

**WESTERN SYSTEMS POWER POOL AGREEMENT  
TRANSACTION CONFIRMATION  
BETWEEN GEYSERS POWER COMPANY, LLC  
AND  
NORTHERN CALIFORNIA POWER AGENCY**

This transaction confirmation (“**Confirmation**”) sets forth the terms and conditions of the transaction between Buyer and Seller, each individually a “**Party**” and together the “**Parties**,” as of the Effective Date specified below, in which Seller agrees to sell and deliver, and Buyer agrees to purchase and receive, the Product, as such term is defined herein (the “**Transaction**”). This Transaction is governed by the Western Systems Power Pool (“**WSPP**”) Agreement (Effective Version: August 26, 2022), together with any and all exhibits, schedules or supplements thereto or incorporated therein by reference, as amended or modified, each in force and effect from time to time between the Parties (collectively, the “**Master Agreement**”), as amended and supplemented by this Confirmation. The Master Agreement and this Confirmation are collectively referred to herein as the “**Agreement**”. Capitalized terms used but not otherwise defined in this Confirmation are defined in the Master Agreement or the Tariff (as defined below). To the extent that this Confirmation is inconsistent with any provision of the Master Agreement, this Confirmation shall control and shall govern the rights and obligation of the Parties in connection with this Transaction. Except as otherwise specified, references to an “**Article**” or a “**Section**” mean an Article or Section of this Confirmation, as applicable. This Confirmation supersedes and replaces any prior oral or written confirmation or agreement, including broker confirmations, regarding this Transaction.

**We confirm the following terms of our Transaction:**

**Buyer:** Northern California Power Agency

**Seller:** Geysers Power Company, LLC

**Transaction:** This Transaction is for Seller to sell and Buyer to purchase Resource Contingent Bundled RECs, all in accordance with the terms and conditions of this Agreement.

**Effective Date:** December 23, 2022

**Delivery Term:** The “**Delivery Term**” shall be from January 1, 2025 to December 31, 2036, inclusive. Notwithstanding the foregoing, for the sole purpose of matching delivery of RECs with Delivered Energy from the Project, such period will extend through the date that all RECs associated with such Delivered Energy have been delivered from Seller to Buyer in accordance with this Confirmation.

**Product:** “**Product**” or “**Resource Contingent Bundled REC**” means Delivered Energy which meets the criteria for Section 399.16(b)(1)(A) of the California Public Utilities Code, comprised of: (1) renewable energy delivered in accordance with the terms and conditions of WSPP Service Schedule B, (2) Renewable Energy Credits generated by the Project and transferred by Seller through a WREGIS Certificate to Buyer under this Confirmation, and (3) all Environmental Attributes associated with the renewable energy delivered to Buyer as part of this Confirmation. To the extent not

inconsistent with the foregoing, the Product is a Resource Contingent Bundled REC as such is described under Section R-2.3.4 of WSPP Service Schedule R. The Product does not include any other non-renewable attributes (e.g., ancillary services or resource adequacy capacity).

- Project:** The term “**Project**” means one or more of the geothermal power plants owned or controlled by Seller and located in Lake and Sonoma Counties, California that will be used to provide the Contract Quantity. **Exhibit A** identifies each of the geothermal power plants from any of which the Product will be produced and delivered as of the Effective Date. Due to the portfolio nature of the Geysers, Buyer acknowledges that Seller is making sales and deliveries from the Project to other purchasers; provided, however, Seller shall hold title to the Resource Contingent Bundled RECs and associated Environmental Attributes generated by the Project to meet the Contract Quantity during the Delivery Term until delivered to Buyer at the Delivery Point, as set forth in this Agreement. Following the Effective Date, Seller may (i) add geothermal power plants to **Exhibit A** with prior written consent of Buyer, which such consent shall not be unreasonably withheld or delayed, or (ii) remove geothermal power plants from Exhibit A with prior written notice to Buyer. Each Project must (i) be certified by the CEC as an ERR for the California RPS Program and (ii) satisfy the requirements of Section 399.16(b)(1)(A) of the California Public Utilities Code by having a first point of interconnection with the CAISO Balancing Authority.
- Delivery:** Scheduling Delivered Energy to the Delivery Point will constitute delivery of the Product to Buyer, provided the WREGIS Certificates or RECs evidencing the Environmental Attributes of the Product are delivered to Buyer as provided in this Agreement.
- Delivery Point:** The Delivery Point for each Project shall be the Point of Interconnection with the CAISO Balancing Authority.
- Financial Settlement Point:** The Financial Settlement Point shall be the NP15 EZ Gen Hub.
- Meter Data:** To provide evidence of Product, in connection with submission of its monthly invoice and upon the request of Buyer, Seller shall provide to Buyer records of settlement quality metered data, including CAISO metering and transaction data sufficient to document and verify the generation and delivery of the Product to Buyer by the Project to the Delivery Point (and upon Buyer’s reasonable request access to any records, including invoices or settlement data from the CAISO, necessary to verify the invoice).

**Contract Price:** For each MWh of Product scheduled and delivered in accordance with this Confirmation, not to exceed the Contract Quantity, Buyer shall pay Seller the Contract Price.

“**Contract Price**” is as follows:

Contract Years	Price (\$/MWh)
January 1, 2025 – December 31, 2036	██████ per MWh of Product

**Contract Quantity:**

Contract Years	Contract Quantity
January 1, 2025 – December 31, 2026	50 MW of the Product delivered on a 7x24 schedule
January 1, 2027 – December 31, 2036	100 MW of the Product delivered on a 7x24 schedule

**Renewable Energy Credit Certificates and Transfer of RECs:**

Seller, or Seller’s QRE, shall record MWh of renewable energy produced and delivered for this Confirmation into WREGIS for each calendar month of the Delivery Term, and Seller shall cause the RECs created from this renewable energy to be transferred to Buyer in accordance with the terms and conditions of the WREGIS and WREGIS Operating Rules on a schedule that accommodates WREGIS reporting.

Seller shall be responsible, at its sole expense, for validating, adjusting, and disputing data with WREGIS so that the data from the Project settlement quality meter data corresponds with the quantity of RECs conveyed to Buyer hereunder. Upon request Seller shall provide Buyer with copies of all material correspondence or documentation to or from WREGIS with respect to any such validation, adjustment, or dispute. Without limiting Seller’s obligations, if a WREGIS Certificate deficit is caused solely by an error or omission of WREGIS or the CAISO, the Parties shall cooperate in good faith to cause WREGIS to correct its error or omission.

Seller shall, at its sole cost and expense, take all actions and execute all documents or instruments necessary to ensure that the RECs sold hereunder can be transferred to Buyer utilizing WREGIS. Seller shall comply with all laws, including, without limitation, the WREGIS Operating Rules regarding the certification and transfer of RECs sold hereunder to Buyer. During the Delivery Term, Seller shall have in-place, or shall submit documentation to establish, an account with WREGIS. Seller shall transfer RECs to Buyer in accordance with WREGIS reporting protocols and

WREGIS Operating Rules. Seller shall be responsible for all customary expenses associated with WREGIS Certificate issuance fees and utilizing WREGIS to transfer the RECs to Buyer, or its designee, except for any costs incurred by Buyer with respect to Buyer's registration with WREGIS and Buyer's WREGIS account.

To provide evidence of Environmental Attributes associated with the Product, Seller shall transfer to Buyer the RECs to Buyer's WREGIS account(s) within fifteen (15) Business Days after WREGIS creates certificates from each month's settlement quality meter data in accordance with the WREGIS Timelines (e.g., approximately four months after renewable energy production and delivery under current WREGIS operating conditions and WREGIS Timelines). If Buyer's WREGIS account ID is not available as of the start of the Delivery Term, Buyer will provide it to Seller promptly once Buyer receives the WREGIS account ID. Seller shall make REC deliveries associated with the Product by transfer of WREGIS Certificates to Buyer's WREGIS account pursuant to WREGIS Operating Rules. Seller shall, at its option, transfer the WREGIS Certificate using forward certificate transfer or any other transfer permitted under the WREGIS Operating Rules. With respect to REC deliveries, Product flow shall be considered the month in which the WREGIS Certificates are created by WREGIS under current operating conditions.

Because WREGIS Certificates will only be created for whole MWh amounts of renewable energy generated, any fractional MWh amounts will be carried forward during the Delivery Term until sufficient renewable generation is accumulated for the creation of a WREGIS Certificate to be transferred to Buyer.

In the event WREGIS changes the WREGIS Operating Rules, or applies the WREGIS Operating Rules in a manner inconsistent with this Confirmation, the Parties will negotiate in good faith using commercially reasonable efforts to revise or amend this Confirmation to the extent possible to preserve the intended economic benefits of this Transaction for both Parties, and so cause and enable Seller to transfer to Buyer's WREGIS account the RECs sold to Buyer hereunder.

Buyer and Seller acknowledge and agree that the consideration for and transfer of the Environmental Attributes is contained within the Contract Price.

**Scheduling and Settlement:**

Seller shall provide (or cause to be provided) all Scheduling Coordinator services at Seller's expense for the Project (and all units constituting the Project) and for delivery of Product to the Delivery Point, and for scheduling the Inter-SC Trade to deliver the value of the Delivered Energy to Buyer as set forth herein. Buyer shall provide (or cause to be provided) all Scheduling Coordinator services at Buyer's expense to receive Product from Buyer, and for scheduling the Inter-SC Trade to receive the value of the Delivered Energy as further set forth herein.

Seller will schedule or cause to be scheduled, at its sole discretion, Product to the CAISO Balancing Authority on a day-ahead, hour-ahead, sub-hourly and/or real-time basis. All Product will be scheduled in accordance with Generally Accepted Utility Practice and the Tariff.

Based on the CAISO market scheduling and settlement protocols in place as of the Effective Date, CAISO will pay or charge Seller the CAISO Credit for the energy value of Delivered Energy produced and delivered from the Project to the Delivery Point on behalf of the Buyer. To transfer the energy value of the Delivered Energy produced and delivered from the Project from Seller to Buyer, Seller will schedule Inter-SC Trades on a Day-Ahead basis at the Financial Settlement Point in an amount equal to the Contract Quantity to effectuate the transfer of the energy value of Delivered Energy from Seller to Buyer, and Buyer will schedule Inter-SC Trades on a Day-Ahead basis at the Financial Settlement Point in an amount equal to the Contract Quantity to effectuate the receipt of the energy value of Delivered Energy from Seller to Buyer. Consequently, and consistent with applicable netting provisions of the Master Agreement, Seller and Buyer hereby agree that the energy value of Delivered Energy will be transferred from Seller to Buyer by scheduling Inter-SC Trades on a Day-Ahead basis at the Financial Settlement Point between Seller and Buyer, and Seller shall be responsible for all CAISO costs (including penalties, costs associated with scheduling and settling Inter-SC Trades on a day-ahead basis at the Financial Settlement Point, and other charges) and shall be entitled to all CAISO credits (including CAISO Credits and payments) associated with the Project and the delivery of energy to the Delivery Point, and Buyer shall be responsible for all CAISO costs and shall be entitled to all CAISO credits associated with scheduling Inter-SC Trades on a Day-Ahead basis at the Financial Settlement Point to effectuate the receipt of the energy value of Delivered Energy from Seller to Buyer.

In the event the amount of Delivered Energy produced and delivered from the Project is less than the Contract Quantity in any monthly period, the payment from Buyer to Seller for Delivered Energy for that monthly period will be adjusted to account for the MWh difference between the Contract Quantity scheduled from Seller to Buyer as an Inter-SC Trade at the Financial Settlement Point, and the actual amount of Delivered Energy produced and delivered from the Project at the Delivery Point, as follows:

$$\text{Payment Due} = (\text{Contract Quantity} * \text{Contract Price}) + ((\text{Delivered Energy} - \text{Contract Quantity}) * \text{Environmental Attribute Price})$$

In the event Seller forecasts that the amount of Delivered Energy to be produced and delivered from the Project during a period of time will be less than the Contract Quantity due to an excused event as set forth in Section R-2.3.4 of WSPP Service Schedule R or WSPP Service Schedule B, Seller will promptly notify Buyer of the reduced amount of Delivered Energy that is forecasted to be produced and delivered during a period of time, and the Parties will timely coordinate in a commercially reasonable manner to make adjustments to the MWh quantity of Inter-SC Trades that are to be scheduled at the Financial Settlement Point by Seller and Buyer during the

specified period of time to match the amount of Delivered Energy that is forecasted to be produced and delivered from the Project

**Invoicing and Payment:**

For the purposes of this Transaction, invoicing and payment for the Product and Environmental Attributes delivered to Buyer, as further set forth in this Confirmation, will be in accordance with Section 9 of the Master Agreement.

**Eligibility:**

Seller, and, if applicable, its successors, represents and warrants that throughout the Delivery Term of this Agreement that: (i) the Project qualifies and is certified by the CEC as an Eligible Renewable Energy Resource (“ERR”) as such term is defined in Public Utilities Code Section 399.12 or Section 399.16; and (ii) the Project’s output delivered to Buyer qualifies under the requirements of the California Renewables Portfolio Standard. To the extent a Change in Law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such Change in Law. [STC 6, Non-Modifiable. (Source: D.07-11-025, Attachment A) D.08-04-009] Commercially reasonable efforts shall be those efforts described in the Change in Law provision of this Confirmation.

Seller will be responsible for ensuring that (i) each Project is certified as an ERR for the California RPS Program prior to delivery of Resource Contingent Bundled RECs hereunder from such Project; and (ii) the Environmental Attributes have been or will be transferred to Seller and will be transferrable to Buyer through or using WREGIS, or such similar generation information or attributes tracking system as may be approved by or other method of transfer acceptable to the Energy Commission.

**Vintage:**

Calendar Year 2025 through Calendar Year 2036, inclusive.

**Environmental Attributes:**

All Attributes, such is described under Section R-2.4.1 of WSPP Service Schedule R. The Parties agree that the Product will be sourced only from the Projects identified in the Confirmation with no substitutions.

**Applicable Program:**

State of California Renewable Portfolio Standard Program (hereinafter referred to as “**California Renewables Portfolio Standard**” or “**California RPS Program**” or “**RPS**”, as codified at California Public Utilities Code Section 399.11 et seq., and jointly administered by the CEC and the CPUC, including without limitation all applicable eligibility criteria and requirements thereof, and implemented in a manner consistent with the Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities, as adopted by the California Energy Commission on December 22, 2020, and requiring that a specified percentage of a load-serving entity’s retail sales should be supplied with electricity generated by ERRs.

**WSPP Service  
Schedule R:**

This Confirmation incorporates Service Schedule R of the Master Agreement, which shall govern this Transaction except as modified in this Confirmation. References herein to sections in Schedule R shall appear, for example, as "Section R-2.3.4".

**Representations  
And Warranties:**

As of the Effective Date, each Party represents and warrants to the other Party that: (i) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation; (ii) it has authority and ability to enter into this Agreement and perform its obligations hereunder; (iii) it is acting for its own account and is not relying upon any representation of the other Party other than those expressly set forth herein; and (iv) it has entered into this Agreement in connection with the conduct of its business and it has the capacity or ability to produce and deliver or take delivery of all Product referred to in the Agreement to which it is a Party.

Seller further represents and warrants to Buyer that:

- i. Seller hereby provides and conveys all Environmental Attributes associated with the electricity generation from the Project to Buyer as part of the Product being delivered. Seller represents and warrants that Seller holds the rights to all such Environmental Attributes from the Project, and Seller agrees to convey and hereby conveys all such Environmental Attributes to Buyer as included in the delivery of the Product from the Project.
- ii. Seller and, if applicable, its successors, represents and warrants that throughout the Delivery Term of this Agreement the Renewable Energy Credits transferred to Buyer conform to the definition and attributes required for compliance with the California RPS Program and California Renewables Portfolio Standard, as set forth in California Public Utilities Commission Decision 08-08-028, and as may be modified by subsequent decision of the California Public Utilities Commission or by subsequent legislation. To the extent a Change in Law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such Change in Law. [STC REC-1, Non-modifiable. D.11-01-025] Commercially reasonable efforts shall be those efforts described in the Change in Law provision of this Confirmation.
- iii. Tracking of RECs in WREGIS. Seller warrants that all necessary steps to allow the Renewable Energy Credits transferred to Buyer to be tracked in the Western Renewable Energy Generation Information System will be taken prior to the first delivery under the contract. [STC REC-2, Non-modifiable. D.11-01-025]
- iv. Seller has not sold the Product or any Environmental Attribute of the Product to be transferred to Buyer to any other person or entity.

- v. The Product produced and delivered from Seller to Buyer is from the electric energy generated by the Project.
- vi. Each Project has a first point of interconnection with the CAISO Balancing Authority.
- vii. The Product to be purchased and sold pursuant to this Confirmation are not committed to another party.
- viii. All rights, title and interest in and to the Product are free and clear of any taxes or security interests, claims, or other encumbrances or any interest therein, or thereto, by any Person.
- ix. Subject to the Change of Law provision below, the Product meets the criteria set forth in California Public Utilities Code Section 399.16(b)(1). Seller shall provide any documentation required by the CPUC or CEC to support the Product's classification as a Portfolio Content Category 1 Product as set forth in California Public Utilities Code Section 399.16(b)(1)(A).
- x. Seller shall obtain, maintain, and remain in material compliance with all permits, interconnection agreements, and transmission rights necessary to operate the Project and to deliver Product from the Project to the Delivery Point.

**Change in Law Provisions:**

- a) The Product shall be Regulatorily Continuing requiring that Seller make commercially reasonable efforts to obtain compliance with Changes in Law in the California RPS Program, provided that such costs should not be greater than fifteen thousand dollars (\$15,000) per MW of Contract Quantity (the "**Capped Amount**"). This provision shall not apply to any Product that was delivered and accepted prior to any Change in Law if such Product complies with the California RPS Program that existed when it was delivered and accepted.
- b) This Confirmation is executed for the express purpose of complying with the California RPS Program and Section 399.16(b)(1)(A) of the California Public Utilities Code. Notwithstanding subsection (a), and subject to subsection (c), (i) if a Change in Law occurs after the Effective Date that causes the Product to cease to be compliant with the California RPS Program, Seller shall comply with such Change in Law and, subject to the Capped Amount, cause the Product to be compliant with the California RPS Program and continue to maintain compliance with the California RPS Program after having brought the Product back into compliance for the remainder of the Delivery Term; and (ii) if the California RPS Program is replaced or superseded with any successor renewable portfolio standard or similar program or any Governmental Body implements a regulation of any Environmental Attribute associated with the Product, including the limitation of greenhouse gases, then (A) the Parties shall in good faith amend the terms of this Agreement to comply with the requirements of such successor standard or new environmental attribute law or regulation in order to effect the original intent of this Agreement; provided that neither such amendment nor the Parties' failure to enter into such amendment shall (1) relieve Seller of its obligations for the cost



of Compliance Actions up to the Capped Amount, (2) diminish Buyer's rights or benefits hereunder, or (3) increase or decrease Buyer's obligations or liabilities hereunder, including payment obligations, unless otherwise set forth herein and (B) Seller shall comply with the requirements of such successor renewable portfolio standard, similar program or regulation of any Environmental Attribute associated with the Product, including the limitation of greenhouse gases, in accordance with the amended version of this Agreement. Seller shall be responsible for all costs and expenses incurred by either Party in the performance of the Parties' obligations under the forgoing clauses (i) and (ii)(B) (collectively, the "**Compliance Actions**") up to the Capped Amount.

- c) If Seller reasonably expects that the costs necessary to cause the Product to be compliant with the California RPS Program, or to cause the Product to comply with any successor RPS law or new environmental attribute law or regulation, will exceed the Capped Amount even after Seller's future efforts to comply with such Change in Law, including Seller's expenditure in an amount equal to or greater than Capped Amount, then, in either case, Seller shall promptly provide notice to Buyer of the foregoing. Within thirty (30) Business Days after such notice, Seller shall, at its sole expense, deliver to Buyer a reasonably detailed report (the "**Compliance Action Plan**") consisting of (A) the Compliance Actions that Seller has performed and an itemized list of costs of such Compliance Actions, (B) Seller's proposed additional Compliance Actions and a good faith itemized estimate of the applicable costs, and (C) a good faith estimate of the date that the Product will again be compliant with the California RPS Program or Product will be in compliance with the successor RPS law or new environmental attribute law or regulation, as applicable, (the aggregate estimated costs of all performed and proposed Compliance Actions, "**Compliance Action Plan Estimate**").
- d) If Buyer approves of the Compliance Action Plan, then either Party may elect to pay costs in excess of the Capped Amount ("**Excess Compliance Costs**"). If a Party does elect to pay Excess Compliance Costs, then Seller shall be responsible for all Compliance Action costs up to the Capped Amount, and the electing Party shall be responsible for costs in excess thereof. If, after 60 days of the date that Buyer approves the Compliance Action Plan ("**Compliance Plan Consideration Period**"), neither Party has provided notice to the other Party in writing of its election to pay the Excess Compliance Costs, then, upon notice to be delivered to the other Party within ten (10) Business Days of the end of the Compliance Plan Consideration Period, (1) Buyer may, in its sole discretion and without penalty to Buyer, terminate this Agreement with respect to some or all of the Contract Quantity, effective upon notice to Seller, or (2) Seller may, in its sole discretion and without penalty to Seller, terminate this Agreement with respect to all of the Contract Quantity effective upon notice to Buyer.
- e) If Seller reasonably determines that its preparation and delivery of a Compliance Action Plan would be futile because it is clear that, even if Seller takes Compliance Actions and incurs cost equal to the Capped Amount, the Product cannot be made compliant with the California RPS Program following a Change in Law or the Product cannot comply with a successor RPS law or a new environmental attribute law or regulation, then Seller shall promptly provide a notice to Buyer of the foregoing (such notice, an "**Infeasibility Notice**"). If it is possible to amend this Agreement to (a) make the Product compliant with the California RPS Program, (b) ensure that Buyer will bear no additional costs, obligations, or risks hereunder,

and (c) ensure that Buyer's rights and benefits hereunder will not be diminished, then the Parties shall negotiate in good faith to amend the terms of the Agreement. If such an amendment is not possible, then within ten (10) Business Days of delivery of such notice, (1) Buyer may, in its sole discretion and without penalty to Buyer, terminate this Agreement with respect to some or all of the Contract Quantity, effective upon notice to Seller, or (2) Seller may, in its sole discretion and without penalty to Seller, terminate this Agreement with respect to all of the Contract Quantity effective upon notice to Buyer.

- f) If Buyer and Seller disagree with the contents of the Compliance Action Plan or the Infeasibility Notice, then the Parties shall engage in Dispute Resolution pursuant to Section 34.
- g) Except after a Change in Law or if the California RPS Program or any portion thereof is repealed or ceases to be in effect and is not replaced with a comparable law, from time to time and at any time requested by Buyer, Seller shall furnish to Buyer, Governmental Authorities, or other Persons designated by Buyer, all certificates and other documentation reasonably requested by Buyer in order to demonstrate that the Product is compliant with the California RPS Program.

**Reporting  
Obligation:**

Buyer shall have no responsibility (whether regulatory or financial) for greenhouse gas emissions associated with the Product (if any), and any such obligation shall be fulfilled by or at the direction of Seller at its own cost.

**Review:**

To monitor compliance with this Confirmation, each Party reserves the right to review during normal business hours and at its own expense, for up to two (2) years following delivery of the Product under this Confirmation, and with reasonable advance notice to the other Party, and to the extent that such other Party is in possession of such information, information required to verify that the Product sold under this Confirmation was not otherwise sold by Seller to a third party.

**Confidentiality:**

Except as provided in this Confidentiality section and the California Public Records Act, and subject to and without limiting Section R-7, neither Party shall publish, disclose, or otherwise divulge Confidential Information to any person at any time during or after the term of this Agreement, without the other Party's prior express written consent; provided, however, Seller acknowledges that Buyer is a public agency subject to the requirement of the California Public Records Act (Cal. Gov. Code section 6250 et seq.), and therefore this Agreement and any related documents will be subject to disclosure unless otherwise protected by the act or applicable law. Each Party shall permit knowledge of and access to Confidential Information only to those of its affiliates and to persons investing in, providing funding to or acquiring it or its affiliates, and to its and the foregoing persons' respective attorneys, accountants, representatives, agents and employees who have a need to know such Confidential Information related to this Agreement.

A Party may release Confidential Information, or a portion thereof, as required by Applicable Law. A Party may disclose Confidential Information to accountants in connection with audits. In the event a Party is required

to release Confidential Information, such Party shall notify the other Party of the required disclosure, such that the other Party may attempt (if such Party so chooses), at its sole cost, to cause the recipient of the Confidential Information to treat such information in a confidential manner, and to prevent such information from being disclosed or otherwise becoming part of the public domain. Parties acknowledge that Buyer is obligated to provide Confidential Information to the CPUC and CEC for regulatory compliance purposes for the California RPS Program, and Seller waives the prior notice requirement and authorizes such disclosures to the CPUC and CEC.

**Applicable Law/  
Governing Law:**

This Agreement and the rights and duties of the Parties hereunder shall be governed by and construed, enforced and performed in accordance with the laws of the state of California, without regard to principles of conflicts of Law. To the extent enforceable at such time, each Party waives its respective right to any jury trial with respect to any litigation arising under or in connection with this Agreement. [STC 17, Applicable Law, Non-modifiable. (Source: D.07-11-025, Attachment A) D.08-04-009]

**Additional  
Terms:**

- a) Seller shall agree to reasonably assist Buyer with Buyer's California Renewables Portfolio Standard Program compliance filings as reasonably requested by Buyer. In connection with the foregoing, neither Seller nor its affiliates shall be required to (i) expend or incur any legal costs (either internal or external) in providing such assistance or (ii) prepare or defend a filing or otherwise advocate on behalf of Buyer, except to the extent caused by Seller or affiliate's acts or omissions.
- b) Notwithstanding anything else in this Confirmation, and subject to Seller's obligations under this Confirmation, Buyer acknowledges and agrees that the sale of renewable energy and RECs by Seller from the Project is nonexclusive; provided, such nonexclusively shall not release Seller of its obligations under the Confirmation.
- c) Seller Credit Requirements: Seller and Buyer are entering into the RA Agreement concurrently with the execution of this Confirmation. Only in the event of a Seller Downgrade Event will Seller be required to post and maintain from time to time security in the amount and for the periods set forth on **Schedule 1** to secure its obligations under both this Confirmation and the RA Agreement; provided that Buyer may only draw on such security (i) to recover damages payable under this Confirmation and the RA Agreement, and (ii) as a result of an Event of Default for which there exist any unsatisfied payment obligation. If the RA Agreement is terminated for any reason, but this Confirmation continues in force, the amounts on **Schedule 1** will be reduced to reflect the proportionate reduction in Buyer's overall exposure as a result of the termination of the RA Agreement, as determined by Buyer in a commercially reasonable manner, and the Parties will amend and replace **Schedule 1** to reflect this reduction within thirty (30) days after termination of the RA Agreement. On the dates when the required amount of such security is reduced as set forth on **Schedule 1**, if the security has been provided in cash, Buyer shall return any cash security that it holds in excess of the required amount, and if the security has been provided in the form of a letter of credit, Buyer will cooperate with Seller in substituting a revised letter

of credit in the appropriate amount for the one held by Buyer. The security shall be posted with Buyer as soon as possible, but in no event later than ten (10) Business Days after the occurrence of a Seller Downgrade Event. Such security may be provided in cash (to be held in an escrow account pursuant to an escrow agreement with a Qualified Issuer in form and substance satisfactory to Buyer) or by a letter of credit substantially in the form attached hereto and incorporated herein as Exhibit B. Once Seller has resolved the Downgrade Event by achieving an Investment Grade Rating or by satisfying such other requirements as are set forth herein, the Downgrade Event shall be deemed resolved and Seller shall no longer be required to post security under this Confirmation or the RA Agreement; provided, however, in the event of a subsequent Seller Downgrade Event, the security posting requirements set forth in the Confirmation shall continue to apply until the Seller Downgrade Event has been resolved. Buyer shall return any cash or letters of credit held as security hereunder to Seller within thirty (30) days after written notice from Seller that the Seller Downgrade Event has been resolved by Seller achieving an Investment Grade Rating or satisfying such other requirements as are set forth herein.

If Seller provides security in the form of a letter of credit, Seller will provide and maintain a letter of credit to the benefit of Buyer substantially in the form attached hereto and incorporated herein as Exhibit B (attached hereto and incorporated herein by reference) from a United States bank or a bank that maintains a United States domestic branch with a long-term debt rating from at least two rating agencies of at least "A-" or equivalent from Moody's, Standard & Poor's ("S&P"), or Fitch Ratings ("Fitch") (or if only one rating is available, a rating of at least "AA-" or equivalent).

To secure its obligations under this Confirmation, and until released as provided herein, Seller hereby grants to Buyer a present and continuing first-priority security interest in, and lien on (and right to net against), and assignment of all cash security posted for this Confirmation, and all interest or proceeds resulting therefrom or from the liquidation thereof, whether now or hereafter held by, on behalf of, or for the benefit of Buyer, and Seller agrees to take all action as Buyer reasonably requires in order to allow Buyer to perfect Buyer's security interest in, and lien on (and right to net against), such collateral and any and all proceeds resulting therefrom or from the liquidation thereof.

- d) Buyer Credit Requirements: Seller and Buyer are entering into the RA Agreement concurrently with the execution of this Confirmation. Only in the event of a Buyer Downgrade Event will Buyer be required to post and maintain security in the amount and for the periods set forth on **Schedule 1** to secure its obligations under both this Confirmation and the RA Agreement; provided that Seller may only draw on such security (i) to recover damages payable under this Confirmation and the RA Agreement, and (ii) as a result of an Event of Default for which there exist any unsatisfied payment obligation. If the RA Agreement is terminated for any reason, but this Confirmation continues in force, the amounts on **Schedule 1** will be reduced to reflect the proportionate reduction in Seller's overall exposure as a result of the termination of the RA Agreement, as determined by Seller in a commercially reasonable manner, and the Parties will amend and replace **Schedule 1** to reflect this reduction within thirty (30) days after termination of the RA Agreement. On the dates when the required amount of such security is reduced as set forth on **Schedule 1**, if the security has been provided in cash, Seller shall return any cash security that it holds in excess of the required amount, and if the security has been provided in the form of a letter of credit, Seller will cooperate with Buyer in substituting a revised letter

of credit in the appropriate amount for the one held by Seller. The security shall be posted with Seller as soon as possible, but in no event later than ten (10) Business Days after the occurrence of a Buyer Downgrade Event. Such security may be provided in cash (to be held in an escrow account pursuant to an escrow agreement with a Qualified Issuer in form and substance satisfactory to Seller) or by a letter of credit substantially in the form attached hereto and incorporated herein as Exhibit B. Once Buyer has resolved the Downgrade Event by achieving an Investment Grade Rating or by satisfying such other requirements as are set forth herein, the Downgrade Event shall be deemed resolved and Buyer shall no longer be required to post security under this Confirmation or the RA Agreement; provided, however, in the event of a subsequent Buyer Downgrade Event, the security posting requirements set forth in the Confirmation shall continue to apply until the Buyer Downgrade Event has been resolved. Seller shall return any cash or letters of credit held as security hereunder to Buyer within thirty (30) days after written notice from Buyer that the Buyer Downgrade Event has been resolved by Buyer achieving an Investment Grade Rating or satisfying such other requirements as are set forth herein.

If Buyer provides security in the form of a letter of credit, Buyer will provide and maintain a letter of credit to the benefit of Seller substantially in the form attached hereto and incorporated herein as Exhibit B (attached hereto and incorporated herein by reference) from a United States bank or a bank that maintains a United States domestic branch with a long-term debt rating from at least two rating agencies of at least "A-" or equivalent from Moody's, S&P, or Fitch (or if only one rating is available, a rating of at least "AA-" or equivalent).

To secure its obligations under this Confirmation, and until released as provided herein, Buyer hereby grants to Seller a present and continuing first-priority security interest in, and lien on (and right to net against), and assignment of all cash security posted for this Confirmation, and all interest or proceeds resulting therefrom or from the liquidation thereof, whether now or hereafter held by, on behalf of, or for the benefit of Seller, and Buyer agrees to take all action as Seller reasonably requires in order to allow Seller to perfect Seller's security interest in, and lien on (and right to net against), such collateral and any and all proceeds resulting therefrom or from the liquidation thereof.

- e) Early Termination: The Parties have entered into a separate agreement for the purchase and sale of resource adequacy products, as further set forth therein, which is dated concurrently with the Effective Date (herein after referred to as the "**RA Agreement**"). The Parties agree that in the event the RA Agreement is terminated pursuant to the Master Agreement, Seller shall have the right, but not the obligation, to provide thirty (30) days prior written notice to Buyer that it is terminating this Transaction, effective as of the last date of the calendar month in which such notice is received by the other Party. Early Termination pursuant to this Section of the Confirmation will not be deemed a Seller Event of Default nor a Buyer Event of Default, and Seller and Buyer shall not be subject to damages or ongoing obligations as a result of such termination.
- f) Counterparts: This Confirmation may be signed in any number of counterparts with the same effect as if the signature to the counterparts were upon a single instrument. The Parties may rely on electronic, or scanned signatures as originals under this Confirmation. Delivery of an executed signature page of this Confirmation by facsimile

or electronic mail transmission (including PDF) shall be the same as delivery of a manually executed signature page.

- g) Entire Agreement, No Oral Agreements or Modifications. This Confirmation sets forth the terms of the Transaction into which the Parties have entered into and (together with the Master Agreement, as revised by this Confirmation) shall constitute the entire agreement between the Parties relating to the purchase and sale of the Product. Notwithstanding any other provisions of the Agreement, this Transaction may be confirmed only through a Documentary Writing executed by both Parties, and this Transaction may only be amended or modified by a Documentary Writing executed by both Parties.
- h) Buyer's Re-Sale of Product. Buyer may re-sell all or a portion of the Contract Quantity of Product hereunder; provided, however, that any such re-sale does not increase Seller's obligations, costs or liabilities hereunder. Seller will, or will cause the Scheduling Coordinator for the Project, to follow Buyer's instructions with respect to providing such resold Product to a subsequent buyer, to the extent such instructions are consistent with Seller's obligations under this Confirmation. Seller will, and will cause the Project Scheduling Coordinator, to take all commercially reasonable actions and execute all documents or instruments reasonably necessary to allow such subsequent buyer to use such resold Product in a manner consistent with Buyer's rights under this Confirmation. If Buyer incurs any liability to a subsequent buyer due to the failure of Seller to comply with this Confirmation, Seller will be liable to Buyer for the same amounts Seller would have owed Buyer under this Confirmation if Buyer had not resold the Product.
- i) Failure to Deliver/Receive. For purpose of this Transaction, the determination of the Replacement Price will be based on the energy and Environmental Attributes components of the Product and damages will be calculated in a commercially reasonable manner consistent with the Master Agreement, unless otherwise set forth herein.
- j) Forward Contract. This Confirmation constitutes a sale of a nonfinancial commodity for deferred shipment or delivery that the Parties intend to be physically settled and is excluded from the term "swap" as defined in the Commodity Exchange Act under 7 U.S.C. § 1a(47) and the regulations of the Commodity Future Trading Commission and Securities and Exchange Commission, with further reference to 77 Fed. Reg. 48233-35.
- k) Emission Performance Standard. This Agreement is a "covered procurement" under the CEC's EPS and Buyer shall make the required compliance filing with the CEC within 10 Business Days of the Effective Date. The Parties agree that this Agreement shall be void and all pending Product deliveries terminated no later than the effective date of any final decision by the CEC pursuant to the California Code of Regulations, Title 20, Section 2910 that the covered procurement fails to comply with EPS, without penalty to Buyer or Seller. The Parties acknowledge that the Project is "determined to be compliant" pursuant to 20 CCR §§ 2903(b)(1) or (2).

l) Master Agreement Amendments. For this Transaction, the Master Agreement shall be amended as follows:

(i) Section 14 of the Master Agreement is amended by inserting the following new text at the end thereof:

“Notwithstanding the above, for purposes of Buyer effecting a prepay transaction, Buyer may from time to time assign the right to receive all or a portion of the Product that would otherwise be delivered to Buyer hereunder. In connection with any such assignment to effect a prepay transaction, Seller and Buyer agree to execute a commercially reasonable form of assignment agreement to be agreed to by the Parties. For the avoidance of doubt, Buyer will remain responsible for all its obligations under this Agreement related to such assigned Product, including (i) the obligation to pay for such Product to the extent the assignee thereof does not do so, and (ii) any damages associated with such assignee’s failure to take any such Product.

Buyer may also from time to time and at any time assign any or all of its rights, and delegate any or all of its obligations under this Agreement, in whole or in part to one or more Participating Members, provided, such assignment is commercially reasonable to Seller and provided further, Buyer obtains Seller’s prior written consent for such assignment, which such consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, in connection with any such assignment to one or more Participating Members, such Participating Members shall (i) have an Investment Grade Rating at the time of the assignment, and (ii) execute and deliver to Seller a written assumption agreement, pursuant to a commercially reasonable form of assumption agreement to be agreed to by the Parties, in favor of Seller pursuant to which any such Participating Member shall assume all the obligations of Buyer under this Agreement, thereby relieving the assignor Buyer from its duties and obligations hereunder and thereunder.

In addition, Seller has the right to assign this Agreement as collateral for any financing or refinancing of the Project. In connection with any financing or refinancing of the Project by Seller, Buyer shall in good faith work with Seller and its lender to execute a commercially reasonable form of assignment agreement to be agreed to by the Parties.”

(ii) Section 21.1 of the Master Agreement is amended by deleting “direct” in the ninth line thereof. The Parties also agree that the waiver on the fifth line of that section does not apply to any damages or other remedies expressly provided for in this Confirmation.

(iii) Section 22.1 of the Master Agreement is modified by deleting subsection (d) and replacing it with “[intentionally omitted]” and by inserting the following new text at the end thereof:

“(f) the failure of the Defaulting Party to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default, and except for such Party’s obligations to deliver or receive the quantities of Product due under this Agreement, the exclusive

remedy for which is provided in this Confirmation and in Section 21.3) if such failure is not remedied within ten (10) Business Days after written notice;

(g) the failure of the Defaulting Party to pay its debts generally as they become due or the Defaulting Party's admission in a writing that it is unable to generally pay its debts as they become due;

(h) the institution, by the Defaulting Party, of a general assignment for the benefit of its creditors; or

(i) the application for, consent to, or acquiescence to, by the Defaulting Party, the appointment of a receiver, custodian, trustee, liquidator, or similar official for all or a substantial portion of its assets."

(iv) Section 22.2(b) of the Master Agreement is amended by inserting in Section 22.2, "and is continuing" after "Event of Default occurs" in the first line thereof and deleting the second sentence therein.

(v) Section 22.3 of the Master Agreement is amended by:

1. In Section 22.3(b), replacing the second sentence thereof with "The "Present Value Rate" shall mean an annual rate equal to the "prime rate" as published in the Wall Street Journal from to time plus 2%.;"

2. In Section 22.3(c), deleting the third sentence thereof and replacing it with the following: "If the Non-Defaulting Party's aggregate Gains exceed its aggregate Losses and Costs, if any, resulting from the termination of this Agreement or a Confirmation, the Termination Payment for all such Terminated Transactions shall be zero, notwithstanding any provision in this Section or Agreement to the contrary."

3. In Section 22.3(e), delete the entire provision (including subsections) and replace it with the following: "[Intentionally omitted]"

4. In Section 22.3(f), delete the entire provision and replace it with the following:

"If the Defaulting Party disagrees with the calculation of the Termination Payment and the Parties cannot otherwise resolve their differences, and provided that Defaulting Party has paid the undisputed part of the Termination Payment to the Non-Defaulting Party as provided under Section 22.3(c), and that any amounts disputed by the Defaulting Party are disputed in good faith, then the Defaulting Party may submit the calculation issue to Dispute Resolution pursuant to Section 34."

(vi) In Section 24, delete the first sentence and replace it with the following:

"This Agreement and any Confirmation shall be governed by and construed in accordance with the laws of the State of California, without regard to the conflicts of laws rules thereof."

(vii) The netting provisions of Section 28, NETTING, of the Master Agreement shall apply to the transaction covered by this Confirmation and the RA Agreement



as if Buyer and Seller had both executed Exhibit A, NETTING, to the Master Agreement. Both Parties intend for the netting provisions of Exhibit A to the Master Agreement to be effective on the Effective Date.

- (viii) Section 30.1 of the Master Agreement is amended by inserting “or requested” after the word “required” in Section 30.1(4), by deleting “or” immediately before clause (7), and by adding the following at the end of the first sentence: “; or (8) to the Party’s and such Party’s affiliates’ lenders and potential lenders, investors or potential investors, counsel, accountants, advisors and agents who have a need to know such information and have agreed to keep such terms confidential”.
- (ix) Section 31 of the Master Agreement is amended by deleting the second sentence thereof.
- (x) Subsections 34.1 and 34.2 of the Master Agreement are hereby deleted and replaced with the following:

“34.1        INFORMAL DISPUTE RESOLUTION

IN THE EVENT OF ANY DISPUTE ARISING UNDER THIS TRANSACTION, WITHIN TEN (10) DAYS FOLLOWING THE RECEIPT OF A WRITTEN NOTICE FROM EITHER PARTY IDENTIFYING SUCH DISPUTE, THE PARTIES SHALL MEET, NEGOTIATE AND ATTEMPT, IN GOOD FAITH, TO RESOLVE THE DISPUTE QUICKLY, INFORMALLY AND INEXPENSIVELY. IF THE PARTIES ARE UNABLE TO RESOLVE A DISPUTE ARISING HEREUNDER WITHIN THIRTY (30) DAYS AFTER RECEIPT OF SUCH NOTICE, THEN EITHER PARTY MAY SEEK ANY AND ALL REMEDIES AVAILABLE TO IT AT LAW OR IN EQUITY, SUBJECT TO THE LIMITATIONS SET FORTH IN THIS TRANSACTION.”

“34.2        EXCLUSIVE JURISDICTION

EACH PARTY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE OR FEDERAL COURTS LOCATED IN SAN FRANCISCO, CALIFORNIA, FOR ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY TRANSACTION, AND EXPRESSLY WAIVES ANY OBJECTION IT MAY HAVE TO SUCH JURISDICTION OR THE CONVENIENCE OF SUCH FORUM.”

- (xi) The phrase “arbitration or” is hereby deleted from the first line of Section 34.4.
- (xii) The following shall be inserted as a new Section 34.5; PROVIDED HOWEVER, THAT THE FOLLOWING NEW SECTION 34.5 SHALL NOT LIMIT BUYER’S RIGHT TO RECOVER FROM SELLER, OR SELLER’S OBLIGATION TO PAY BUYER, ANY AND ALL AMOUNTS OWED PURSUANT TO THIS CONFIRMATION, INCLUDING PENALTIES AS SPECIFIED THEREIN:

“34.5        LIMITATION OF DAMAGES. FOR BREACH OF ANY PROVISION OF THIS CONFIRMATION AGREEMENT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, THE EXPRESS REMEDY OR MEASURE OF DAMAGES PROVIDED IS THE SOLE AND

EXCLUSIVE REMEDY UNDER THIS AGREEMENT AND ALL OTHER REMEDIES FOR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED IN THIS AGREEMENT FOR A PARTICULAR BREACH, LIABILITY FOR THE BREACH IS LIMITED TO DIRECT DAMAGES ONLY, WHICH SHALL BE THE SOLE AND EXCLUSIVE REMEDY UNDER THIS AGREEMENT FOR SUCH BREACH, AND ALL OTHER REMEDIES FOR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. NEITHER PARTY IS LIABLE FOR ANY OTHER TYPE OF DAMAGE, INCLUDING INCIDENTAL, PUNITIVE, EXEMPLARY, CONSEQUENTIAL, SPECIAL OR INDIRECT DAMAGES OF ANY NATURE (INCLUDING DAMAGES ASSOCIATED WITH LOST PROFITS, BUSINESS INTERRUPTION AND LOSS OF GOODWILL) ARISING AT ANY TIME, WHETHER IN TORT (INCLUDING THE SOLE OR CONTRIBUTORY NEGLIGENCE OF EITHER PARTY OR ANY RELATED PERSON), WARRANTY, STRICT LIABILITY, CONTRACT OR STATUTE, UNDER ANY INDEMNITY PROVISION, OR OTHERWISE; PROVIDED, HOWEVER, THAT THE FOREGOING SHALL NOT LIMIT EITHER PARTY'S RIGHT TO RECOVER DAMAGES UNDER EXPRESS INDEMNITY PROVISIONS SET FORTH IN THE CONFIRMATION.

- (xiii) Section 41 "Witness" of the Master Agreement shall become Section 42 and the following "Standard of Review" Section shall be substituted in its place:

"The Parties agree as follows:

1. Absent the agreement of all Parties to the proposed change, the standard of review for changes to any section of this Agreement (including all Transactions and/or Confirmations) specifying the rate(s) or other material economic terms and conditions agreed to by the Parties herein, whether proposed by a Party, a non-party or FERC acting sua sponte, shall be the "public interest" standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956) (the "Mobile-Sierra" doctrine) and clarified in *Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1 of Snohomish* 554 U.S. 527 (2008) and *NRG Power Marketing LLC v. Maine Pub. Util. Comm'n*, 558 U.S. 165 (2010).
2. The Parties, for themselves and their successors and assigns, (i) agree that this "public interest" standard shall apply to any proposed changes in any other documents, instruments or other agreements executed or entered into by the Parties in connection with this Agreement and (ii) hereby expressly and irrevocably waive any rights they can or may have to the application of any other standard of review, including the "just and reasonable" standard."

- (xiv) Section B-5 of WSPP Service Schedule B is hereby deleted in its entirety and replaced with the following: "[Intentionally omitted]"

## **Definitions/**

**Interpretations:** For purposes of the Confirmation, the following definitions and rules of interpretations shall apply:

**“Agreement”** has the meaning specified in the introductory paragraph hereof.

**“Confidential Information”** means all oral and written information exchanged between the Parties with respect to the subject matter of this Agreement. The following information does not constitute Confidential Information for the purposes of this Agreement: (a) information that is or becomes generally available to the public other than as a result of a disclosure by either Party in violation of this Agreement; (b) information that was already known by either Party on a non-confidential basis prior to this Agreement; and (c) information that becomes available to either Party on a non-confidential basis from a source other than the other Party if such source was not subject to any prohibition against disclosing the information to such Party.

**“CAISO”** means the California Independent System Operator Corporation or any successor entity performing similar functions.

**“CAISO Credit”** means the Energy Price paid or charged by the CAISO for the energy scheduled and delivered from the Project to the Delivery Point.

**“CAISO Tariff”** or **“Tariff”** means the tariff and protocol provisions of the CAISO, including the rules, protocols, procedures and standards attached thereto, as it may be amended, modified, supplemented or replaced (in whole or in part) from time to time.

**“CAISO Balancing Authority”** means, as the context requires, CAISO as “Balancing Authority” or “CAISO Balancing Authority Area”, as such terms are used in the CAISO Tariff.

**“California Renewables Portfolio Standard”** or **“California RPS Program”** or **“RPS”** means the “California Renewables Portfolio Standard” program as codified at California Public Utilities Code Section 399.11 et seq., as such provisions are amended or supplemented from time to time, and jointly administered by the CEC, the CPUC and the California Air Resources Board, including without limitation all applicable eligibility criteria and requirements thereof and implemented in a manner consistent with the Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities, as adopted by the California Energy Commission on December 22, 2020, and as may be amended from time to time.

**“CEC”** or **“Energy Commission”** or **“California Energy Commission”** means the California Energy Commission, or any successor entity.

**“CPUC”** means the California Public Utilities Commission, or any successor entity.

**“Change in Law”** means any addition, amendment, decision, ruling, order, or binding interpretation by or of a Governmental Body or other third party having jurisdiction or authority, to or regarding any laws, rules, regulations, orders, or judicial precedent, that applies to the California RPS Program, that is enacted, issued or becomes legally effective after the Effective Date and materially affects the California RPS Program or compliance of the Product with the California RPS Program.

**“Credit Rating”** means, with respect (i) to Seller, the current rating then assigned by Moody’s, S&P, Kroll, or Fitch, to Seller’s senior unsecured long-term debt obligations (not supported by insurance provider enhancements), or if Seller does not have a rating for its senior unsecured

long-term debt, then the current general corporate credit rating or long-term issuer rating assigned by Moody's, S&P, Kroll, or Fitch. In the event Seller has multiple ratings, the lowest rating shall prevail, and (ii) to Buyer, the current rating then assigned by Moody's, S&P, Kroll, or Fitch, to Buyer's Hydroelectric Project 1 Revenue Bonds (not supported by insurance provider enhancements), or if Buyer does not have a rating for its project bonds or revenue bonds, then the current general credit rating or long-term issuer rating assigned by Moody's, S&P, Kroll, or Fitch. In the event Buyer has multiple ratings, the lowest rating shall prevail.

**"Delivered Energy"** means renewable energy generated and metered from the Project with associated Environmental Attributes that is delivered to Buyer at the Delivery Point in accordance with this Confirmation.

**"Downgrade Event"** shall have the following meaning:

For Seller, it shall be a Downgrade Event for Seller only if the Credit Rating of Seller falls below BBB- from S&P, Fitch or Kroll, or Baa3 from Moody's, or if Seller ceases to be rated by either S&P, Fitch, Moody's or Kroll. Seller shall provide notice to Buyer no later than five (5) Business Days after the occurrence of any Downgrade Event.

For Buyer, it shall be a Downgrade Event for Buyer only if (i) Buyer's underlying Credit Rating, determined without reference to third party credit enhancement, on its utility revenue bond ("**Debt**") by S&P, Moody's, and Fitch is respectively below BBB- or Baa3, and Buyer fails to maintain Days of Cash on Hand. For the purposes of this Agreement, "Days of Cash on Hand" means, with respect to Buyer, the required security deposit under the Third Phase Agreement, which shall be no less than the amount of Buyer's estimated full payments for three (3) months of Product under both this Agreement and the RA Agreement, and (ii) Buyer no longer has legal right to demand that its members adjust electric rates, or take other measures to increase revenues, as necessary to fully recover the total costs Buyer is obligated for hereunder. Buyer shall provide notice to Seller no later than five (5) Business Days after the occurrence of any Downgrade Event.

**"Eligible Renewable Resource"** or "**ERR**" has the meaning as defined in this confirmation.

**"Emission Performance Standard"** or "**EPS**" means the requirement set-forth in California Code of Regulations (CCR) Title 20, Chapter 11, Article 1. Section 2900 et seq.

**"Energy Price"** means, for each MWh of energy scheduled and delivered from the Project to the Delivery Point, the applicable Locational Marginal Price, as defined in the Tariff and published by the CAISO, at the Delivery Point where CAISO models the physical injection of such Project energy.

**"Environmental Attribute Price"** means: \$14.00/MWh for each MWh of Resource Contingent Bundled REC delivered to Buyer.

**"Environmental Attributes" or "Green Attributes"** means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Project, and its avoided emission of pollutants. Environmental Attributes include but are not limited to Renewable Energy Credits, as well as: (1) any avoided emission of pollutants to the air, soil or water such as sulfur oxides (Sox), nitrogen oxides (Nox), carbon monoxide (CO) and other pollutants; (2) any avoided emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate

Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere; (3) the reporting rights to these avoided emissions, such as Renewable Energy Credits or Green Tag Reporting Rights. Green Tag Reporting Rights are the right of a Green Tag Purchaser to report the ownership of accumulated Green Tags in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at the Green Tag Purchaser's discretion, and include without limitation those Green Tag Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program. Green Tags and Renewable Energy Credits are accumulated on a MWh basis and one Green Tag or Renewable Energy Credit represents the Environmental Attributes or Green Attributes associated with one (1) MWh of Energy. Environmental Attributes or Green Attributes do not include (i) any energy, capacity, reliability or other power attributes from the Project, (ii) production tax credits associated with the construction or operation of the Project and other financial incentives in the form of credits, reductions, or allowances associated with the project that are applicable to a state or federal income taxation obligation, (iii) fuel-related subsidies or "tipping fees" that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits, or (iv) emission reduction credits encumbered or used by the Project for compliance with local, state, or federal operating and/or air quality permits;

**"Generally Accepted Utility Practice"** means a practice established by the Western Electricity Coordinating Council ("**WECC**") or any successor regional reliability council, as such practice may be revised from time to time, or if no practice is so established, means a practice otherwise generally accepted in the WECC region.

**"Green Tag"** and **"Green Tag Reporting Rights"** have the meanings set forth in the definition of "Green Attributes", and for the purposes of this Transaction.

**"Green Tag Purchaser"** means Buyer.

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

**"Inter-SC Trade"** is defined in the Tariff.

**"Investment Grade Rating"** means a rating of BBB- or better from S&P, Fitch or Kroll, or a rating of Baa3 or better from Moody's.

**"Locational Marginal Price"** is defined in the Tariff.

**"MW"** means megawatt in alternating current, or ac.

**"MWh"** mean megawatt-hours.

**"NERC"** means the North American Electric Reliability Corporation.

**"NP15 Existing Zone Generation Trading Hub"** or **"NP15 EZ Gen Hub"** is defined in the Tariff.

**"Participating Member"** means a member of Buyer that is signatory to the Third Phase Agreement.

**“Point of Interconnection”** is defined in the Tariff.

**“Qualified Issuer”** means a person acceptable to Buyer or Seller and that is a United States financial institution, and that has a current long-term credit rating (corporate or long-term senior unsecured debt) of (a) “A2” or higher by Moody’s and “A-” or higher by S&P, if such Person is rated by both Moody’s and S&P or (b) “Aa2” or higher by Moody’s, or “AA” or higher by S&P if such person is rated by only S&P or Moody’s.

**“Qualified Reporting Entity”** or **“QRE”** means an organization providing renewable energy data to WREGIS for registered generating units. QREs shall meet the Qualified Reporting Entity Guidelines established in the WREGIS Operating Rules.

**“RA Agreement”** is executed by the Parties concurrently with the execution of this Confirmation.

**“Renewable Energy Credit”** or **“REC”** means a renewable energy credit as defined by and in accordance with Section 399.12(h) of the California Public Utilities Code, including the right to claim title to Environmental Attributes attributable to the generation of electric energy from an Eligible Renewable Energy Resource.

**“RPS ID”** or **“CEC RPS ID”** means the “California Energy Commission RPS certification number”, the “identification number” and/or the “RPS ID”, as such terms are used by the CEC to describe the identification number for an ERR that has been certified (or will be certified for the period of deliveries) as such by the CEC for the purposes of the California RPS Program. The RPS ID for each Project is set out beside the applicable facility under the column “CEC RPS ID” in the table attached hereto as Exhibit A.

**“Scheduling Coordinator”** is defined in the Tariff.

**“Third Phase Agreement”** means the agreement between buyer and the Participating Members that sets forth the terms and conditions under which Buyer is authorized to enter into this Agreement on behalf of the Participating Members.

**“WREGIS”** means Western Renewable Energy Generating Information System or any successor renewable energy tracking system or program.

**“WREGIS Certificate”** has the same meaning as “Certificate” as defined by WREGIS in the WREGIS Operating Rules and are designated by applicable law as eligible for complying with the California RPS Program and for evidencing the Environmental Attributes associated with the Product.

**“WREGIS Operating Rules”** means the operating rules and requirements adopted by WREGIS, as amended from time to time or successor rules and requirements.

**“WREGIS Timelines”** means the timeline for WREGIS Certificates creation by WREGIS in accordance with WREGIS Operating Rules as applied by WREGIS.

[SIGNATURE PAGE FOLLOWS]

**ACKNOWLEDGED AND AGREED TO AS OF THE EFFECTIVE DATE:**

**Geysers Power Company, LLC**

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

Name: Gevan Reeves

Title: Vice President and Authorized Signatory

**Northern California Power Agency**

By: 

Name: Randy S. Howard

Title: General Manager

Attest:



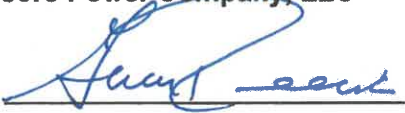
Assistant Secretary of the Commission

Approved as to Form:

  
Jane E. Luckhardt, General Counsel

**ACKNOWLEDGED AND AGREED TO AS OF THE EFFECTIVE DATE:**

**Geysers Power Company, LLC**

RA By: 

Name: Gevan Reeves

Title: Vice President and Authorized Signatory

**Northern California Power Agency**

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

Name: Randy S. Howard

Title: General Manager

Attest:

\_\_\_\_\_  
Assistant Secretary of the Commission

Approved as to Form:

\_\_\_\_\_  
Jane E. Luckhardt, General Counsel



**SCHEDULE 1**

**AMOUNT OF REQUIRED SECURITY**

<b>Period</b>	<b>Amount</b>
1/1/2025 - 12/31/2025	\$2,500,000.00
1/1/2026 - 12/31/2026	\$2,500,000.00
1/1/2027 - 12/31/2027	\$5,000,000.00
1/1/2028 - 12/31/2028	\$5,000,000.00
1/1/2029 - 12/31/2029	\$5,000,000.00
1/1/2030 - 12/31/2030	\$5,000,000.00
1/1/2031 - 12/31/2031	\$5,000,000.00
1/1/2032 - 12/31/2032	\$5,000,000.00
1/1/2033 - 12/31/2033	\$5,000,000.00
1/1/2034 - 12/31/2034	\$5,000,000.00
1/1/2035 - 12/31/2035	\$5,000,000.00
1/1/2036 - 12/31/2036	\$5,000,000.00

## EXHIBIT A

### Project Information

<b>Name of Facility</b>	<b>Single Line Facility Name</b>	<b>CAISO Resource ID</b>	<b>CEC RPS ID</b>	<b>WREGIS GU ID</b>
Aidlin Power Plant	AIDLIN P.P. (CPN-1)	ADLIN_1_UNITS	60115A	W484
Sonoma Power Plant	SONOMA P.P. (CPN-3)	SMUDGO_7_UNIT 1	60010A	W127
Geysers Unit 5&6	MC CABE P.P. (CPN 5&6)	GYS5X6_7_UNITS	60002A	W117
Geysers Unit 7&8	RIDGE LINE P.P. (CPN 7&8)	GYS7X8_7_UNITS	60003A	W118
Geysers Unit 11	EAGLE ROCK P.P. (CPN-11)	GEYS11_7_UNIT11	60025A	W119
Geysers Unit 12	COBB CREEK PP (CPN-12)	GEYS12_7_UNIT12	60004A	W120
Geysers Unit 13	BIG GEYSERS PP (CPN-13)	GEYS13_7_UNIT13	60005A	W121
Geysers Unit 14	SULPHUR SPRINGS PP (CPN-14)	GEYS14_7_UNIT14	60026A	W122
Geysers Unit 16	QUICKSILVER PP (CPN-16)	GEYS16_7_UNIT16	60006A	W123
Geysers Unit 17	LAKE VIEW P.P. (CPN-17)	GEYS17_7_UNIT17	60007A	W124
Geysers Unit 18	SOCRATES P.P. (CPN-18)	GEYS18_7_UNIT18	60008A	W125
Calistoga Power Plant	COLISTOGA P.P. (CPN-19)	SANTFG_7_UNITS	60117A	W486
Geysers Unit 20	GRANT P.P. (CPN-20)	GEYS20_7_UNIT20	60009A	W126

**EXHIBIT B**

[ISSUER LETTERHEAD]

DATE: [DATE]

WE HEREBY ISSUE OUR IRREVOCABLE NON-TRANSFERABLE STANDBY LETTER OF CREDIT NO. [NUMBER]

ISSUING BANK:  
[ISSUER]  
[ADDRESS]  
[PHONE NUMBER]  
[FAX NUMBER]

BENEFICIARY:  
NORTHERN CALIFORNIA POWER AGENCY  
[INSERT]  
ROSEVILLE, CA 95747  
ATTN: [INSERT]  
("BENEFICIARY")

APPLICANT:

[INSERT]

AMOUNT: USD \$[AMOUNT] (AMOUNT XX/100 UNITED STATES DOLLARS)

EXPIRATION DATE: [DATE]

WE HEREBY OPEN OUR IRREVOCABLE NON-TRANSFERABLE STANDBY LETTER OF CREDIT ("LETTER OF CREDIT") IN FAVOR OF THE NORTHERN CALIFORNIA POWER AGENCY AND FOR THE ACCOUNT OF THE ABOVE REFERENCED APPLICANT IN THE AGGREGATE AMOUNT OF USD [AMOUNT] (AMOUNT), WHICH IS AVAILABLE BY PAYMENT WITH US WHEN ACCOMPANIED BY THE FOLLOWING DOCUMENTS:

1. A DRAFT AT SIGHT DRAWN ON [ISSUER], DULY ENDORSED ON ITS REVERSE SIDE THEREOF BY THE BENEFICIARY, SPECIFICALLY REFERENCING THIS LETTER OF CREDIT NUMBER, AS EXEMPLIFIED BY ATTACHMENT A.
2. THE ORIGINAL LETTER OF CREDIT AND ANY AMENDMENTS ATTACHED THERETO,
3. A COPY OF THE INVOICE MARKED UNPAID; AND
4. A STATEMENT ISSUED ON THE LETTERHEAD OF AND SIGNED BY THE BENEFICIARY STATING THE FOLLOWING: "THE APPLICANT HAS NOT MADE PAYMENT ON INVOICE NUMBER (INSERT INVOICE NUMBER) PER THE RELEVANT CONTRACTS. WE THEREFORE DEMAND PAYMENT IN THE AMOUNT OF (INSERT DOLLAR AMOUNT) AS SAME IS DUE AND OWING."

(CONTINUED ON PAGE 2)

(PAGE 2 OF LETTER OF CREDIT NO: [INSERT NUMBER])

WE ARE ADVISED BY THE APPLICANT THAT THIS LETTER OF CREDIT IS ISSUED IN CONNECTION WITH THE TRANSACTION BETWEEN THE NORHTERN CALIFORNIA POWER AGENCY AND [INSERT] DATED [INSERT DATE] UNDER THE Master AGREEMENT AS AMENDED FROM TIME TO TIME DATED [INSERT MOST CURRENT Master AGREEMENT DATE] (“AGREEMENT”).

INVOICE(S) IN EXCESS OF THE AMOUNT AVAILABLE UNDER THIS LETTER OF CREDIT ARE ACCEPTABLE; HOWEVER, DRAWINGS UNDER THIS LETTER OF CREDIT MAY NOT EXCEED AMOUNT AVAILABLE.

IF A COMPLYING PRESENTATION OF DRAW DOCUMENTS IS MADE PRIOR TO 11:00 AM (EASTERN STANDARD TIME) ON A BUSINESS DAY, THEN WE SHALL, PRIOR TO THE CLOSE OF BUSINESS ON THE FIRST FOLLOWING BUSINESS DAY, MAKE PAYMENT IN IMMEDIATELY AVAILABLE FUNDS. IF A COMPLYING PRESENTATION OF DRAW DOCUMENTS IS MADE AT OR AFTER 11:00 AM (EASTERN STANDARD TIME) ON A BUSINESS DAY, THEN WE SHALL, PRIOR TO THE CLOSE OF BUSINESS ON THE SECOND FOLLOWING BUSINESS DAY, MAKE PAYMENT IN IMMEDIATELY AVAILABLE FUNDS.

PARTIAL DRAWINGS AND MULTIPLE PRESENTATIONS ARE PERMITTED.

ALL CHARGES OF THE ISSUER ARE FOR THE ACCOUNT OF THE APPLICANT.

THIS LETTER OF CREDIT SETS FORTH IN FULL THE TERMS OF OUR UNDERTAKING. THIS UNDERTAKING SHALL NOT IN ANY WAY BE MODIFIED, AMENDED, AMPLIFIED, OR INCORPORATED BY REFERENCE TO ANY DOCUMENT, CONTRACT, OR AGREEMENT REFERENCED TO HEREIN.

WE HEREBY AGREE WITH YOU THAT DRAFT(S) DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS AND CONDITIONS OF THIS CREDIT SHALL BE DULY HONORED IF PRESENTED TOGETHER WITH DOCUMENT(S) AS SPECIFIED AT OUR OFFICES AT [INSERT ISSUER NAME AND ADDRESS] ON OR BEFORE THE ABOVE STATED EXPIRY DATE, OR ANY EXTENDED EXPIRY DATE IF APPLICABLE. DRAFT(S) DRAWN UNDER THIS CREDIT MUST SPECIFICALLY REFERENCE OUR LETTER OF CREDIT NUMBER.

FACSIMILE OF THE DRAW DOCUMENTS IS ACCEPTABLE TO [INSERT FAX NUMBER]. IF PRESENTATION IS MADE BY FACSIMILE, PROMPT PHONE NOTIFICATION MUST BE GIVEN TO [INSERT PHONE NUMBER], PROVIDED THAT BENEFICIARY'S FAILURE TO MAKE SUCH FOLLOW UP TELEPHONE CALL SHALL NOT INVALIDATE THE FACSIMILE DRAWING. THE FACSIMILE PRESENTATION SHALL BE DEEMED THE ORIGINAL PRESENTATION. IN THE EVENT OF A FULL OR FINAL DRAWING, THE ORIGINAL STANDBY LETTER OF CREDIT MUST BE RETURNED TO THE ISSUER BY OVERNIGHT COURIER AT THE TIME OF THE FACSIMILE PRESENTATION.

THIS LETTER OF CREDIT IS SUBJECT OT THE INTERNATIONAL STANDBY PRACTICES 1998, INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 590 (“ISP 98”).

VERY TRULY YOURS,  
[ISSUER]

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NAME  
TITLE  
AUTHORIZED SIGNATURE

**ATTACHMENT A**

*Drawing Certificate*

TO *[ISSUING BANK NAME]*

IRREVOCABLE NON-TRANSFERABLE STANDBY LETTER OF CREDIT

No. \_\_\_\_\_

DRAWING CERTIFICATE

Bank

Bank Address

Subject: Irrevocable Non-transferable Standby Letter of Credit

Reference Number: \_\_\_\_\_

The undersigned \_\_\_\_\_, an authorized representative of Northern California Power Agency (the "Beneficiary"), hereby certifies to *[Issuing Bank Name]* (the "Bank"), and \_\_\_\_\_ (the "Applicant"), with reference to Irrevocable Nontransferable Standby Letter of Credit No. (\_\_\_\_\_), dated \_\_\_\_\_, (the "Letter of Credit"), issued by the Bank in favor of the Beneficiary, as follows as of the date hereof:

1. The Beneficiary is entitled to draw under the Letter of Credit an amount equal to \$\_\_\_\_\_, for the following reason(s) [check applicable provision]:
  - [ ]A. An Event of Default, as defined in that certain Transaction between Applicant and Beneficiary, dated as of *[Date of Execution]* under the Confirmation Agreement between the Northern California Power Agency and *[INSERT]* dated *[INSERT DATE]* under the Master Agreement as amended from time to time dated *[August 12, 2021]* (the "Agreement"), with respect to the Applicant has occurred and is continuing.
  - [ ]B. An Early Termination Date (as defined in the Agreement) has occurred or been designated as a result of an Event of Default (as defined in the Agreement) with respect to the Applicant for which there exist any unsatisfied payment obligations.
  - [ ]C. The occurrence of an Event of Deficient Product Deliveries.
  - [ ]D. The Bank has heretofore provided written notice to the Beneficiary of the Bank's intent not to renew the Letter of Credit following the present Expiration Date thereof ("Notice of Non-renewal"), and Applicant has failed to provide the Beneficiary with a replacement letter of credit satisfactory to Beneficiary in its sole discretion within thirty (30) days following the date of the Notice of Non-renewal.

[ ]E. The Beneficiary has not been paid any or all of the Applicant's payment obligations now due and payable under the Confirmation or Agreement.

2. Based upon the foregoing, the Beneficiary hereby makes demand under the Letter of Credit for payment of U.S. DOLLARS AND \_\_\_\_/100ths (U.S.\$\_\_\_\_\_), which amount does not exceed (i) the amount set forth in paragraph 1 above, and (ii) the Available Amount under the Letter of Credit as of the date hereof.
3. Funds paid pursuant to the provisions of the Letter of Credit shall be wire transferred to the Beneficiary in accordance with the following instructions:

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Unless otherwise provided herein, capitalized terms which are used and not defined herein shall have the meaning given each such term in the Letter of Credit.

IN WITNESS WHEREOF, this Certificate has been duly executed and delivered on behalf of the Beneficiary by its authorized representative as of this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Beneficiary: NORTHERN CALIFORNIA POWER  
AGENCY

By:

Name:

Title: