyout would be offered; (c) conditions for buyout, such as expiration of tax credits or other project events. BANC is also willing to consider proposals that include Prepayment structures.
 - iii. For PPAs, terms up to the life of the facility will be considered.
 - iv. No changes to a PPA will be expected during project financing or a change in control event.
- m. **Project Plan to Commercial Operation Date:** Identify the proposed commercial operation date with a satisfactory major milestone schedule that includes at least the following:
 - i. Proposed description and schedule for obtaining and developing site access and control through executed leases, fee purchases, approvals, or other means.
 - ii. Details of any prior or existing settlements made for environmental mitigation and clearly identified post-construction or pass-forward mitigation obligations that would be forwarded to BANC in the event a contract is executed (e.g., reserve or offset land for environmental habitat or reconstruction).
 - iii. Proposed schedule for obtaining construction and operational permits and licenses, and construction financing.
 - iv. Proposed construction schedule, including major equipment description and purchasing timelines, anticipated Factory Acceptance Testing of major components, Site Tests, commencement of test-energy and Commercial Operation Date (COD).



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- v. For projects or operations requiring water or make-up water, description of the water supply requirements and provisions for supply.
 - vi. Proposed schedule or application status to acquire necessary transmission and interconnection service.
 - vii. Description of whether and to what extent any environmental studies have been carried out with respect to the proposed project and how compliance with the California Environmental Quality Act, which is a requirement before an agreement can be executed by BANC, might be effectuated, including, if the Project is located outside California, how Title 14 Section 15277 of the California Administrative Code is or will be addressed by the project.
 - viii. Note that any Test Energy delivered before the COD shall be curtailable at any time by BANC without compensation.
 - ix. Note that the project shall be certified as renewable-compliant by the California Energy Commission no later than 6 months after COD.
 - x. Note that the project shall be WREGIS-certified no later than 3 months before COD.
 - n. **Preliminary Term Sheet:** Please provide as much information as possible in the Term Sheet in Appendix A (attached to this RFP and posted as a separate document).
 - o. **Financing and Tax Equity Investor:** Describe how the project will be financed such as by parent, company, backflip leverage, or some sort of financing Structure.
 - p. **Credit Support and Security:** Express in nominal dollars the amount of Performance Assurance provided from execution of the Power Purchase Agreement through COD and the amount of Performance Assurance provided after Commercial Operation Date as a letter of credit, cash, or guaranty.
 - q. **Buyer Economic and Operational Curtailment:** Express in MWh per year or hours per year the amount Buyer can curtail without compensation.
 - r. **Interconnection Agreement:** Provide the status of the project's interconnection agreement and expected timeline for completion.
6. **Experience:** Clearly identify the Respondent's management team and other key personnel, including those responsible for design, construction, permitting, operations and maintenance.
- a. Describe your firm's organizational structure, management qualifications, and other contract related qualifications, including number of years the firm has been in business.
 - b. Specify key employees and describe their experience with the development, construction, finance closing, commercial operation, and maintenance of similar projects as proposed by Respondent in response to this RFP.



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- c. Provide current financial statements of all entities involved in the project or as part of the management team. This shall include items such as audited financial statements (not more than twelve months old), annual reports, FERC Form 1, and any other applicable financial information. If none of the above is available, Respondent shall provide verifiable financial statements for the past three (3) years if available, and Respondent's Dunn & Bradstreet identification number, where available.
- d. Provide a commitment statement for the retention and use of key employees as proposed, their availability to initiate and sustain the proposal, as well as planned supplemental employees if key employees are not available to assure project delivery.
- e. Indicate any and all pending litigation that could affect the viability of Respondent's proposal or Respondent's financial stability.
- f. Identify existing projects in commercial operation that Respondent has developed and/or operates. Provide a list of references for similar projects completed, including a contact person, phone number and address.
- g. State whether Respondent will use subcontractors to perform services pursuant to the contract. Should the use of subcontractors be included, Respondent shall provide the same assurances of competence for the subcontractor, plus the demonstrated ability to manage and supervise the subcontracted work. Subcontractors shall not be allowed to further subcontract with others for work on this program. The provisions of this contract shall apply to all subcontractors in the same manner as to the Respondent.
- h. Describe the project/generation technology and technical resource data, including any studies or reports regarding the resource.
- i. Describe your firm's familiarity with CAISO markets, including EIM, as well as the CAISO Tariff, Business Practice Manuals and its operations.

Terms and Conditions

1. If selected, BANC desires to enter into exclusive negotiations with respondent as may be facilitated through an execution of a Letter of Intent (LOI), Exclusivity Agreement or other agreements.
2. BANC reserves the right to cancel this RFP at any time, reject any and all proposals and to waive irregularities, if any.
3. BANC shall determine at its sole discretion the value of any and/or all proposals including price and non-price attributes.
4. Proposals may be sub-divided or combined with other proposals, at BANC's sole discretion.
5. At its sole discretion, BANC shall perform an initial screening evaluation to identify and eliminate any proposals that are, for example, not responsive to the RFP, do not meet



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the minimum requirements set forth in the RFP, are not economically competitive with other proposals, or are submitted by Respondents that lack appropriate creditworthiness, sufficient financial resources, or qualifications to provide dependable and reliable services for this RFP.

6. BANC reserves the right to submit follow up questions or inquiries to request clarification of information submitted and to request additional information from any Respondent.
7. BANC reserves the right, without qualification and in its sole discretion, to accept or reject any or all proposals for any reason without explanation to the Respondent, or to make any award to that Respondent, who, in the opinion of BANC, will provide the most value to BANC and its Members.
8. BANC may decline to enter into any potential engagement agreement or contract with any Respondent, terminate negotiations with any Respondent, or to abandon the request for proposal process in its entirety.
9. Those Respondents who submit proposals agree to do so without legal recourse against BANC, its Members, their directors, officers, employees and agents for rejection of their proposal(s) or for failure to execute or act on their proposal for any reason.
10. BANC shall not be liable to any Respondent or party in law or equity for any reason whatsoever for any acts or omissions arising out of or in connection with this RFP.
11. BANC shall not be liable for any costs incurred by any Respondents in preparing any information for submission in connection with this RFP process or any and all costs resulting from responding to this RFP. Any and all such costs whatsoever shall remain the sole responsibility of the Respondent.
12. BANC may require certain performance assurances from Respondents prior to entering into negotiations for work that may result from this RFP. Such assurances may potentially include a requirement that Respondents provide some form of performance security. Performance security shall be in the form of a Letter of Credit or Cash.
13. Prior to contract award, the successful Respondent may be asked to supply a detailed breakdown of the applicable overheads and fringe benefit costs that are part of the labor rates and other direct costs associated with the services to be performed.
14. BANC Members, either collectively or individually may contact Respondents to discuss or enter into negotiations regarding a proposal. BANC is not responsible or liable for individual Members interactions with the Respondent which are not entirely conducted through BANC or at BANC's option or election to engage the Respondent as defined within the RFP.
15. Submission of a Proposal constitutes acknowledgement that the Respondent has read and agrees to be bound by the terms and specifications of this RFP and any addenda subsequently issued by BANC.
16. Information in this RFP is accurate to the best of BANC's and its Members' knowledge but is not guaranteed to be correct. Respondents are expected to complete all of their due diligence activities prior to entering into any final contract negotiations with BANC.



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17. BANC reserves the right to enter into an agreement with more than one Respondent, to choose not to contract with any Respondent with respect to one or more categories of services, and to choose to suspend this RFP or to issue a new RFP that would supersede and replace this RFP.
18. BANC reserves the right to negotiate definitive agreements including but not limited to power purchase agreements and other agreements with a Respondent with any and all terms and conditions that BANC and/or its Members deem appropriate or desirable, whether or not such terms or conditions are specifically set forth in this RFP.
19. BANC reserves the right to amend this Request for Proposals from time-to-time.

Additional Requirements for Proposal

1. **Insurance, Licensing, or other Certification:** If selected, the Respondent will be required to maintain sufficient insurance, licenses, or other required certifications for the type of work being performed. BANC or its Members may require specific insurance coverage to be established and maintained during the course of work and as a condition of award or continuation of contract.
2. **Prevailing Wage Rates:** If selected, the Respondent will be required to conform to prevailing wage rates when applicable to the work being performed. Workers in California shall be paid not less than prevailing wages pursuant to determinations of the Director of Industrial Relations as applicable in accordance with the California Labor Code. To access the most current information on effective determination rates, Respondent shall contact:

Department of Industrial Relations
Division of Labor Statistics and Research
PO Box 420603, San Francisco, CA 94142-0603
Division Office Telephone: (415) 703-4780
Prevailing Wage Unit Telephone: (415) 703-4774
Web: <http://www.dir.ca.gov/dlsr/DPreWageDetermination.htm>

3. **BANC-Furnished Property:** BANC or a Member's utility drawings, specifications, and other media furnished for the Respondent's use shall not be furnished to others without written authorization from BANC or the applicable Member(s).
4. **Contractor-Furnished Property:** Upon completion of all work under any agreement developed as a result of this RFP, ownership and title to reports, documents, drawings, specifications, estimates, and any other document produced as a result of the agreement shall automatically be vested to BANC and no further agreement will be necessary for the transfer of ownership to BANC. BANC has the sole right to distribute,



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reproduce, publish, license, or grant permission to use all or a portion of the deliverable documentation, work product or presentations as it determines in its sole discretion.

Attachment A: Execution Version

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Renewable Energy Power Purchase Agreement & Interconnection Agreement
Term Sheet
[DATE]

Part 1 – General PPA Terms

Part 2 – General Interconnection Agreement Terms

Part 1. GENERAL PPA TERMS	
Buyer:	Balancing Authority of Northern California (BANC)
Seller:	[COUNTERPARTY NAME]
Co-development:	An affiliate of [COUNTERPARTY NAME] shall co-develop the Projects alongside the [COUNTERPARTY NAME] affiliate.
Product:	Product shall include Energy, all Environmental Attributes (including but not limited to Renewable Energy Certificates (RECs)), Contract Capacity, and Capacity Attributes (including but not limited to Resource Adequacy), in each case which are or can be produced by or associated with generation from the Project. Product must count in Buyer's Renewables Portfolio Standard (RPS) portfolio as a Portfolio Content Category One (PCC 1) resource, as defined by the California Energy Commission (CEC) RPS Eligibility Guidebook, as may be amended or supplemented from time to time or otherwise consistent with applicable regulations promulgated by the CEC.
RPS Pre- Certification, Certification	Seller shall obtain RPS Pre-Certification and Certification of the Project with the CEC at its own expense and EPS Certification. Seller shall file an application with the CEC for RPS Pre-Certification promptly following the execution of the agreement. No later than ten (10) business days after the Commercial Operation Date (COD), Seller shall file for full Certification of the Project with the CEC. Seller

	<p>shall achieve full CEC certification within six (6) months after COD. Seller shall maintain such RPS Certification and EPS Certification throughout the Delivery Term.</p>
WREGIS	<p>Documentation of Environmental Attributes shall be done using WREGIS where Seller will transfer all Renewable Energy Certificates to Buyer. Seller is responsible for all costs and fees associated with registering the Project with WREGIS (including the use of test energy), maintaining registration, and transferring certificates. Seller shall obtain WREGIS certification for the Project no later than 3 months before COD. Failure of by the Seller to obtain WREGIS certification will be considered justification for the Buyer to terminate the contract.</p>
Project:	<p>[PROJECT NAME] – a project that will be approximately XXXMW of nameplate capacity, to be located within the service territory of XXXX.</p> <p>In addition to its nameplate capacity summarized above, the XXXX project may also include up to XXMWac for 4 hours of battery energy storage system (BESS) – shown in Section 6 below.</p>
Delivery Point:	<p>The point of interconnection of the Project will be to the XXX: transmission system at the XXXkV transmission point of interconnect.</p> <p>Seller shall be responsible for all fees, costs, or charges imposed in connection with delivery of Energy to the Delivery Point. Buyer shall be responsible for all fees, costs, or charges imposed in connection with delivery of Energy at and from the Delivery Point.</p>
Title Transfer:	<p>Title to and risk of loss related to the Products produced from the Project shall transfer from Seller to Buyer at the Delivery Point. Seller warrants that it will deliver to Buyer all Energy, Contract Capacity, Capacity Attributes, and Environmental Attributes from the Project</p>

	<p>free and clear of all liens, security interests, claims and encumbrances or any interest therein or thereto by any person arising.</p>
<p>Delivery Term:</p>	<p>Commencing on the COD and ending XX Contract Years thereafter. Contract Years shall be measured in calendar years but shall also include an initial stub year and a final stub year (each, a Contract Year).</p>
<p>Commercial Operation, Commercial Operation Date</p>	<p>Commercial Operation shall have been achieved when each of the following conditions have been satisfied or waived by the Parties: (a) The power plant has been installed, satisfactorily completed all startup testing, and has been commissioned, and (b) the facility systems have been completed in all material respects as required by the Definitive Agreement and is capable of delivering Energy to the Delivery Point in accordance with Prudent Electrical Practices, as demonstrated through a 168 hour continuous operation test of the Project, and (c) Seller has issued the notice of Commercial Operation Date (COD). After ensuring all requirements have been met, Buyer will issue a Commercial Operation Date Confirmation Letter.</p> <p>The COD is the later date on which conditions (a), (b) and (c) above have been met.</p> <p>Prior to the Facility achieving COD, Seller shall provide Buyer with monthly progress reports advising Buyer of the current status of the development, construction, start-up and testing of the Facility, including any significant developments or delays and Seller's estimate of any changes to the anticipated COD. If Seller anticipates that it will not achieve a milestone by the applicable milestone date set forth in <u>Appendix 2</u>, then Seller shall deliver to Buyer a remedial action plan that identifies (i) the anticipated period of delay; (ii) the basis for such delay; and (iii) a remedial action plan outlining the commercially reasonable steps that Seller is taking to address the delay and to ensure that future milestones, including the GCOD, will be achieved.</p> <p>Following the achievement of COD, Seller shall provide monthly reports of past generation performance that include, but are not limited to: a Facility performance summary with month/year to date,</p>

	<p>Facility performance on MWh, capacity factor, comparison of actual vs. expected, availability, wind speed/average illumination, operational summary including weather for the month, reasons for downtime, scheduled maintenance and repairs; curtailment events; safety; and a summary of any environmental issues or concerns.</p>
Scheduled Commercial Operation Date (COD)	<p>The Scheduled COD shall be [DATE], which may be extended on a day-for-day basis without payment of delay damages in the event of (a) a challenge to the project’s permits, (b) Force Majeure, (c) Buyer breach or (d) delay in completion of the interconnection facilities.¹</p>
Guaranteed Commercial Operation Date (COD)	<p>The Guaranteed COD for Commercial Operation is 9 months following the Scheduled COD; i.e., [DATE]. The Guaranteed COD is subject to a day-for-day extension to the extent the Scheduled COD is extended.</p>
Net Annual Delivery Quantity	<p>The Net Annual Delivery Quantity is approximately the following (final annual production to be updated based on final designs):</p> <p style="text-align: center;">[PROJECT NAME] (XXXMWac) – XXX,XXX MWh – to be finalized in final design</p> <p>Such amounts shall be adjusted each Contract Year based on annual degradation of 0.5% if applicable.</p>
Permitting	<p>Seller shall be responsible for securing all land use and building permits and any other regulatory approvals required for the Project, including but not limited to those required for the interconnection facilities. Milestones for permitting shall be provided to the Seller to support the expected construction schedule for all of the facilities to meet the COD date and Seller shall be responsible for ensuring milestones are met. If Seller anticipates that it will not achieve a milestone by the applicable milestone date, then Seller shall deliver to Buyer a remedial action plan that identifies (i) the anticipated period of delay; (ii) the basis for such delay; and (iii) a remedial</p>

¹ Note: Seller to bear Investment Tax Credit (ITC) risk in this case, which protects Buyer. This provision addresses any delay in the COD due to any potential challenge to the Project permits.

	<p>action plan outlining the commercially reasonable steps that Seller is taking to address the delay and to ensure that future milestones will be achieved.</p>
<p>Real Estate</p>	<p>Seller shall be responsible for purchasing and deeding to Buyer the land to be used for interconnection facilities. The land shall be delivered to Buyer free of unrecorded liens, encumbrances, leases, mortgages, deeds of trust, or security interests to Landlord's fee title ownership. The land shall be free of claims including threatened actions, administrative inquiries or proceedings, suits, arbitrations, claims or proceedings pertaining to the Premises. Buyer shall assume no liability associated with the previous use of the land. Further language regarding the real estate transfer to be addressed in the real estate transfer documentation to be developed at a later date.</p>
<p>2. TRANSACTION DETAILS:</p>	
<p>Contract Price:</p>	<p>Contract Price for Product scheduled and delivered to the Delivery Point is:</p> <p style="text-align: center;">\$XX.XX/MWh flat for the Delivery Term. ^ A *</p> <p>Prior to the COD, Buyer will pay the applicable hourly NP-15 EZ Gen Hub Price for power delivered to the Delivery Point.</p> <p>The Contract Price shall be discounted by an amount equal to the PCC1 REC Price for failure of Seller to deliver RECs in WREGIS within one hundred ten (110) days after the end of the month that the Energy was generated and delivered to Buyer and the cause of such failure was due to Seller's action or inactions. If, within the six (6) month period the REC is not delivered, Seller shall provide a true-up settlement to reflect the discounted Contract Price.</p>
<p>PCC1 REC Price</p>	<p>Means the market value as determined by BANC (using commercially reasonable efforts to mitigate damages) for PCC1</p>

	RECs based on the average of 3 broker quotes for NP-15 CEC RPS certified PCC1 RECs but in no event more than \$20/MWh.
Contract Capacity:	XXXMWac from the Project as measured at the Delivery Point.
Settlement Period:	Monthly
Production:	FOR ANY APPROPRIATE SETTLEMENT TIME INTERVAL, THE TOTAL MWHs OF ELECTRICAL ENERGY PRODUCED BY THE PROJECT AND ACTUALLY DELIVERED TO THE DELIVERY POINT DURING SUCH SETTLEMENT PERIOD PLUS ANY PRODUCTION DEEMED TO HAVE BEEN DELIVERED BECAUSE OF BUYER'S ECONOMIC CURTAILMENT RIGHT, BUYER'S BREACH, FORCE MAJEURE OR DISPATCH DOWN PERIODS. SELLER SHALL INCLUDE AN ENVIRONMENTAL ATTRIBUTE ATTESTATION OR BILL OF SALE IN EVERY MONTHLY INVOICE. SELLER SHALL CONFIRM, ON A MONTHLY BASIS, ITS COMPLIANCE WITH THE PPA PROVISIONS RELATED TO DELIVERY OF RECS AND DELIVER TO BUYER THE ASSOCIATED RECS CERTIFIED BY THE CEC, WHICH RECS MUST COMPLY WITH ALL REQUIREMENTS OF THE MOST-CURRENT CEC RPS GUIDEBOOK. SELLER SHALL PROMPTLY CONFIRM THAT IT HAS UPLOADED ALL RECS TO THE WREGIS SYSTEM (" WREGIS CERTIFICATES ").
Buyer Curtailment	<p>Buyer shall have the right to instruct Seller to curtail production for economic or reliability reasons.</p> <p>For Buyer-directed curtailments due to economic dispatch, Buyer has the right to curtail the output of the Facility by an amount up to 4% of the Annual Contract Quantity for each full Contract Year after COD at no additional cost to Buyer and without additional compensation to Seller. For curtailments in excess of the 4%, Buyer will pay the Seller the Contract Price for Energy that would have been generated had it not been curtailed due to instruction from Buyer.</p> <p>Reliability curtailments, to be mutually defined by the Parties, shall not be compensable by Buyer.</p> <p>For any monthly settlement period, the total MWh of electrical energy produced by the Project and delivered to the Delivery Point is totaled</p>

	<p>with any production deemed to have been delivered because of Buyer's curtailment.</p>
<p>Dispatch Down Instruction</p>	<p>Note: Seller will be required to enter into a Large Generator Interconnection Agreement with Host Electric Utility which will contain additional dispatch requirements supporting tariff and market responsibilities, including: telemetry, automatic generation control, dispatch instructions and testing.</p> <p>Seller shall be required to reduce generation upon any direction, instruction or order given by:</p> <ul style="list-style-type: none"> a) An Emergency Condition; b) Any abnormal situation or condition that in the reasonable judgment of Seller, is imminently likely to cause a material adverse effect on the security of, or damage to, the Project or Seller's interconnection facilities. System restoration or black start shall be considered an Emergency Condition; provided, however, that the Project shall not be obligated to possess black start capability; c) Any direction, instruction, or order given by RC West (whether directly or through the scheduling coordinator or Host Electric Utility) for warnings of an Emergency Condition, or imminent condition or situation, which jeopardizes Electric System integrity or the integrity of other systems to which they are connected, or any warning, forecast, or anticipated over-generation conditions, including a request to manage over-generation conditions; or d) Any direction, instruction or order given by the Host Electric Utility, or any Transmission Provider for reasons to prevent equipment damage, loss of load, abnormal voltage conditions, or any warning, forecast or anticipation of conditions or situations that jeopardize the Host Electric Utility or Transmission Provider's system integrity or due to scheduled or unscheduled maintenance or construction on the Host Electric Utility or Transmission Provider's transmission or

	<p>distribution facilities that prevent BANC from receiving or the Seller from delivering Energy at the Delivery Point.</p> <p>Provided, however, Dispatch Down Instructions shall not include any Buyer Curtailments.</p>
Monthly Settlement Amount	<p>For any calendar month, this shall be the product of the total Production (actual and deemed) in such month multiplied by the applicable Contract Price for the Settlement Period.</p>
Payment Date(s):	<p>Buyer shall provide a settlement statement to Seller no later than 25 calendar days after the end of each Settlement Period. Buyer shall pay the monthly Settlement Amount within 20 calendar days of receipt by Seller of Buyer's settlement statement.</p>
3. Scheduling and Settlements	
Scheduling Coordinator	<p>Buyer shall be the Scheduling Coordinator for scheduling the Energy at the Delivery Point. Seller shall pay Buyer an annual fee of \$56,000 with a 2% annual escalator factor for a Delivery Term of 30 years for Scheduling Coordination and settlement service. The Scheduling Coordinator requirements include the Buyer's EIM or other energy market resource portfolio.</p>
EIM and Other Markets	<p>BANC participates in the Western Energy Imbalance Market (EIM), and the Parties agree that the Project will be an EIM participating resource. Seller shall, at its sole cost and expense (i) design and thereafter at all times maintain the Project in compliance with the New Resource Implementation requirements, and (ii) subject to then EIM Compliance Cap, include in the design, construction, and operation of the Project any equipment or software that may be required to enable the Project to participate in the EIM. Seller shall register the Project into the EIM.</p> <p>Seller acknowledges that Buyer may participate in other organized markets operated by the CAISO or another ISO or RTO, including but not limited a proposed Extended Day Ahead Market or "EDAM." The Parties shall use commercially reasonable efforts to integrate the Project into any future market(s) to allow the Project to participate. Buyer shall compensate Seller for such Project integration costs related to equipment and/or software changes to</p>

	<p>the extent such costs are solely required for the Project and are not used by Seller for other participating projects.</p>
<p>Available Capacity</p>	<p>The power output from the Project, expressed in megawatts, that is available to generate Energy.</p> <p>Seller shall comply with the Available Capacity notification requirements as it relates to a schedule of the hourly Available Capacity. If in any hour of any month during the Delivery Term both (a) Seller fails to comply with the notification procedures requirements, and (b) the sum of Energy Deviations (defined below) for each of the 12 Settlement Intervals (defined below) in that hour exceed the Performance Tolerance Band (defined below), then Seller is liable for scheduling penalties (“Scheduling Penalties”) equal to the greater of (i) one hundred fifty percent (150%) of the Contract Price (expressed in \$ / kWh) or (ii) the absolute value of the Real-Time Price, in each case for each kWh of Energy Deviation outside the Performance Tolerance Band. The term “Energy Deviation” means the absolute value of the difference, in kWh, in any Settlement Interval between (i) the final accepted Bid (as defined in the CAISO Tariff) submitted for the Project for the hour of the Settlement Interval divided by the number of Settlement Intervals in the hour; and (ii) energy actually delivered from the Project, measured in kWh, such Settlement Interval; (b) the term “Performance Tolerance Band,” means, in kWh, is equal to: (i) three percent (3%) times; (ii) forecasted Available Capacity times; (iii) one (1) hour; and (c) the term “Settlement Interval” means any one of the twelve (12) five (5) minute time intervals beginning on any hour and ending on the next hour.</p> <p>Specific Available Capacity notification procedures to be developed as an Exhibit to PPA.</p>

<p>Settlement Charges</p>	<p>Except as otherwise set forth in the Agreement, Buyer (as Scheduling Coordinator) shall be responsible for (a) all costs, charges and penalties associated with Buyer's bidding and Scheduling rights under this contract for scheduling of the Project's Products, and (b) all imbalance energy costs, charges and penalties; provided, that:</p> <p>Seller shall be responsible for (1) any administrative charges, penalties, or fees assessed by the CAISO to the Project solely in its capacity as a generator in the CAISO market (including Forecasting Fees and Grid Management Charges associated with the real time market), (2) any costs, charges and penalties, assessed by the CAISO resulting from negative Uninstructed Imbalance Energy. Seller shall be entitled to any CAISO revenues generated as a result of negative Uninstructed Imbalance Energy, (3) any CAISO charges, penalties, or fees related to Seller's failure to comply with a Buyer Curtailment or Dispatch Down Instruction, and (4) any CAISO charges due to Seller's failure to comply with the CAISO Tariff. Parties agree the Definitive Agreement will include Seller and Buyer requirements and obligations in support of Buyer's participation with the EIM, or other energy markets selected by the Buyer. Such participation will incur imbalance deviation charges.</p>
<p>Control Facilities</p>	<p>Seller shall install, and test such facilities, communications links and other equipment, and implement such protocols and practices, and thereafter maintain such facilities, communications links and other equipment, as necessary (a) for Seller to respond and follow instructions, including an electronic signal conveying real time instructions, to operate the Project as directed by the Buyer, and (b) for Buyer to control the quantity of Product generated by the Project in order to respond to curtailments. These Control Facilities must be operational as a condition to achieving Commercial Operation.</p>
<p>Monitoring Facilities</p>	<p>Seller shall install, at its own expense, meteorological stations and ancillary facilities as may be required by the rules for CAISO's</p>

	<p>Energy Imbalance Market (EIM), or other energy markets selected by Buyer, as may be added or expanded from time to time.</p>
<p>4. CREDIT SUPPORT:</p>	
<p>Seller:</p>	<p>Within thirty (10) days of Definitive Agreement execution, Seller shall provide Buyer cash, guaranty from [COUNTERPARTY NAME], or a letter of credit from a Qualified Issuer in the amount of \$50 per kW of contracted AC nameplate capacity, which shall terminate upon the COD.</p> <p>Upon COD, Seller shall provide Buyer cash or a letter of credit from a Qualified Issuer in the amount of \$100 per kW of contracted AC nameplate capacity. If a battery energy storage facility is included in the Project, the nameplate capacity of the battery shall be included in such kW calculation.</p> <p>Seller shall maintain the cash or letter of credit for the duration of the Term. All such cash or letter of credit shall be promptly replenished in full at any time drawn upon by Buyer.</p> <p>No lien or other security will be required and Buyer's recourse against Seller shall be limited to the security provided.</p> <p>Qualified Issuer is a major U.S. commercial bank or a U.S. branch of a foreign bank that, at the time of delivery of a letter of credit, (i) has a combined capital surplus of \$10,000,000,000 and (ii) has a senior unsecured long-term credit rating (the "Credit Rating") of at least "A-" by S&P or "A3" by Moody's. Customary Letter of Credit default provisions to be agreed by the Parties in the Definitive Agreement.</p>
<p>5. OTHER PROVISIONS:</p>	
<p>Net Annual Delivery Guarantee</p>	<p>Net Annual Delivery Guarantee shall be 90% for wind and solar projects and 95% for base-load or other non-intermittent eligible renewable energy projects of the Net Annual Delivery Quantity, which shall include deemed energy production similar to precedent.</p>

	<p>To the extent the Project delivers excess energy in an amount between 105% and 120% of the Net Annual Delivery Quantity, Buyer shall pay Seller for each such MWh an amount equal to 40% of the Contract Price. Buyer shall pay Seller for any energy delivered in excess of 120% of the Net Annual Delivery Quantity in an amount equal to 25% of the Contract Price, unless such deliveries shall result in imbalance penalties.</p>
<p>Events of Default:</p>	<p>Usual and customary Buyer and Seller events of default, with customary cure periods, will be provided in the Definitive Agreement.</p> <p><i>If the Facility delivers less than the Guaranteed Generation for any given Contract Year (a "Shortfall"), Seller shall cure such Shortfall by delivering to Buyer the equivalent replacement Product during the Contract Year immediately following the Contract Year in which the Shortfall has occurred (such Contract Year, the "Cure Period").</i></p> <p><i>During any Contract Year that is a Cure Period, the Product delivered will not be counted toward the Shortfall from the previous Contract Year until such time as [85% -- for wind and solar][90% -- for base-load or other non-intermittent eligible renewable energy] of the Annual Contract Quantity has been delivered for the then-current Contract Year. If Seller does not cure the Shortfall within the Cure Period, Seller shall pay Buyer cover damages for any remaining Shortfall based on an energy index to be specified in the PPA within sixty (60) days after the end of the Cure Period. Notwithstanding the foregoing, Seller shall immediately pay Buyer cover damages for any Shortfall that occurs in a Contract Year that is the last year of an RPS compliance period.</i></p>
<p>Lender Accommodations:</p>	<p>Buyer acknowledges that Seller may elect to finance the Project, and that Lender and tax equity investors providing such financing may request consents and estoppels, as well as amendments to the Project documents. Buyer agrees to provide customary support to such financing parties on terms reasonably acceptable to BANC.</p>

<p>Planned Outages:</p>	<p>Parties will coordinate on the scheduling of planned outages of the Project to minimize Project unavailability and maximize Project performance. Planned Outages during the months of May, June, July, August, and September shall be avoided to the extent practicable.</p>
<p>Forced Outages:</p>	<p>"Forced Outage" means an unplanned outage of one or more of the Project's components that results in a reduction of the ability of the Project to produce Energy, and that is not the result of a Force Majeure and specifically excludes any planned maintenance outage or Planned Outage.</p>
<p>Site Visits:</p>	<p>Buyer shall have the right to reasonable, periodic site visits upon advance notice to Seller.</p>
<p>Site Control:</p>	<p>Seller shall have established, and shall maintain throughout the Term, site and resource control for the entire Project (including all real property, water rights, easements, access and related rights, and including the Facility gen-tie, if applicable), pursuant to site lease agreements and easements or fee interests, all of which shall be valid for a period of not less than the Term. Seller shall provide copies of such interests in the Project site to Buyer.</p> <p>In addition, Seller shall provide Buyer with step-in rights to cure any defaults arising under any leases or development agreement(s) for the Project.</p>
<p>Buyer Termination Rights:</p>	<p>Buyer has a unilateral right to terminate (subject in certain cases to customary cure rights and periods) if one of the following occurs: (a) Seller fails to achieve Commercial Operation of the full Contract Capacity by the Guaranteed COD, as that date may be extended by Seller in accordance with the terms and conditions; (b) After COD, Seller has not sold or delivered Energy and Environmental Attributes from the Project to Buyer for a period of twelve (12) consecutive months; (c) If Seller fails to meet the Net Annual Delivery Guarantee for two consecutive Contract Years (subject to a cure plan as set forth in the definitive documentation consistent with BANC-</p>

	<p>[COUNTERPARTY NAME] precedent); (d) Seller fails to obtain RPS Certification within six (6) months after COD (subject to a 6-month cure period so long as Seller is acting diligently), or fails to maintain RPS Certification throughout the term of the Definitive Agreement (subject to a 30-day cure period), with financial true-up for failure to deliver Green Attributes; (e) Seller defaults under the PPA and fails to timely cure such default during the applicable cure period(s) to be provided in the PPA; (f) Buyer otherwise has a right of termination specified in the PPA; (f) Seller fails to achieve any Key Milestone..</p> <p>In the event of termination due to failure to achieve Commercial Operation for the full Contract Capacity by the Guaranteed COD in condition (a) above, Buyer will keep the entire development security deposit and neither Party will have any remaining obligation to the other.</p>
<p>Delay Damages</p>	<p>Delay Damages shall be assessed daily for every day of delay from the Scheduled COD, up until the Guaranteed COD. The daily Delay Damage quantity shall be the development security amount divided by the number of days in the 9-month period between the Scheduled COD and the Guaranteed COD. Delay damages shall also be imposed for failure to timely achieve Key Milestones.</p>
<p>Transmission Losses</p>	<p>Except as specifically stated otherwise, all Products specified herein are amounts as provided at the Delivery Point. Seller is responsible for all losses before the Delivery Point.</p>
<p>Assignment</p>	<p><u>Seller shall not assign the PPA without the prior written consent of Buyer, other than that Seller may without consent assign the PPA for the sole purpose of financing the Facility to any project lender or a tax equity investor, provided that the terms of any such consent including all agreements thereto conform with the requirements of the PPA.</u></p> <p><u>Buyer may assign the PPA to any of its creditworthy members.</u></p> <p><u>Buyer's consent shall be required prior to the occurrence of any change in control, as defined in the PPA.</u></p>

Novation	Parties agree to discuss the option of contract novation during the negotiation and development of the PPA.
Solar Insolation	Seller will be responsible for collecting and providing real-time to Buyer, Actual Solar Insolation data at the site. On an annual basis, Seller shall submit a report for Buyer's review.
Special Purpose Entity	Seller shall be, as of the Effective Date, and shall remain throughout the Term, a bankruptcy remote special purpose entity, in conformance with the general requirements and standard structure of such an entity and the requirements to be set forth in the PPA.
6. BATTERY ENERGY STORAGE SYSTEM (BESS):	
Description: Cost	Battery Energy Storage Systems (BESS) may be installed at the [PROJECT NAME]. The BESS facilities would be of the following sizes: 1) [PROJECT NAME] BESS size (up to the following size) – a. XXMW, 4 hours b. Ability to increase to XXXMW, 4 hours (DC-coupled keeping POI limit below XXXMW for [PROJECT NAME])
BESS Degradation	In Year 1-15, such amounts shall be adjusted each Contract Year based on annual degradation of 0.5%. After Year 15, such amounts shall be adjusted each Contract Year based on annual degradation between 4.0-5.0%.
BESS Contract Price:	The BESS Contract Price for BANC to access the storage capacity at the POI is the following: 1) [PROJECT NAME] BESS pricing ² – a. XXMW, 4 hours – \$X.XX/kW-month b. XXXMW, 4 hours - \$X.XX/kW-month 2) Size –

² Subject to tax diligence.

	<ul style="list-style-type: none"> a. XXMWac/XXXMWh b. XXXMWac/XXXMWh <p>3) System configurations –</p> <ul style="list-style-type: none"> a. AC-coupled system b. Compatibility with CAISO requirements, including Resource Adequacy, as discussed with the BANC team c. Charging for solar metered separately at the Solar PPA Contract Price before entering the BESS system d. Full control for BANC to discharge and charge the BESS system at will with a less than 30 seconds response time to support Frequency Response Reserve. <p>See Appendix 2 for BESS pricing examples.</p>
<p>Storage Grid-Charging</p>	<p>Seller shall indicate extent to which combined energy storage can utilize energy charged from the grid. Grid charging % defined as allowed volume of grid charging energy divided by total charging energy by energy storage system per year.</p> <p>\$_____/MWh adder for 5% optional grid charging capability</p>
<p>7. ADDITIONAL CONSIDERATIONS:</p>	
<p>Disclaimer:</p>	<p>This communication is only for the purpose of furthering discussions and is not intended to bind any party or any project to any course of action, terms or agreement. The pricing and terms contained in this Term Sheet represent non-binding, indicative pricing and terms and do not constitute an offer or otherwise create a binding agreement or obligation to consummate any contemplated transaction, including purchase and sale of energy and/or capacity. Any such obligation or agreement would be created only by the execution of a Definitive Agreement(s), the provisions of which, if so executed, will supersede this Term Sheet and all other agreements, if any, related to this</p>

	<p>document and the proposed transaction. This is not intended to be a complete list of terms or issues that would be required or addressed in any final Definitive Agreement, but only sets forth certain terms presently identified as potentially helpful in furthering discussion. Any agreement requires the approval of Buyer management and Buyer Commission approval and shall require Seller management and Board approvals.</p>
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<p><u>Part 2. GENERAL INTERCONNECTION AGREEMENT TERMS</u></p>	
<p>LGIA</p>	<p>The Interconnection Agreement shall be the Host Electric Utility's LGIA.</p>
<p>Term</p>	<p>The Interconnection Agreement shall be in effect for a period of thirty-five (35) years from the In-Service Date.</p>
<p>In-Service Date</p>	<p>The date upon which the Interconnection Customer begins use of Host Electric Utility's Interconnection Facilities to obtain back feed power.</p>
<p>Interconnection Facilities:</p>	<p>The interconnection facilities will be installed on Host Electric Utility's transmission system. The exact location and extent of the upgrades will be determined after site locations are finalized.</p>
<p>Interconnection Security</p>	<p>Seller shall be responsible for posting security for the Host Electric Utility interconnection facilities identified as part of the OATT process. Further detail regarding the timing and process for posting and release of the security to be included as part of the LGIA.</p>
<p>NERC</p>	<p>SELLER shall register as the GO, GOP, and/or other applicable NERC registrations, with NERC and be responsible for administering compliance programs according to the Applicable Reliability Standards.</p>
<p>Further Details:</p>	<p>Further interconnection details to be agreed among the parties.</p>

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