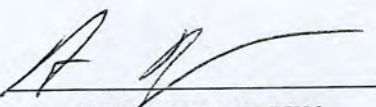
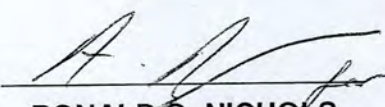


**LOS ANGELES DEPARTMENT OF WATER AND POWER (LADWP) BOARD APPROVAL LETTER**

<b>TO: BOARD OF WATER AND POWER COMMISSIONERS</b>		<b>DATE:</b> January 8, 2013
 <b>ARAM BENYAMIN</b> Senior Assistant General Manager – Power System		<b>SUBJECT:</b>  LADWP Feed-in Tariff (FiT) Program – FiT Set Pricing Program Guidelines, Standard Offer Power Purchase Agreement, and FiT Customer Generation
 <b>RONALD O. NICHOLS</b> General Manager		
		<b>FOR COMMISSION OFFICE USE:</b>  RESOLUTION NO. _____
<b>CITY COUNCIL APPROVAL REQUIRED:</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<b>IF YES, BY WHICH CITY CHARTER SECTION:</b>	

**PURPOSE**

Transmitted for approval by your Honorable Board is a Resolution, approved as to form and legality by the City Attorney, recommending the approval of a 100-megawatt (MW) FiT Set Pricing Program (FiT100) as the first component of the 150-MW FiT Program (FiT150). The attached resolution, FiT Set Pricing Program Guidelines, Standard Offer Power Purchase Agreement, and FiT Customer Generation Interconnection Agreement establish the basis under which LADWP will purchase renewable energy generated from facilities within LADWP's service territory. The energy and Renewable Energy Credits from the FiT100 will count towards LADWP's Renewable Portfolio Standard (RPS) mandates. In March 2013, LADWP will present to your Honorable Board a definitive plan for the additional 50-MW FiT Program (FiT50).

**COST AND DURATION**

LADWP anticipates the implementation of a FiT150 to be completed by December 31, 2016. The entire FiT150, which includes this FiT100, is anticipated to have a slightly lower cost than what was modeled for the 2012 Financial Plan and Rate Case for the period of July 1, 2012, through June 30, 2014. However for the period beginning July 1, 2015, through June 30, 2017, FiT150 will have a slightly higher cost than what was modeled in the 2012 Financial Plan. The additional revenue requirement is approximately \$7 million per year for those two years and occurs due to the accelerated nature of the currently anticipated FiT150 being fully deployed by December 31, 2016. The 2012 Financial Plan only anticipated 75 MW being deployed by December 31,



2016, and a total of 150 MW by 2026. This additional revenue requirement will result in a minor rate increase of about \$0.000075/kilowatt-hour (kWh), which would increase the average residential monthly electric bill by about 4 cents.

However, since the FiT100 is only the first phase of FiT150, its cost impact is even less. The cost impact of the FiT100 by itself is about \$530 million over its 22 year life, averaging about \$24 million annually. The net cost of FiT100, compared to the purchase of other sources of renewable energy as part of meeting the 33 percent RPS by 2020, is approximately \$168 million averaging about \$8 million annually. This is less than what is in the current Financial Plan over the life of the program.

#### **Breakdown of 100-MW FiT Program Costs**

<b>Program Calendar Year</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total Through 2016</b>	<b>Total Through 2037</b>
MW Offered	40	40	20	0	100	100
MW Installed	2	33	40	25	100	100
Energy Delivered (GWh)	1	31	99	161	292	3300
Expenditure (\$M)	0.1	5	16	25	46	530

#### **Staffing**

To ensure the successful implementation of this FiT100, LADWP will be required to create and fill 30 new positions which includes 1 program administration (currently 2 positions budgeted), 3 accounts payable, 4 engineering, and 22 construction personnel. Most staffing costs will be reimbursed by the program participants and are included in the Program Costs discussed above. The experience on this first 100 MW will inform us as to what, if any, additional staff may be needed for the remaining 50 MW segment of the program.

#### **BACKGROUND**

On October 11, 2009, the Governor of California signed into law Senate Bill (SB) 32. SB 32 increased California's existing FiT program cap from 500 to 750 MW, with 250 MW of that expanded amount applicable towards municipal utilities. The modification to the program allows for expanded opportunities from the solar and other



renewable energy industries that may not be able to benefit from current programs, such as LADWP's Solar Incentive Program, or qualify for large-scale power purchase agreements. LADWP is required to offer a 75-MW FiT Program for its share of the State cap.

On December 15, 2010, LADWP finalized its 2010 Integrated Resource Plan (IRP). This plan recommended the creation of a FiT as part of LADWP's RPS Program to be deployed between 2012 to 2026. The current 2012 IRP proposal is for the deployment of a 150-MW FiT by 2016 to capture the Federal Investment Tax Credit which is set to expire at the end of 2016.

On April 12, 2011, the Governor of California signed into law SB2 (1X), mandating California utilities to obtain 33 percent of energy generated for retail sales from renewable energy sources by 2020 and in subsequent years.

On April 17, 2012, your Honorable Board adopted the FiT Demonstration Program Guidelines, Standard Offer Power Purchase Agreement, and Standard Offer for Customer Generation Interconnection Agreement.

On May 17, 2012, Ordinance No. 182108 became effective, authorizing the Board of Water and Power Commissioners to enter into long-term FiT contracts and to delegate that authority to the General Manager.

On September 27, 2012, the Governor of California signed into law SB 1332. SB 1332 amends the SB 32 program to provide a deadline of July 1, 2013, for publicly owned electric utilities to adopt a FiT. SB 1332 also requires the utility to consider the value of avoided costs for distribution and transmission system upgrades, whether the facility generates electricity in a manner that offsets peak demand on the distribution circuit, and all current and anticipated environmental and greenhouse gases reduction compliance cost.

### **FiT Demonstration Program**

The FiT Demonstration Program (Demonstration Program), launched on May 17, 2012, allowed customers and third-party developers to build solar energy generating facilities and sell all the energy produced directly to LADWP. Incorporating the key feedback received from the Local Solar Program workshops, LADWP implemented a 10-MW Demonstration Program to gain price discovery, test program structure, and fine-tune the processes and guidelines. The Demonstration Program offered separate opportunities for small systems (30 kW to 150 kW) and large systems (151 kW to 999 kW). The Demonstration Program resulted in the submission of 26 applications totaling 7.2 MW. Of these applications, 17 projects totaling 4.6 MW were shortlisted. The



remaining projects did not meet criteria established in the program solicitations and were rejected by LADWP. Currently, there are 14 projects with a combined capacity of 3.7 MW awaiting contract execution with a weighted average price of \$0.175/kWh. Some of the lessons learned during the FiT outreach were that small-scale developers prefer set pricing for certainty while large-scale developers prefer competitive pricing. Bid pricing received did not show meaningful cost differences between the two system size categories.

### **100-MW FiT Program**

LADWP now seeks to establish a FiT Program authorizing an initial 100 MW of eligible renewable energy projects by year 2016. An additional FiT50 will be brought to your Honorable Board for approval later in 2013 for final adoption after review of the results from the first offering of the FiT100.

It is LADWP's goal to have a FiT that will promote steady investment in local renewable resources, provide the best value for LADWP's rate payers, contribute to RPS targets, address stakeholder input, enhance LADWP's distributed generation resources, offset greenhouse gases, and help move LADWP away from coal-based generation.

Local renewable resources provide power reliability by diversifying LADWP's renewable portfolio and at the same time stimulates Los Angeles' local economy. Although FiT100 is open to all eligible renewable resources, projects will most likely be solar for Los Angeles.

Currently, the cost of solar energy through a power purchase agreement from a large solar power plant over 200 MW is about \$0.095/kWh. Energy from these large out-of-basin projects must be brought to Los Angeles at an additional cost of \$0.03/kWh for transmission, distribution, and losses. Thus the 'avoided cost' of solar energy to LADWP is about \$0.125/kWh.

Based on achievements and under-achievements of other FiT programs in California, a tariff pricing of \$0.125/kWh is not expected to be enough to provide adequate participation to achieve program goals stated above. Staff recommends FiT100 pricing to start at \$0.17/kWh (\$0.045/kWh higher than the 'avoided costs') to gain participation. As interest and efficiencies are achieved with local solar, the starting price of energy will be reduced as MWs are reserved as shown on the FiT Pricing Table on page 5. The design is to get FiT pricing to reach parity with LADWP's existing renewable programs.

FiT100 will be open to projects between 30 kW to 3 MW in size in LADWP service territory. Existing net-metered projects or projects receiving a combination of incentives and energy payments will not be permitted to participate in FiT100. The price of energy



paid will be based on the Base Price of Energy (BPE) and a Time-of-Delivery multiplier. Energy purchases will be procured under a Standard Offer Power Purchase Agreement (SOPPA), for a term of up to 20 years. The SOPPA includes terms and conditions for these purchases. Under this contract, all energy, capacity rights, and environmental attributes associated with the project are included in the purchase price.

To maintain steady pacing from an administration, engineering, and construction perspective, FiT100 will be offered in five 20-MW allocations. A new allocation will be released every six months after program launch. Any unreserved MW from previous allocations will be cancelled from FiT100 and will not roll over to the next allocation. FiT100 capacity is anticipated to be fully reserved in each allocation; however, LADWP will revisit the program within a year of initial offering and revise if it is not fully subscribed.

The BPE will be on a declining price tier system shown on the FiT Pricing Table. Tier pricing is independent from the blocks of offered MW allocations. The pricing starts at \$0.17/kWh and will be reduced to \$0.16/kWh when a total of 10 MW is reserved. As each tier pricing of the program is reserved, the next tier price will be reduced by \$0.01/kWh. Of those 10 MW, 2 MW will be set aside for 'Small Projects' (30 kW to 150 kW). All applications will be reserved on a first-come, first-served basis. In the event that the 'Small Projects' fill their reservation capacity in the Tier 1 level and the Total capacity has not been filled in Tier 1, 'Small Projects' will then fall into the 'Total' category until the 'Total' category is exhausted. In the event where reservations for large projects (greater than 150 kW) reach 8 MW on Tier 1, large projects thereafter will fall into Tier 2. This tiered step pricing process is kept until Tier 5 is reached.

During the outreach, it was important to our stakeholders that small projects play a role in our local renewable program. Preserving a set aside for small projects will allow this sector to have equal footing with the larger projects in numbers.

FiT Pricing Table			
Tier Level	Total MW Capacity Reserved	Small Project MW Capacity Reserved	Pricing (per kWh)
1	0-10	0-2	\$ 0.17
2	10-25	2-5	\$ 0.16
3	25-50	5-10	\$ 0.15
4	50-75	10-15	\$ 0.14
5	75-100	15-20	\$ 0.13

The BPE for projects in Owens Valley will be \$0.03/kWh less than the available pricing shown on the table above to account for transmission, distribution, losses associated with delivering energy from Owens Valley to the Los Angeles basin.

A set pricing program is being proposed in place of a competitive bid because the labor resources and time required for bid evaluations will be impractical in a FiT100 where each allocation rollout is expected to receive 100 applications or more. FiT100 incorporates the avoided cost considerations of SB 1332 and conforms to the program guiding principle offering a streamlined and cost effective FiT100.

### **ENVIRONMENTAL DETERMINATION**

In accordance with the California Environmental Quality Act (CEQA), it has been determined that the LADWP FiT Program is exempt pursuant to the General Exemption described in CEQA Guidelines Section 15061(b)(3). The General Exemption applies in situations where it can be seen that there is no possibility that the activity in question may have significant effect on the environment. LADWP has no obligation to purchase energy from participants until any applicable CEQA review has been completed and LADWP has determined, based on that review, to approve the purchase of energy from the facility.

### **RECOMMENDATION**

It is recommended that your Honorable Board adopt the attached Resolution authorizing the 100-MW Set Pricing FiT Program, FiT Set Pricing Program Guidelines, FiT Customer Generation Interconnection Agreement, Standard Offer Power Purchase Agreement, and delegating authority to permit the General Manager to enter into FiT contracts.

PL:nsh/ps

Attachments

e-c/att: Ronald O. Nichols  
Richard M. Brown  
Aram Benyamin  
James B. McDaniel  
Philip Leiber  
Gary Wong  
Randy S. Howard  
Peter Liang

RESOLUTION NO. \_\_\_\_\_

WHEREAS, on October 11, 2009, the Governor of California approved Senate Bill No. 32 (SB 32), which added Section 387.6 to the Public Utilities Code to require local publicly owned electric utilities to offer a Feed-in Tariff (FIT) Program for the purchase of electricity, generated from eligible renewable resources, up to a California statewide cap of 750 megawatts (MW); and

WHEREAS, on April 17, 2012, Los Angeles Department of Water and Power (LADWP) Board of Water and Power Commissioners (Board) adopted the FIT Demonstration Program Guidelines, Standard Offer Power Purchase Agreement, and Standard Offer for Customer Generation Interconnection Agreement, upon the effective date of an ordinance authorizing the Board to enter into long-term FIT contracts and to delegate that authority to the General Manager; and

WHEREAS, on September 27, 2012, the Governor of California approved Senate Bill No. 1332 (SB 1332), which amends and renumbers Section 387.6 of the Public Utilities Code to 399.32 and adds a deadline of July 1, 2013, for utilities to adopt a FIT; and

WHEREAS, SB 1332 also requires LADWP to consider the value of avoided costs for distribution and transmission system upgrades, whether the facility generates electricity in a manner that offsets peak demand on the distribution circuit, and all current and anticipated environmental and greenhouse gases reduction compliance cost; and

WHEREAS, the LADWP's portion of the SB 1332 mandate is approximately 75 MW; and

WHEREAS, the FIT Demonstration program provided LADWP the opportunity for price and process discovery to ensure that all established guiding principles are addressed; and

WHEREAS, the 2012 Integrated Resource Plan recommends a 150-MW FIT Program by 2016; and

WHEREAS, LADWP seeks to increase the use of locally generated renewable energy throughout its service territory to mitigate transmission losses and work towards achieving the state mandated 33 percent Renewable Portfolio Standard (RPS) by 2020; and

WHEREAS, LADWP desires to expand its deployment of locally generated renewable energy to systems that fill the void between LADWP's Solar Incentive Program for customer-owned or leased net-metered systems and requests for proposals for large-scale out-of-basin systems; and

WHEREAS, a variety of local stakeholders expressed strong interest in local renewable energy development at several workshops held by LADWP representatives; and

WHEREAS, to keep the program streamlined and to minimize barriers for small solar electric systems less than three megawatts in size, compliance with the applicable City of Los Angeles business policies, found in Division 10 of the Los Angeles Administrative Code and included in the FIT Set Pricing Program Guidelines, will be required at the time of contract execution rather than at the time of application submission; and

NOW, THEREFORE, BE IT RESOLVED that the Board hereby adopts a 100-MW FIT Set Pricing Program, FIT Set Pricing Program Guidelines, Standard Offer Power Purchase Agreement, and FIT Customer Generation Interconnection Agreement.

BE IT FURTHER RESOLVED that an additional 50-MW of FIT program will be brought to this Board for approval by the end of 2013 after review of the results from the first offering of the 100-MW FIT Set Pricing Program.

BE IT FURTHER RESOLVED that the Board finds that competitive bidding will be impractical for individual FIT contracts under the 100-MW Program.

BE IT FURTHER RESOLVED that the Board hereby delegates to the General Manager, the authority to enter into contracts for the purchase of renewable energy and related interconnection agreements for the FIT Program.

BE IT FURTHER RESOLVED that LADWP is authorized to create and fill new job positions to satisfy the administrative and engineering needs of the FIT Program to avoid program delays and backlogs.

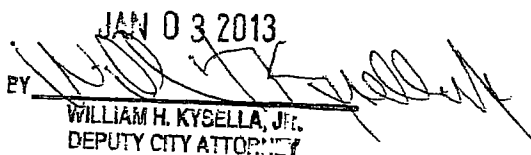
BE IT FURTHER RESOLVED that LADWP staff is authorized to make non-substantive technical modifications to the FIT Set Pricing Program Guidelines, Standard Offer Power Purchase Agreement, and FIT Customer Generation Interconnection Agreement as necessary to correct errors, improve clarity, and facilitate administration of the FIT Program.

BE IT FURTHER RESOLVED that all the energy purchased and Renewable Energy Credits acquired shall be credited towards LADWP's RPS mandate.

BE IT FURTHER RESOLVED that the Chief Accounting Employee of LADWP, upon proper certification, is authorized and directed to draw demands on the Power Revenue Fund in payment of the obligations arising under this resolution, and Section 10.5.2, Article 1 of Chapter 1 of Division 10 of the Los Angeles Administrative Code.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of the resolution adopted by the Board of Water and Power Commissioners of the City of Los Angeles at its meeting held

APPROVED AS TO FORM AND LEGALITY  
CARMEN A. TRUTANICH, CITY ATTORNEY

JAN 03 2013  
BY   
WILLIAM H. KYSELLA, JR.  
DEPUTY CITY ATTORNEY

\_\_\_\_\_  
Secretary



**LOS ANGELES  
DEPARTMENT OF WATER AND POWER**



**Feed-in Tariff (FiT)  
Set Pricing  
Program Guidelines**



**Effective: January 11, 2013**

# LADWP Feed-in Tariff Set Pricing Program Guidelines

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## 1 DEFINITIONS

For the sole purpose of these Guidelines, the capitalized terms listed below shall have the specific meanings ascribed to them in this section:

“Applicant” means the person or entity submitting the Feed-in Tariff (FiT) Application.

“Application” means the FiT Application forms in Attachment 3 of these Guidelines and related required documentation to initiate the process of potentially entering into a Standard Offer Power Purchase Agreement (SOPPA).

“Base Price for Energy (BPE)” means the base price (in dollars per kilowatt-hour) to be paid to the Participant for energy delivered to the Los Angeles Department of Water and Power (LADWP).

“Capacity” means the total nominal gross nameplate capacity of the Facility in kilowatts or megawatts alternating current.

“CEC” means the California Energy Resources Conservation and Development Commission, also known as the California Energy Commission, or its successor agency.

“Commercial Operation” means the completed construction, permitting, and testing of the Facility such that the Facility is both authorized and able to operate and deliver energy.

“Customer” means an existing LADWP customer, or third parties who will establish electrical service from LADWP, upon interconnection to LADWP's Distribution System.

“Delivery Point” means the location where the electrical energy is required to be delivered to LADWP by the Applicant.

“Distribution System” means the wires, transformers, and related equipment used by LADWP to deliver electric power to its customers.

“Development Security Deposit (DSD)” means a \$50 security deposit for each kilowatt of the nominal nameplate Capacity of the Facility.

“Eligible Renewable Energy Resource” for the sole purpose of this FiT Program means an electric generation facility that complies with the requirements of Section 399.32 of the Public Utilities Code or any successor thereto.

“Facility” means the facility used to produce energy from an Eligible Renewable Energy Resource pursuant to this program, including all property interests and related electrical and non-electrical equipment.

“Feed-in Tariff (FiT)” means this 100 MW Set Pricing Program to purchase renewable electric energy under a standard offer contract.

“FiT Customer Generation Interconnection Agreement” means the agreement to be entered into by the Customer and LADWP that defines and governs how a Customer will interconnect a parallel electric generator onto LADWP's Distribution System.



“Guidelines” means these FiT Set Pricing Program Guidelines as adopted by the Board, including all amendments, revisions, and any successor thereto.

“Interconnection Agreement (IA)” means the FiT Customer Generation Interconnection Agreement.

“kW” means a kilowatt (1,000 watts) of electric power in alternating current.

“LADWP” means the Los Angeles Department of Water and Power.

“MW” means a megawatt (1,000,000 watts) of electric power in alternating current.

“Participant” means an Applicant that has satisfied all Application requirements and entered into a Standard Offer Power Purchase Agreement (SOPPA) with LADWP.

“Project” is interchangeable with the term “Facility” that is subject to an Application.

“Site” means the real property (including all fixtures and appurtenances thereto) and related physical and intangible property generally owned or leased by the Applicant where the Facility is located or will be located, and including any easements, rights-of-way or contractual rights held or to be held by Applicant for transmission lines and/or roadways servicing such Site or the Facility located (or to be located) thereon.

“Site Control” means the Applicant shall (i) own the Site; or (ii) be the lessee of the Site under a lease which permits the Applicant to perform its obligations under this program.

“Standard Offer Power Purchase Agreement (SOPPA)” means a standard agreement to sell energy from an Eligible Renewable Energy Resource to LADWP under this program.

## 2 OVERVIEW

These Guidelines provide the background information and procedures for participation in LADWP's FiT Program. LADWP's FiT incorporates elements from SB1332, SB32, SB2 (1X), LADWP's 2012 Integrated Resource Plan (IRP), and public outreach efforts.

Applications for the FiT Program are open to all Eligible Renewable Energy Resources ranging from 30 kW to 3 MW, alternating current, in capacity per Project.

### 2.1 PURPOSE AND GUIDING PRINCIPLES

LADWP has committed to state mandated renewable energy procurement targets, having achieved 20 percent in 2010 and working toward a target of 33 percent renewable energy by 2020. A number of programs have been established to meet these targets, such as: (1) long term PPAs for large-scale renewable energy projects; (2) the Solar Incentive Program; and (3) the Utility-Built Solar Program.

In addition to achieving state mandates, the FiT Program intends to:

- Create an additional solar power funding mechanism to complement the Solar Incentive Program
- Encourage distributed electrical generation from renewable resources close to load centers
- Balance renewable portfolio for reliability via geographic and technology diversity

In order to encourage additional development of small and medium-scale distributed renewable energy projects within the service territory, LADWP seeks to purchase energy from Eligible Renewable Energy Resources under a long-term Standard Offer Power Purchase Agreement (SOPPA), up to 20 years in duration.

Through FiT, LADWP aims to fill the gap for projects with an export capacity larger than systems typically supported by the current Solar Incentive Program, but smaller and more regionally located than other large-scale renewable energy projects. Thus, FiT helps to broaden the range of projects available for meeting LADWP's future demand and renewable energy targets. These goals are consistent with state mandates and supportive of efforts outlined in LADWP's IRP.

#### Summary of Guidelines

- **Applicants must meet all eligibility and minimum technical requirements.**
- **Applications will be accepted on a first come, first served basis.**
- **An interconnection study will be conducted. The Applicant will be responsible for all interconnection costs.**
- **Projects that could adversely impact the distribution grid or trigger network upgrades may be rejected.**
- **Applicants must enter into a Standard Offer Power Purchase Agreement (SOPPA) and an Interconnection Agreement.**
- **The SOPPA is non-negotiable and can have a term of up to 20 years.**
- **Project must achieve Commercial Operation within 18 months after the effective date of the SOPPA.**
- **All energy produced from a Project may only be sold to LADWP.**



Guiding  
Principles

Reliable

Cost Effective

Dependable

Sustainable

Transparent

### 2.1.1 GUIDING PRINCIPLES

The FiT Program design takes into consideration customer and stakeholder recommendations received by LADWP during outreach workshops. Policies in these Guidelines are intended to minimize administrative costs of the program and streamline the Application process.

FiT is designed with five guiding principles in mind: 1) Maintain a **RELIABLE** LADWP electric grid through geographic diversity, conducting the necessary integration studies to determine the Project interconnection feasibility, and placing limits on the number of Projects that can interconnect per circuit; 2) Establish a **COST EFFECTIVE** program through review of prices and market data to achieve the best value for customers; 3) Ensure that Projects built will be **DEPENDABLE** and contribute to RPS targets by performing viability screens based on Applicant qualifications and experience, reviewing product technology characteristics, and verifying Site Control; 4) Ensure a **SUSTAINABLE** rate of participation by regulating program pace and growth over time; and 5) Provide a **TRANSPARENT** program by developing a clearly defined participation process.

### 2.1.2 PUBLIC POLICY DRIVERS

FiT stems from state legislation mandating an offering of a feed-in tariff by state utilities. The original legislation (AB 1969 and SB 380, passed in 2006 and 2008, respectively) limited FiT programs to specific types of generators or utilities. More recently, SB 32 (2009) and its successor SB 1332 (2012) expanded the requirement to publicly owned utilities, including LADWP, with an adoption deadline of July 1, 2013.

SB 32 and SB 1332 require California utilities to offer a share of an overall 750 MW cap based on their contribution to overall state electrical demand. For LADWP, this is roughly 75 MW.

On April 12, 2011, the California Renewable Energy Resource Act, SB2 (1X) was approved by the Governor of California. SB2 (1X) requires utilities to procure “not less than 33%” of their power consumption from Renewable Resources by December 31, 2020 with interim mandates.

## 2.2 LADWP RENEWABLE TARGETS AND INTEGRATED RESOURCE PLAN

LADWP accomplished its goal of generating 20 percent of the electric energy served to its customers from renewable energy sources in 2010. LADWP achieved the goal, having started with only 3 percent of the electricity served from renewable energy in 2003.

Each year, LADWP completes a public outreach process and updates its IRP. Major recommendations included the following:

- A path forward to maintain current renewable resources and increase LADWP’s renewable energy supply from 20 percent to 33 percent by 2020 as mandated by SB2 (1X).
- Utilize a diverse mix of renewable resources, including wind, geothermal, and solar.
- Develop a renewable energy feed-in tariff program to encourage 150 MW by 2016.
- Increase the use of distributed generation, particularly local solar.

During the IRP outreach, LADWP heard from its stakeholders that solar, particularly local solar, in the Los Angeles area should be an important component to the renewable energy mix going forward.

Based on these suggestions, LADWP is recommending the development of approximately 1200 MW of solar power projects over the next 20 years, enough to supply about eight percent of the electrical needs for Los Angeles.

## Provisions of SB 1332

- Electrical generation from Eligible Renewable Energy Resources must be within the utility's service territory.
- A public utility may make the terms of the tariff available to owners and operators of an electric generation facility in the form of a standard contract.
- A public utility may reduce the three MW capacity limitations if the utility finds that a reduced capacity limitation is necessary.
- All renewable energy purchased shall be delivered directly to the electric grid and shall count towards the utility's renewable portfolio standard.
- Projects shall be strategically located and interconnected to the electrical transmission and distribution grid in a manner that optimizes the deliverability of electricity generated at the facility to load centers.
- Projects may be denied if the transmission or distribution grid that would serve as the point of interconnection is inadequate.
- The tariff adopted shall reflect the value of every kilowatt-hour of electricity generated on a time-of-delivery basis and shall consider avoided costs for distribution and transmission system upgrades, whether the facility generates electricity in a manner that offsets peak demand on the distribution circuit, and all current and anticipated environmental and greenhouse gases reduction compliance cost.
- A public utility shall adopt a standard tariff for electricity purchased from a generation facility by July 1, 2013.
- Projects will be accepted on a first come, first served basis.

### 3 ELIGIBILITY REQUIREMENTS

LADWP seeks up to 100 MW of renewable energy capacity for this FiT Program. All program materials, including Application Forms, are available on the FiT Program website ([www.ladwp.com/FiT](http://www.ladwp.com/FiT)). LADWP will accept Applications until the established deadlines or when the capacity allocation is full.

#### 3.1 PROJECT SIZE AND ALLOCATIONS

Eligible Projects must have a total nameplate Capacity ranging from 30 kW to 3 MW.

The 100 MW FiT Program will be distributed into five (5) semi-annual allocations of 20 MW.

Each 20 MW allocation will have a 4 MW set aside for the small Projects ranging from 30 kW to 150 kW.

Unused capacity from each allocation will not be added onto future allocations.

The offering schedule and allocation status will be posted on the FiT website ([www.ladwp.com/FiT](http://www.ladwp.com/FiT)).

Projects in the Owens Valley will have an aggregated cap of 4 MW for the FiT Program.

#### 3.2 TECHNOLOGIES

The FiT Program is open to all Eligible Renewable Energy Resources. The Applicant is responsible for registering and maintaining their Project as RPS compliant with the CEC. Refer to the CEC RPS Eligibility Guidebook<sup>1</sup> for the latest certification requirements.

#### 3.3 QUALIFIED FACILITY COMPONENTS

All Facility components must follow prudent utility practices for quality.

Only photovoltaic modules that are certified by a nationally recognized testing laboratory are eligible.<sup>2</sup>

All flat plate photovoltaic modules must be certified as meeting the requirements of the Underwriters Laboratory Standard (UL) 1703.

For custom photovoltaic modules not certified by UL 1703, parties may seek certification by the Los Angeles Department of Building and Safety Materials Test Lab (<http://ladbs.org>). Facilities will not be approved by LADWP inspectors until proof of certification is received by LADWP.

All inverters must be certified by a nationally recognized testing laboratory for safe operation and must be certified as meeting the requirements of UL 1741. LADWP reserves the right to adopt additional codes, standards, and conditions, at any time, at its sole discretion.

For non-photovoltaic renewable technologies, Projects must satisfy the requirements to achieve certification with the CEC.

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<sup>1</sup> The CEC RPS Eligibility Guidebook can be found at <http://www.energy.ca.gov/renewables/documents/>

<sup>2</sup> The CEC maintains a list of certified modules that can be obtained from the CEC website at <http://www.gosolarcalifornia.ca.gov>



### **3.4 PARCEL AND CIRCUIT**

Only one Facility per parcel will qualify for participation in FiT. Applicants may not aggregate several renewable generators from other parcels to make up the Facility. If a Project is constructed in phases, an Application must be submitted for the entire Project output.

The renewable generator(s) that constitutes the Facility shall be within the boundaries of one legal parcel identified by the assessor's parcel number on the Application Form.

Multiple Applications by different Applicants for the same parcel or address will not be eligible.

While there are currently no restrictions on the number of submissions per circuit interconnecting to the LADWP Distribution System, the integration feasibility studies will identify any potential issues that may limit the number of projects per circuit due to reliability concerns or the need for network upgrades.

### **3.5 LOCATION**

Projects must be located within LADWP's electric service territory. A map of the geographic boundaries for LADWP service territory is included as Attachment 2.

Projects in Owens Valley will have an aggregated cap of 4 MW for the FiT Program.

### **3.6 OWNERSHIP & SITE CONTROL**

A Site Control Form is required to indicate that the Applicant has obtained sufficient level of the right to enter and construct a facility at the proposed Site. Applicant must submit the "Site Control Form" found in Attachment 3 with the Application.

The Applicant is not required to be the owner of the Project Site at time of Application, but must meet one of the requirements in the Site Control form.

### **3.7 COMMERCIAL OPERATION**

Only Projects with a Commercial Operation date after the execution of the SOPPA shall be eligible.

Projects shall be structurally and electrically complete, acquire all applicable permits, pass all required testing, and be authorized and able to operate and deliver energy.

Energy produced by the Project may only be sold to LADWP. Any Project consuming more than 10% of its energy generation shall be disqualified from the FiT Program and placed on the applicable Customer Generation Rate. For more details, refer to LADWP's Electric Rates Ordinance.

Commercial Operation shall be no later than 18 months following the execution of the SOPPA.

An extension up to six months may be granted at the discretion of LADWP pursuant to the SOPPA.

### **3.8 PARTICIPATION IN OTHER LADWP PROGRAMS**

Renewable generators that have received rebates or incentives from any other LADWP program are not eligible for the FiT Program.

Net-metered projects, which are serving residential, commercial, or industrial load, are not eligible for the FiT Program.

### **3.9 MINIMUM TECHNICAL REQUIREMENTS**

In addition to the eligibility requirements described above, each Applicant shall demonstrate the following minimum technical criteria:

- Prior successful development and construction of at least one similar project using the proposed technology by one or more members of the development team.
- Submit a single-line electrical diagram of the proposed Facility.
- Submit a preliminary plot plan or Site development diagram showing the layout of the proposed Facility, equipment layout, and proposed point of interconnection.
- Provide a 24 hour by 12 months energy production profile in expected kWh.

Failure to provide the information and demonstrate that each minimum requirement has been met will result in disqualification.

## 4 APPLICATION PROCESS

The terms of the SOPPA, Interconnection Agreement and Guidelines are non-negotiable. Applicants shall review the terms of all program documents carefully before submitting an Application. LADWP reserves the right to reject all Applications. All submitted materials will become property of LADWP and may be incorporated into a contract between LADWP and the selected Applicant.

### 4.1 REQUIRED INFORMATION & DOCUMENTS

In order for an Application to be considered complete, the following information must be provided using the appropriate forms; otherwise, the Application will be considered incomplete and disqualified:

- Application Form
- Proof of Site Control Form
- Facility Diagrams (including site plan, one-line diagram, and an itemized equipment layout)
- 24 hour by 12 month energy production profile
- City of Los Angeles Ethics Commission Form 50, [compliance with Municipal Lobbying Ordinance §§ 48.01 et. seq.](#)
- City of Los Angeles Ethics Commission Form 55
- Iran Contracting Act of 2010 Certification Form (only for contracts with an expected total value of \$1,000,000 or more)
- Check for Application Fee and Interconnection Study Fee payable to LADWP

Applicants shall comply with other City ordinances and policies prior to the execution of the SOPPA including:

- Child Support Assignment Orders (Los Angeles Administrative Code §§ 10.10 et. seq.)
- Affirmative Action Plan (Los Angeles Administrative Code §§ 10.8.4 et. seq.)
- Nondiscrimination - Equal Employment Practices Certification (Los Angeles Administrative Code §§ 10.8.2 and §§ 10.8.3 et. seq.).
- City of Los Angeles Living Wage Ordinance (Los Angeles Administrative Code §§ 10.37 et. seq.)
- City of Los Angeles Business Tax Registration Certificate

### 4.2 BASE PRICE OF ENERGY (BPE)

The BPE is subject to the non-negotiable TOD Multipliers indicated in Section 6.1 of the Guidelines over the term of the agreement.

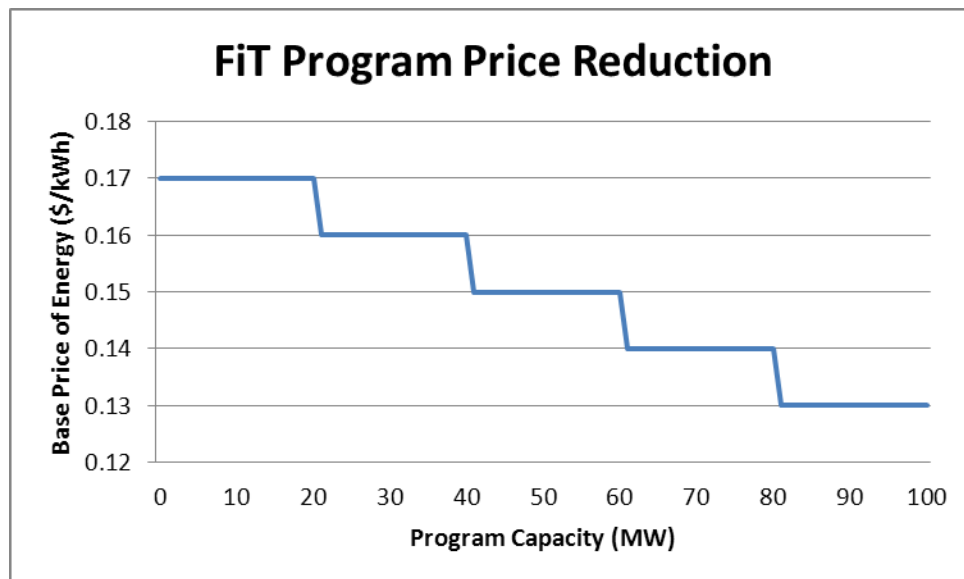


The BPE for Projects in Owens Valley will be \$0.03/kWh less than the available pricing shown on the FiT Pricing Table.

The BPE will be on a declining price tier system shown on the following table. The pricing starts at \$0.17/kWh and will be reduced to \$0.16/kWh when a total of 20 MW is reserved. Of those 20 MW, 4 MW will be set aside for 'Small Projects' (30 kW to 150 kW). All Applications will be reserved on a first-come, first-served basis as set forth in Section 5.1. In the event that the 'Small Projects' fill their reservation capacity in the tier 1 level and the 'Total' category has not been filled in tier 1, 'Small Projects' will then fall into the 'Total' category until the Total category is exhausted. In the event where reservations for large projects (greater than 150kW) reach 16 MW on Tier 1, large projects thereafter will fall into Tier 2. This tiered step pricing process is kept until Tier 5 is reached.

FiT Pricing Table			
Tier Level	Total MW Capacity Reserved	Small Project MW Capacity Reserved	Pricing (per kWh)
1	0-20	0-4	\$ 0.17
2	20-40	4-8	\$ 0.16
3	40-60	8-12	\$ 0.15
4	60-80	12-16	\$ 0.14
5	80-100	16-20	\$ 0.13

The graph below shows the anticipated price reductions throughout the 100 MW FiT Program.



In the event the BPE drops during an allocation period, Applicants shall denote on their Application whether the lower BPE will be accepted if the prior price allocation is fully subscribed.

#### 4.3 APPLICATION SUBMISSION PROCEDURE

Applicants shall submit one (1) original Application package in paper format and one copy in electronic format in Adobe® on a CD-ROM.

The Application shall be enclosed in a sealed package or envelope, plainly marked in the upper left hand corner with the name and the address of the Applicant. The package or envelope shall bear the words "Application for", followed by the Application's title. Applications submitted via electronic mail or facsimile will not be accepted.

If the Application is mailed, it shall be addressed to:

**LOS ANGELES DEPARTMENT OF WATER AND POWER**

**CARE OF VENDOR LIAISON CENTER**

**PO BOX 51111 ROOM L43**

**LOS ANGELES, CA 90051-5700**

**ATTENTION: Ms. Anh Wood**

If the Application is sent by messenger, it shall be delivered to:

**111 NORTH HOPE STREET, ROOM L43**

**LOS ANGELES, CA 90012**

**ATTENTION: Ms. Anh Wood**

Applications must be received by LADWP at the exact address listed above. No allowance will be made for delays in U.S. Mail, consumer mailing services, or the LADWP internal mail service. Applications will be time and date stamped. Applications received after the Program is oversubscribed will be placed on the FiT Reservation List in the order received. LADWP will return Applications that did not receive a reserved allocation at the end of the Application period. Applications received outside of the Application acceptance period posted on the FiT website ([www.ladwp.com/fit](http://www.ladwp.com/fit)) will not be accepted and will be returned to Applicants unopened.

#### **4.4 PROGRAM PARTICIPATION FEES AND COSTS**

##### **4.4.1 APPLICATION FEE**

For systems up to 150 kW, the application fee is \$500. A check for \$500 must be submitted to LADWP with the Application.

For systems above 150 kW, the application fee is \$1,000. A check for \$1,000 must be submitted to LADWP with the Application.

The application fee is non-refundable. However, Applications that did not receive a reservation due to oversubscription will be refunded the application fee.

##### **4.4.2 INTERCONNECTION STUDY FEE**

To initiate an interconnection study, Applicants shall submit, along with all required documents or drawings, a non-refundable interconnection study fee. For systems 150 kW and below, the interconnection study fee shall be \$750. For systems above 150 kW, the interconnection study fee shall be \$1,500.

The interconnection study fee shall be submitted with the Application.

An interconnection study will be performed by LADWP. Applicants will be notified of the interconnection cost estimate prior to being offered the SOPPA.

Applicants may elect to withdraw their Application at this point if their interconnection cost or requirements are not feasible for the Project.

#### 4.4.3 COST OF INTERCONNECTION

At completion of the interconnection study, 10 percent of the interconnection cost estimate will be due to LADWP prior to signing the SOPPA. The remainder of the interconnection costs will be due in accordance with the Interconnection Agreement.

#### 4.4.4 DEVELOPMENT SECURITY DEPOSIT (DSD)

Within 20 business days of notification of interconnection cost estimate, the Applicant must submit a DSD calculated at \$50 per kW total nameplate Capacity.

LADWP will not enter into a SOPPA with the Applicant until the DSD is paid. The Applicant forfeits the DSD if either the milestone or the Commercial Operation deadline is not met. See SOPPA for details regarding milestone and Commercial Operation deadline.

The DSD will be refunded to the Applicant if the planned Commercial Operation date is met.

### 4.5 FEE SCHEDULE

Participation Fees and Costs		
ITEM	AMOUNT (\$)	TIME DUE
Application Fee (30 kW - 150 kW)	\$500	At the time of Application submission.
Application Fee (151 kW - 3MW)	\$1,000	
Interconnection Study Fee (30 kW - 150 kW)	\$750	
Interconnection Study Fee (151 kW - 3 MW)	\$1,500	
Development Security Deposit	\$50 per kWac	20 business days following notification of interconnection cost estimates along with items listed in Section 5.3 of the Guidelines. The DSD is refundable after the milestone and commercial operation are met.
10% of Estimated Interconnection Costs	TBD	Prior to the installation of interconnection equipment by LADWP
Balance of Estimated Interconnection Costs	TBD	

### 4.6 SIGNATURE

By signing the Application, the Applicant declares that:

- 1) The information provided in the Application is true and correct.



2) The Applicant has read, understands, and agrees to be bound by the FiT Set Pricing Program Guidelines.

3) The Applicant has read and understands the Interconnection Agreement and SOPPA.

#### **4.7 COMMUNICATION**

Questions regarding the Application submission process should be directed to [FiT@ladwp.com](mailto:FiT@ladwp.com).

LADWP will accept inquiries regarding FiT status and process on a continuous basis via email only.

A frequently asked questions and answers document will be posted and consistently updated on the FiT website based on the correspondence between FiT Applicants and LADWP staff.

A diagram of the FiT participation process is included in these Guidelines as Attachment 1.

## **5 POST SUBMISSION PROCESS**

### **5.1 FIT RESERVATION LIST**

Applicants will be prioritized on the FiT Reservation list on a first-come, first-served basis by date and time; however, Applications received during the first five (5) days of the Application period will be deemed received at the same date and time and will be prioritized on the FiT Reservation List by lottery.

A public lottery process will be conducted during each Application period. The date and location of the lottery will be announced on the FiT website.

LADWP will confirm allocation reservations based on the priority of the FiT Reservation List for up to 20 MW or by a margin of 1.5 MW. Small Projects (30 kW to 150 kW) will be guaranteed at least 4 MW of participation in each allocation.

LADWP will notify Applicants of a confirmed allocation reservation by email.

The FiT Reservation List and lottery results will be available on the FiT website ([www.ladwp.com/FiT](http://www.ladwp.com/FiT)).

Applications that did not receive a reservation at the end of the Application period will be returned to the Applicant with the Application fee.

### **5.2 INTERCONNECTION PROCESS**

LADWP will perform an interconnection study on reserved Applications and provide an interconnection cost estimate to the Applicant.

Applicants will be contacted by an LADWP New Business engineer for the interconnection study.

Applicants shall submit any additional Project information, as deemed necessary by the New Business engineer, in a timely manner.

Applicants may elect to withdraw their Application after the interconnection study if their interconnection cost or requirements are not feasible for the Project.

If the Applicant elects to proceed, the Applicant must submit payment for 10 percent of the interconnection cost estimate and the Interconnection Agreement.

LADWP may deny an Applicant's interconnection if the distribution grid that serves as the point of interconnection is inadequate.

### **5.3 SOPPA AND INTERCONNECTION AGREEMENT**

Prior to the execution of the SOPPA, Applicants shall demonstrate or provide the following:

- Proof of Site Control through ownership or lease
- Business Tax Registration Certificate

- Vendor Registration Number
- All City of Los Angeles Business Compliance Forms
- Taxpayer Identification Number
- 10% of interconnection cost estimate
- Completed and signed Interconnection Agreement
- Development Security Deposit

No payment will be made under this Agreement without a valid Taxpayer Identification Number and Vendor Registration Number. .

Applicants will have 20 business days after notification of interconnection cost estimates to sign and submit the SOPPA along with all accompanying documents mentioned above Failure to meet this deadline will result in elimination of the Project from consideration.

After LADWP executes the SOPPA, the Applicant will be referred to as a Participant in FiT Program and a seller of energy.

The SOPPA and IA can be found at the program website at ([www.ladwp.com/fit](http://www.ladwp.com/fit)).

#### 5.4 INTERCONNECTION REQUIREMENTS & STANDARDS

Participants shall interconnect to the LADWP distribution grid at either 4.8kV or 34.5kV voltage level. The final Delivery Point and the voltage level of interconnection will be determined during the interconnection process outlined in the Interconnection Agreement.

Metering and interconnection standards can be found in LADWP's Electric Service Requirements, available at: <http://www.ladwp.com/ladwp/cms/ladwp000332.jsp>.

Prior to interconnection, Applicants must request a separate electric service agreement from LADWP to support the Project, and pay all associated fees for establishing service.

For information on how to request electrical service, please visit LADWP's website at ([www.ladwp.com](http://www.ladwp.com)), and click on "Start new service" link under the Commercial Customers section. This service request will allow LADWP to initiate and install the service meter needed to capture any consumption at the Site.

#### 5.5 METERING AND CONTROLS

LADWP shall install revenue grade, dual channel, digital metering equipment and recorders with cellular communication capabilities at the delivery point of the Facility to measure electric energy production and other electric parameters deemed appropriate by LADWP. Participants will not be allowed to opt out of the use of such meter.

The appropriate rate schedule from the Electric Rate Ordinance shall apply to any energy consumed from LADWP's grid.



All energy produced by the Project may only be sold to LADWP. A project consuming more than 10% of its energy generation shall be disqualified from the FiT Program and placed on the applicable Customer Generation Rate.

## **5.6 CHANGES AND TRANSFERS**

No changes in Capacity are allowed.

No changes to expected energy output are allowed.

No changes to the Project location are allowed.

Changes to technology or equipment provider, e.g. manufacturer of solar panels, are permitted, but Applicants must obtain written approval from LADWP prior to doing so.

Participants shall not assign any of its rights or delegate any of its obligations without prior written consent from LADWP, as set forth in the SOPPA.

## **5.7 RPS COMPLIANCE**

Participants will be responsible for registering and maintaining their Project as RPS compliant with the CEC. Compliance paperwork from the CEC will be required under the SOPPA. See link below regarding the guidelines for CEC pre-certification and certification:

<http://www.energy.ca.gov/renewables/documents/index.html#rps>

Participants must send proof and documentation that the system has been certified with the CEC. After receipt of the CEC RPS compliance paperwork, LADWP will register the Project in its Western Renewable Energy Generation Information System (WREGIS) account. All renewable energy credits (RECs) and environmental attributes of the Project shall be transferred automatically to LADWP.

LADWP will register the system with the Energy Information Administration.

## **5.8 PERMITTING**

Participants shall obtain all necessary permits, and comply with all applicable regulatory requirements including but not limited to the California Environmental Quality Act (CEQA), to construct and operate the renewable energy facility at their own expense.

Participants shall be responsible for compliance with all applicable City, County, State, and Federal regulatory requirements.

Participants will be required to obtain all necessary building and safety permits prior to construction. For more information, please visit [www.ladbs.org](http://www.ladbs.org).

Failure to obtain proper permitting from Los Angeles Department of Building and Safety (LADBS) or applicable agency will result in forfeiture of Development Security Deposit and termination of the SOPPA.

## 5.9 DEVELOPMENT MILESTONE

A development milestone will be required to ensure Project progression during the 18 months allotted to achieve Commercial Operation.

Participants shall provide proof of Project permitting, as set forth in Section 5.8, within six months of the execution of the SOPPA.

Alternatively, Participants may achieve the development milestone by submitting to LADWP proof of materials procurement for the rated Capacity of the proposed Project.

Failure to obtain proper permitting or provide proof of procurement within six months of the execution of the SOPPA will result in forfeiture of DSD and termination of the SOPPA.

## 5.10 PROJECT CONSTRUCTION AND COMMERCIAL OPERATION

Participants will have 18 months from execution of the SOPPA to achieve Commercial Operation and commence delivery of power to LADWP.

The Planned Commercial Operation Date set forth in Appendix A of the SOPPA may be extended for up to six months. Participant must submit a request for extension of the Planned Commercial Operation Date to LADWP in writing to [FiT@ladwp.com](mailto:FiT@ladwp.com), describing in reasonable detail the cause of the delay, at least 30 days prior to the Planned Commercial Operation Date.

Any decision to grant such extension shall be at the discretion of LADWP.

It is the responsibility of the Participant to coordinate installation and allow access for LADWP staff to install required interconnection and metering equipment prior to the Commercial Operation date.

The Participant shall provide accommodations for the LADWP, LADBS, and other City of Los Angeles agencies to perform inspections as necessary.

In all cases, PV systems shall be installed in conformance with the manufacturer's specifications and conform to all applicable electrical and other codes and standards. The installer shall be a properly licensed California contractor. An active "C-10" or "A" license is required for all solar projects.

## 5.11 INSURANCE

Please refer to the Insurance Requirement Sections of the SOPPA and IA. Proof of Insurance is required 30 days prior to Commercial Operation.

For further information regarding these insurance requirements, please contact the LADWP Risk Management Section:

Phone: (213) 367-4674

Fax: (213) 367-0214

Website: [www.ladwp.com/riskmanagement](http://www.ladwp.com/riskmanagement)

## 5.12 INSPECTION AND MAINTENANCE REPORT

In order to ensure the safety and reliability of the Facility, Participants shall provide an inspection and maintenance report to LADWP at least once every other year.

The inspection and maintenance report shall be prepared at the Participant's expense by an independent California licensed contractor who is not the owner or operator of the Facility. A California licensed electrician shall perform the inspection of the electrical portion of Facility.

## 6 PAYMENT CALCULATION

### 6.1 TIME OF DELIVERY MULTIPLIER

Time-of-delivery (TOD) multipliers will be applied to the base price of energy (BPE) as outlined in the table below:

Time-of-Delivery Multiplier Table

	High Peak	Low Peak	Base
Period	M-F (1:00 pm - 5:00 pm)	M-F (10:00 am - 1:00 pm) M-F (5:00 pm - 8:00 pm)	M-F (8:00 pm - 10:00 am) All Day Saturday & Sunday
High Season (Jun-Sep)	2.25	1.10	0.50
Low Season (Oct - May)	1.30	0.90	0.50

### 6.2 PURCHASE PRICE OF ENERGY

The purchase price of energy will be the product of the BPE multiplied by the non-negotiable TOD multiplier indicated in the Time-of-Delivery Multiplier Table in Section 6.1.

### 6.3 CALCULATION OF PAYMENT

Monthly energy payments will be made based on the amount of energy delivered to LADWP as measured through LADWP's metering equipment. Monthly payments shall be calculated as the sum of the energy delivered by the Project at each hour multiplied by the BPE and the TOD multiplier for each hour.

Payments will be made within 30 days from end of each month.

LADWP will not purchase energy in excess of 115% of the monthly production profile submitted by the Applicant at the time of Application.



## 7 INDEMNIFICATION

Except for the gross negligence or willful misconduct of LADWP, Participant undertakes and agrees to defend, indemnify and hold harmless LADWP, the City of Los Angeles, including but not limited to any of its boards, commissioners, officers, agents, employees, assigns and successors in interest (hereinafter, collectively, "Indemnities") from and against any and all suits and causes of action (including proceedings before FERC), claims, losses, demands, penalties, judgments, costs, expenses, damages (including indirect, consequential, or incidental), disbursements of any kind or nature whatsoever, including but not limited to attorney's fees (including allocated costs of internal counsel), other monetary remedies, and costs of litigation, damages, obligation or liability of any kind or nature whatsoever, in any manner arising by reason of, incident to, or connected in any manner with the performance, non-performance or breach of the SOPPA, these guidelines or any ancillary document, or any other act, error or omission or willful misconduct by or of the Participant or Participant's officers, employees, agents, contractors, sub-contractors of any tier, including but not limited to any such performance, non-performance, breach, act, error or omission or willful misconduct that results in intellectual property infringement or leads to death or injury to any person, including but not limited to Participants, Participant's officers, employees, agents, contractors or sub-contractors of any tier, or damage or destruction to property of any kind or nature whatsoever, of either Party hereto, or of third Parties, or loss of use (hereinafter, collectively, "Indemnified Liabilities"). The provisions of this paragraph shall be in addition to, and not exclusive of, any other rights or remedies which Indemnities have at law, in equity, under the SOPPA or otherwise. To the extent that the undertakings to defend, indemnify, pay and hold harmless set forth in this subsection may be unenforceable in whole or in part because they are volatile of any law or public policy, Participant shall contribute the maximum portion that it is permitted to pay and satisfy under applicable law to the payment and satisfaction of all Indemnified Liabilities incurred by Indemnities or any of them. The provisions of this paragraph shall survive the expiration or termination of the Guidelines, SOPPA, and IA.

## ATTACHMENT 1: FIT PROGRAM PROCESS DIAGRAM

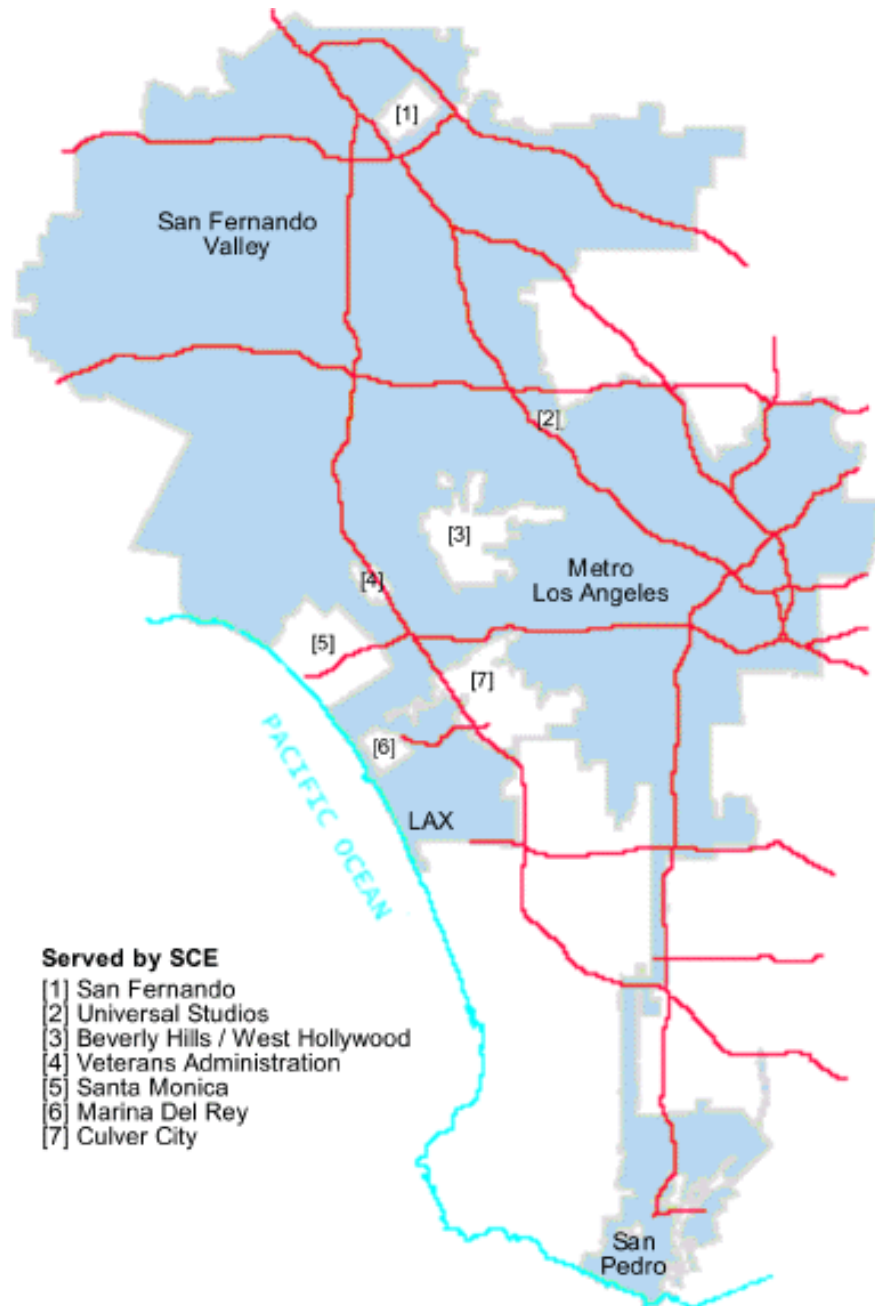


## ATTACHMENT 2: SERVICE TERRITORY MAP

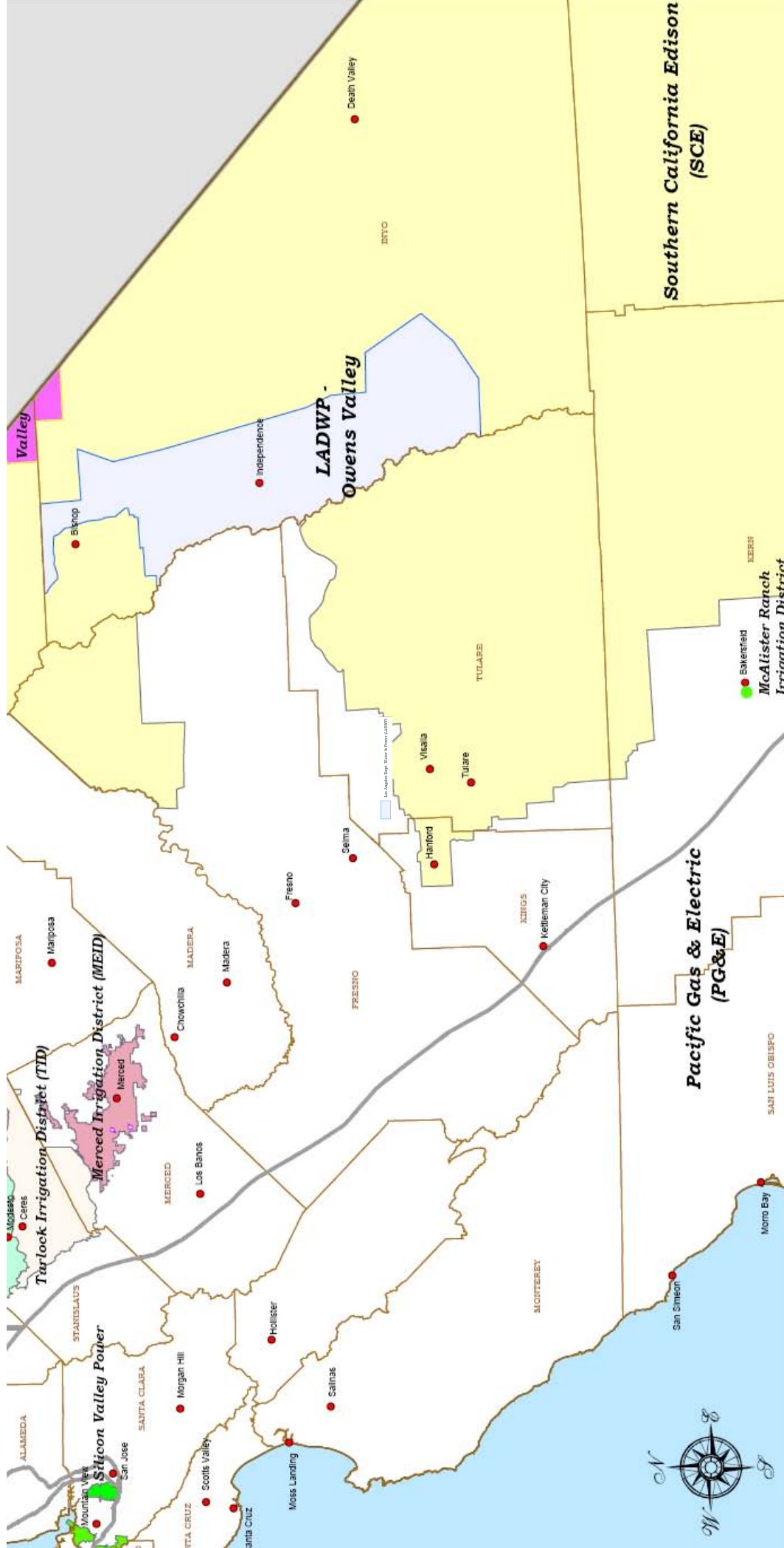


LADWP supplies water and electricity to all residents and businesses located within the city limits of Los Angeles, and electricity to portions of the Owens Valley. Some properties located in areas that border Los Angeles may also be served.

**Map of LADWP Service Territory**  
(excluding Owens Valley)



# LADWP OWENS VALLEY ELECTRIC SERVICE TERRITORY



Los Angeles Dept. Water & Power (LADWP)

**LADWP Service territory includes the following communities:**

Atwater Village	Hollywood	Rancho Park
Arleta	Hyde Park	Reseda
Baldwin Hills	Independence	San Pedro
Bel Air Estates	Koreatown	Sawtelle
Beverly Glen	LA City Strip (parts of)	Sherman Oaks
Big Pine	Lake View Terrace	Silverlake
Bishop (parts of)	Lincoln Heights	South Pasadena (parts of)
Boyle Heights	Little Tokyo	Studio City
Brentwood	Lone Pine	Sun Valley
Canoga Park	Los Feliz	Sunland
Castellammare	Mar Vista	Sylmar
Century City	Mid City	Tarzana
Chatsworth	Mission Hills	Toluca Lake (parts of)
Cheviot Hills	Montecito Heights	Tujunga
Chinatown	Monterey Hills	Valley Village
Country Club Park	Mt. Olympus	Van Nuys
Crenshaw	Mt. Washington	Venice
Culver City (parts of)	North Hills	Warner Center
Eagle Rock	North Hollywood	Watts
East San Pedro (Terminal Island)	Northridge	West Hills
Echo Park	Olive View	West Hollywood (parts of)
El Sereno	Pacific Palisades	West Los Angeles
Encino	Pacoima	Westchester
Glassell Park	Palisades Highlands	Westlake
Granada Hills	Palms	Westwood
Griffith Park	Panorama City	Wilmington
Hancock Park	Park La Brea	Winnetka
Harbor City	Playa del Rey	Woodland Hills
Harbor Gateway	Porter Ranch	Highland Park

If you are unsure if you can be served by LADWP, you may request a service verification on a specific address from our [Customer Contact Center by email](#) @ [ccenter@ladwp.com](mailto:ccenter@ladwp.com) or by calling 1-800-DIAL-DWP (1-800-342-5397), or 213-481-5411.

### **ATTACHMENT 3: APPLICATION AND SUBMITTAL DOCUMENTS**

Submittal documents must be fully completed or Applicant shall be disqualified. Complete each of the following forms and attach the requested documents:

- ☐ Application Form (for active forms see Excel Workbook on program website)
- ☐ Proof of Site Control Form
- ☐ Attach a Facility & Single Line Diagram
- ☐ Attach a 24 Hour by 12 Months Expected Energy Profile
- ☐ City of Los Angeles Ethics Commission Form 50
- ☐ City of Los Angeles Ethics Commission Form 55
- ☐ Iran Contracting Act of 2010 Certification Form (only for contracts with an expected total value of \$1,000,000 or more)
- ☐ Check in the Amount of the Applicable Application Fee





Los Angeles  
Department of  
Water & Power

APPLICATION INSTRUCTIONS  
FEED-IN TARIFF PROGRAM

Topic	Notes
<b>1. Applicant Information</b>	
Parent Company/Organization Name	
Project Company/Organization Name	
Project Company/Organization Address	PO Box/Street/City/State/Zip Code
Entity Name on Development Deposit	
Federal Tax ID Number	If applicable
<b>Primary and Secondary Contacts</b>	
Contact Person (First Last)	Communications will be directed to the primary contact person
Title of Contact Person	
Telephone	
Fax	
Email	
<b>2. Project Description</b>	
Project Name or Description	Use either project name or description of project and must be distinct from other projects being proposed
Renewable Energy Technology	Identify technology as listed in "Technology" form.
Physical Address of Project	Street/City/State/Zip Code
Project Site Coordinates (Latitude/Longitude)	
Total Nameplate Capacity, in kW (AC)	Total nameplate capacity of generating equipment in alternating current. Capacity should be net of any auxiliary load, station electrical uses, and losses.
Project Life, years	Expected life of project
Total Estimated Installed Cost, \$	Installed cost of project should include all material/equipment, engineering, construction, development, legal, and permitting costs associated with the proposed project.
Proposed Commercial Operation (DD/MM/YYYY)	Expected date of initial energy delivery
<b>3. Site</b>	
Type of Site Control	Applicant is Property Owner, Current Lessee, Have Exclusive Lease or Purchase Option to Property (from Site Control Form)
Parcel Number	Enter County Assessor's property parcel number
Property Owner Name	Person or organization that holds title to the property currently
Property Owner Address	Business address of the person or organization that holds title to the property (Street/City/State/Zip Code)
Site Category	Indicate the type of site the system will be installed on.
<b>4. Product Information</b>	
Net Annual Generation (Year 1), MWh/yr	Expected energy output for Year 1 after system is constructed
Annual Degradation, %	Estimated annual degradation of system output, if applicable.
Contract Term	Years of contract term being sought (10, 15 or 20)
<b>5. Application Checklist</b>	
Application Fee (Check )	City of Los Angeles Ethics Commission Form 50
Proof of Site Control Form	City of Los Angeles Ethics Commission Form 55
System Diagrams	Iran Contracting Act of 2010 Certification Form (only for contracts with an expected total value of \$1,000,000 or more)
<b>6. Application Roll-Over Option</b>	
	Applicant shall designate by 'Yes' or 'No' whether they are willing to to accept the lower base price of energy if the current price allocation is fully subscribed and the base price of energy drops.
<b>7. Project Development Team</b>	
	List all members and/or partners with experience with similar projects. Fill in information as fully as possible.
<b>8. Declaration and Signature</b>	
	Applicant must sign the declaration or application will not be accepted.

APPLICATION FORM  
FEED-IN TARIFF PROGRAM

### 1. Applicant Information

Parent Company/Organization Name

Project Company/Organization Name

Project Company/Organization Address

Entity Name on Development Deposit

Federal Tax ID Number

**Primary Contact Person**

Contact Person (First Last)

Title of Contact Person

Telephone

Fax

Email

**Secondary Contact Person**

Contact Person (First Last)

Title of Contact Person

Telephone

Fax

Email

Signature

### 2. Project Description

Project Name or Description

Renewable Energy Technology

Physical Address of Project

Site Coordinates (Latitude/Longitude) Latitude:  Longitude:

Total Nameplate Capacity, in kW (AC)

Project Life, years

Total Estimated Installed Cost, (\$)

Proposed Commercial Operation Date  
(DD/MM/YYYY)

### 3. Site

Type of Site Control

Assessors Parcel Number

Property Owner Name

Property Owner Address

Site Category (circle one) Commercial - Industrial - Multifamily - Warehouse - Government/Non-Profit - Other: \_\_\_\_\_

### 4. Product Information

Net Annual Generation (Year 1), MWh/yr

Annual Degradation, %

Contract Term, years

### 5. Application Check List

In order for the application to be considered complete, please ensure that the following is attached:

- |   |  |
|---|--|
| <input type="checkbox"/> Application Fee (with Check) | <input type="checkbox"/> City of Los Angeles Ethics Commission Form 50                   |
| <input type="checkbox"/> Proof of Site Control Form   | <input type="checkbox"/> City of Los Angeles Ethics Commission Form 55                   |
| <input type="checkbox"/> System Diagrams              | <input type="checkbox"/> Iran Contracting Act of 2010 Certification Form (if Applicable) |

### 6. Application Roll-Over Option

☐ (Y/N) Applicant is willing to accept the lower base price of energy if the current price allocation is fully subscribed and the base price of energy drops.



Los Angeles  
Department of  
Water & Power

## PROJECT DEVELOPMENT TEAM FORM FEED-IN TARIFF PROGRAM

### 7. Project Development Team

Individual/Company/Organization

Role on Project

Years of Experience With Similar Projects

Name of Similar Project(s)

Size of Similar Project(s)

Location (City/State) of Similar Project(s)

COD of Similar Project(s)

Individual/Company/Organization

Role on Project

Years of Experience With Similar Projects

Name of Similar Project(s)

Size of Similar Project(s)

Location (City/State) of Similar Project(s)

COD of Similar Project(s)

Individual/Company/Organization

Role on Project

Years of Experience With Similar Projects

Name of Similar Project(s)

Size of Similar Project(s)

Location (City/State) of Similar Project(s)

COD of Similar Project(s)

### 8. Declaration Under Penalty of Perjury

The Undersigned declares that: 1) the information provided in the form is true and correct; 2) the Applicant has read and understands, and agrees to be bound by the FIT Program Guidelines. 3) the Applicant has read and understands the Standard Offer for Customer Interconnection Agreement and the Standard Offer Power Purchase Agreement. 4) this Application is genuine, and not sham or collusive, nor made in the interest or in behalf of any person not herein named; the Applicant has not directly or indirectly induced or solicited any other Applicant to put in a sham application, or any other person, Firm or corporation to refrain from submitting a proposal; and the Applicant has not in any manner sought by collusion to secure for themselves an advantage over any other Applicant.

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

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## Proof of Site Control Form

I, \_\_\_\_\_ ("Site Representative"), representing  
\_\_\_\_\_ ("Site Owner"), attest that  
\_\_\_\_\_ ("Applicant"), has Site Control in the  
manner indicated below, of assessor's parcel number: \_\_\_\_\_ located at  
\_\_\_\_\_ ("Property"). The Applicant has dominion  
over the Property to the extent necessary to construct, own and operate the \_\_\_\_\_ kilowatt  
(kW) \_\_\_\_\_ ("Project") in accordance with an  
executed Standard Offer Power Purchase Agreement ("SOPPA") with Los Angeles Department of  
Water and Power ("LADWP").

In this case, Site Control means (check one applicable item below):

\_\_\_ Applicant holds title to the Property.

\_\_\_ Applicant has a duly executed contract for the purchase of the Property.

\_\_\_ Applicant has been granted a valid written option, unconditionally exercisable by Applicant, to  
purchase the Property at a pre-determined price upon executing a SOPPA with LADWP. (The option  
is binding on the Site Owner of the Property and the Site Owner cannot unilaterally withdraw,  
revoke, or rescind the obligation to sell the property to the Applicant.)

\_\_\_ Applicant has a duly executed contract for the lease of the Property. (The lease unconditionally  
binds the Site Owner, subject to payment of a named rent and compliance by the Applicant with  
standard commercial terms.)

\_\_\_ Applicant has been granted a valid written option, unconditionally exercisable by Applicant, to  
lease the Property for a pre-determined rent upon executing a SOPPA with LADWP, for a duration of  
no less than the term of the SOPPA, including rights to install, own, and operate the Project on the  
Property. (The option is binding on the Owner of the Property and the Owner cannot unilaterally  
withdraw, revoke, or rescind the obligation to lease the property to the Applicant.)

Signature \_\_\_\_\_

Print Name of Site Owner \_\_\_\_\_

Date \_\_\_\_\_

Notary \_\_\_\_\_



## **Facility Diagrams**

### **Plot and Site Development Plans:**

(Description here)

(Attach diagrams showing generator, disconnect, meter equipment, protection equipment scheme, locations and LADWP access to generator, disconnect, and meter equipment locations)

### **Single-Line Diagram of Interconnection:**

(Attach single-line electrical diagram)



# **Municipal Lobbying Ordinance**

## **CEC Form 50**





City Ethics Commission  
200 N Spring Street  
City Hall — 24th Floor  
Los Angeles, CA 90012  
Mail Stop 129  
(213) 978-1960

## Bidder Certification CEC Form 50

Bid/Contract Number:

Department:

Name of Bidder:

Phone:

Address:

Email:

### CERTIFICATION

I certify the following on my own behalf or on behalf of the entity named above, which I am authorized to represent:

- A. I am a person or entity that is applying for a contract with the City of Los Angeles.
- B. The contract for which I am applying is an agreement for one of the following:
  - 1. The performance of work or service to the City or the public;
  - 2. The provision of goods, equipment, materials, or supplies;
  - 3. Receipt of a grant of City financial assistance for economic development or job growth, as further described in Los Angeles Administrative Code § 10.40.1(h) [see reverse]; or
  - 4. A public lease or license of City property where both of the following apply, as further described in Los Angeles Administrative Code § 10.37.1(i) [see reverse]:
    - a. I provide services on the City property through employees, sublessees, sublicensees, contractors, or subcontractors, and those services:
      - i. Are provided on premises that are visited frequently by substantial numbers of the public; or
      - ii. Could be provided by City employees if the awarding authority had the resources; or
      - iii. Further the proprietary interests of the City, as determined in writing by the awarding authority.
    - b. I am not eligible for exemption from the City's living wage ordinance, as eligibility is described in Los Angeles Administrative Code § 10.37(i)(b).
- C. The value and duration of the contract for which I am applying is one of the following:
  - 1. For goods or services contracts—a value of more than \$25,000 and a term of at least three months;
  - 2. For financial assistance contracts—a value of at least \$100,000 and a term of any duration; or
  - 3. For construction contracts, public leases, or licenses—any value and duration.
- D. I acknowledge and agree to comply with the disclosure requirements and prohibitions established in the Los Angeles Municipal Lobbying Ordinance if I qualify as a lobbying entity under Los Angeles Municipal Code § 48.02.

Date: \_\_\_\_\_ Signature: \_\_\_\_\_

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

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

*Under Los Angeles Municipal Code § 48.09(H), this form must be submitted to the awarding authority with your bid or proposal on the contract noted above.*

## **Los Angeles Administrative Code § 10.40.1(h)**

- (h) “City Financial Assistance Recipient” means any person who receives from the City discrete financial assistance in the amount of One Hundred Thousand Dollars (\$100,000.00) or more for economic development or job growth expressly articulated and identified by the City, as contrasted with generalized financial assistance such as through tax legislation.

Categories of such assistance shall include, but are not limited to, bond financing, planning assistance, tax increment financing exclusively by the City, and tax credits, and shall not include assistance provided by the Community Development Bank. City staff assistance shall not be regarded as financial assistance for purposes of this article. A loan shall not be regarded as financial assistance. The forgiveness of a loan shall be regarded as financial assistance. A loan shall be regarded as financial assistance to the extent of any differential between the amount of the loan and the present value of the payments thereunder, discounted over the life of the loan by the applicable federal rate as used in 26 U.S.C. Sections 1274(d), 7872(f). A recipient shall not be deemed to include lessees and sublessees.

## **Los Angeles Administrative Code § 10.37.1(i)**

- (i) “Public lease or license”.
- (a) Except as provided in (i)(b), “Public lease or license” means a lease or license of City property on which services are rendered by employees of the public lessee or licensee or sublessee or sublicensee, or of a contractor or subcontractor, but only where any of the following applies:
- (1) The services are rendered on premises at least a portion of which is visited by substantial numbers of the public on a frequent basis (including, but not limited to, airport passenger terminals, parking lots, golf courses, recreational facilities); or
  - (2) Any of the services could feasibly be performed by City employees if the awarding authority had the requisite financial and staffing resources; or
  - (3) The DAA has determined in writing that coverage would further the proprietary interests of the City.
- (b) A public lessee or licensee will be exempt from the requirements of this article subject to the following limitations:
- (1) The lessee or licensee has annual gross revenues of less than the annual gross revenue threshold, three hundred fifty thousand dollars (\$350,000), from business conducted on City property;
  - (2) The lessee or licensee employs no more than seven (7) people total in the company on and off City property;
  - (3) To qualify for this exemption, the lessee or licensee must provide proof of its gross revenues and number of people it employs in the company’s entire workforce to the awarding authority as required by regulation;
  - (4) Whether annual gross revenues are less than three hundred fifty thousand dollars (\$350,000) shall be determined based on the gross revenues for the last tax year prior to application or such other period as may be established by regulation;
  - (5) The annual gross revenue threshold shall be adjusted annually at the same rate and at the same time as the living wage is adjusted under section 10.37.2 (a);
  - (6) A lessee or licensee shall be deemed to employ no more than seven (7) people if the company’s entire workforce worked an average of no more than one thousand two-hundred fourteen (1,214) hours per month for at least three-fourths (3/4) of the time period that the revenue limitation is measured;
  - (7) Public leases and licenses shall be deemed to include public subleases and sublicenses;
  - (8) If a public lease or license has a term of more than two (2) years, the exemption granted pursuant to this section shall expire after two (2) years but shall be renewable in two-year increments upon meeting the requirements therefor at the time of the renewal application or such period established by regulation.



# **Municipal Lobbying Ordinance**

## **CEC Form 55**





City Ethics Commission  
200 N Spring Street  
City Hall — 24th Floor  
Los Angeles, CA 90012  
Mail Stop 129  
(213) 978-1960

## ***Bidder Contributions*** ***CEC Form 55***

**ALL BOXES MUST BE COMPLETED**

**Bid/Contract Number:**

**Date Bid Submitted:**

**Description of Contract:**

**Department:**

### **BIDDER**

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

Address: \_\_\_\_\_

Email (optional): \_\_\_\_\_ Phone: \_\_\_\_\_

### **PRINCIPALS**

Please identify the names and titles of all principals (attach additional sheets if necessary). Principals include a bidder's board chair, president, chief executive officer, chief operating officer, and individuals who serve in the functional equivalent of one or more of those positions. Principals also include individuals who hold an ownership interest in the bidder of at least 20 percent and employees of the bidder who are authorized by the bid or proposal to represent the bidder before the City.

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

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

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

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

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

☐ \_\_\_\_\_ additional sheets are attached.

☐ Bidder is an individual with no principals.

### **SUBCONTRACTORS**

Please identify all subcontractors whose subcontracts are worth \$100,000 or more (attach additional sheets if necessary).

Subcontractor: \_\_\_\_\_

Subcontractor: \_\_\_\_\_

Subcontractor: \_\_\_\_\_

Subcontractor: \_\_\_\_\_

☐ \_\_\_\_\_ additional sheets are attached.

☐ Bidder has no subcontractors on this bid or proposal whose subcontracts are worth \$100,000 or more.





City Ethics Commission  
200 N Spring Street  
City Hall — 24th Floor  
Los Angeles, CA 90012  
Mail Stop 129  
(213) 978-1960

## ***Bidder Contributions CEC Form 55***

### **PRINCIPALS OF SUBCONTRACTORS**

Please identify the names and titles of all principals for each subcontractor identified on page 1 (attach additional sheets if necessary). Principals include a subcontractor's board chair, president, chief executive officer, chief operating officer, and individuals who serve in the functional equivalent of one or more of those positions. Principals also include individuals who hold an ownership interest in the subcontractor of at least 20 percent and employees of the subcontractor who are authorized by the bid or proposal to represent the subcontractor before the City.

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

Subcontractor: \_\_\_\_\_

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

Subcontractor: \_\_\_\_\_

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

Subcontractor: \_\_\_\_\_

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

Subcontractor: \_\_\_\_\_

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

Subcontractor: \_\_\_\_\_

☐ Of the subcontractors identified on page 1, the following are individuals with no principals (attach additional sheets if necessary):

Subcontractor: \_\_\_\_\_

Subcontractor: \_\_\_\_\_

Subcontractor: \_\_\_\_\_

☐ \_\_\_\_\_ additional sheets are attached.

☐ Bidder has no subcontractors on this bid or proposal

### **CERTIFICATION**

I certify that I understand, will comply with, and will notify my principals and subcontractors of the requirements and restrictions in Los Angeles City Charter section 470(c)(12) and any related ordinances. I understand that I must amend this form within ten business days if the information above changes. I certify under penalty of perjury under the laws of the State of California that the information provided above is true and complete.

Date: \_\_\_\_\_ Signature: \_\_\_\_\_

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

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

*Under Los Angeles City Charter § 470(c)(12), this form must be submitted to the awarding authority with your bid or proposal. A bid or proposal that does not include a completed Form 55 will be deemed nonresponsive.*



## **IRAN CONTRACTING ACT OF 2010**



IRAN CONTRACTING ACT  
**(Public Contract Code sections 2202-2208)**

Prior to bidding on, submitting a proposal or executing a contract or renewal for goods or services of \$1,000,000 or more, a contractor must either: a) certify it is **not** on the current list of persons engaged in investment activities in Iran created by the California Department of General Services ("DGS") pursuant to Public Contract Code section 2203(b) and is not a financial institution extending twenty million dollars (\$20,000,000) or more in credit to another person, for 45 days or more, if that other person will use the credit to provide goods or services in the energy sector in Iran and is identified on the current list of persons engaged in investment activities in Iran created by DGS; or b) demonstrate it has been exempted from the certification requirement for that solicitation or contract pursuant to Public Contract Code section 2203(c) or (d).

To comply with this requirement, please insert your contractor or financial institution name and complete the certification below. Please note: California law establishes penalties for providing false certifications, including civil penalties equal to the greater of \$250,000 or twice the amount of the contract for which the false certification was made; contract termination; and three-year ineligibility to bid on contracts. (Public Contract Code section 2205.)

**CERTIFICATION**

I, the official named below, certify I am duly authorized to execute this certification on behalf of the contractor/financial institution identified below, and the contractor/financial institution identified below is **not** on the current list of persons engaged in investment activities in Iran created by DGS and is not a financial institution extending twenty million dollars (\$20,000,000) or more in credit to another person/vendor, for 45 days or more, if that other person/vendor will use the credit to provide goods or services in the energy sector in Iran and is identified on the current list of persons engaged in investment activities in Iran created by DGS.

<i>Contractor Name/Financial Institution (Printed)</i>	
<i>By (Authorized Signature)</i>	
<i>Printed Name and Title of Person Signing</i>	
<i>Date Executed</i>	<i>Executed in</i>

**EXEMPTION**

Pursuant to Public Contract Code sections 2203(c) and (d), a public entity may permit a contractor/financial institution engaged in investment activities in Iran, on a case-by-case basis, to be eligible for, or to bid on, submit a proposal for, or enters into or renews, a contract for goods and services.

If you have obtained an exemption from the certification requirement under the Iran Contracting Act, please fill out the information below, and attach documentation demonstrating the exemption approval.

<i>Contractor Name/Financial Institution (Printed)</i>	
<i>By (Authorized Signature)</i>	
<i>Printed Name and Title of Person Signing</i>	
<i>Date Executed</i>	<i>Executed in</i>

STANDARD OFFER POWER PURCHASE AGREEMENT

BETWEEN

CITY OF LOS ANGELES ACTING BY AND THROUGH THE  
DEPARTMENT OF WATER AND POWER

AND

[\_\_\_\_\_]

DATED AS OF \_\_\_\_\_

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## STANDARD OFFER POWER PURCHASE AGREEMENT

THIS STANDARD OFFER POWER PURCHASE AGREEMENT (“*Agreement*”) is entered into as of the Effective Date by and between the City of Los Angeles acting by and through the Department of Water and Power (“*Buyer*” or “*LADWP*”), a municipal corporation of the State of California, and [\_\_\_\_\_] (“*Seller*”), a [limited liability company/partnership/corporation/person] organized and existing under the laws of the State of [\_\_\_\_\_]. Each of Buyer and Seller is referred to individually in this Agreement as a “*Party*” and together they are referred to as the “*Parties*.”

### RECITALS

WHEREAS, LADWP is subject to a “Renewables Portfolio Standard” designed to increase the amount of electricity it provides to its retail customers from renewable sources to at least 33% of its retail electricity sales by December 31, 2020; and

WHEREAS, Senate Bill 1332 (Stats. 2012, Ch. 616) requires that a standard tariff be made available for electricity purchased from electric generating facilities that meet certain requirements and provides that the terms of such tariff may be made available in the form of a standard contract; and

WHEREAS, LADWP has established a Feed-in Tariff Set Pricing Program pursuant to SB 1332; and

WHEREAS, LADWP now seeks to purchase Energy generated by an Eligible Renewable Energy Facility located within the LADWP service territory; and

WHEREAS, Seller has Site Control over a Site located within the LADWP service territory suitable for an Eligible Renewable Energy Facility; and

WHEREAS, Seller desires to [build, own, and] operate at its own expense an Eligible Renewable Energy Facility [to be] located entirely on such Site and sell all the Energy generated together with all associated Capacity Rights and Environmental Attributes to LADWP; and

WHEREAS, the Parties desire to set forth the terms and conditions pursuant to which such sales and purchases of Energy, Capacity Rights and Environmental Attributes shall be made;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein set forth, the Parties hereto agree as follows:

### ARTICLE I DEFINITIONS AND INTERPRETATION

**Section 1.1 Definitions.** The following capitalized terms in this Agreement and the appendices hereto shall have the following meanings:

**“Agreement”** means this Standard Offer Power Purchase Agreement, as it may be amended, supplemented or otherwise modified from time to time hereafter in accordance with its terms.

**“Agreement Term”** has the meaning set forth in Section 2.2.

**“Ancillary Documents”** means the Interconnection Agreement, the Development Security Deposit and all other instruments, agreements, certificates and documents executed or delivered by or on behalf of either Party pursuant to or in connection with this Agreement.

**“Authorized Auditors”** means representatives of Buyer or Buyer’s Agents who are authorized to conduct audits on behalf of Buyer.

**“Authorized Representative”** means, with respect to each Party, the Person designated as such Party’s authorized representative pursuant to Section 12.1.

**“Bankruptcy”** means any case, action or proceeding under any bankruptcy, reorganization, debt arrangement, insolvency or receivership law or any dissolution or liquidation proceeding commenced by or against a Person and, if such case, action or proceeding is not commenced by such Person, such case or proceeding shall be consented to or acquiesced in by such Person or shall result in an order for relief or shall remain undismissed for sixty (60) days.

**“Business Day”** means any calendar day that is not a Saturday, a Sunday, or a day on which commercial banks are authorized or required to be closed in Los Angeles, California or New York, New York.

**“Buyer’s Agent”** means any Person authorized or designated by Buyer to make any determination or perform, carry out or provide any function on behalf of Buyer under this Agreement.

**“Buyer’s Board of Commissioners”** or **“Board”** means Board of Water and Power Commissioners of the City of Los Angeles created pursuant to Sections 600 and 670 of the Charter of the City of Los Angeles, as amended.

**“CAMD”** means the Clean Air Markets Division of the United States Environmental Protection Agency, any successor agency and any other state, regional, federal or intergovernmental entity or Person that is given authorization or jurisdiction or both over a program involving the registration, validation, certification or transferability of Environmental Attributes.

**“Capacity”** means the total nominal gross nameplate capacity of the Facility set forth in Appendix A.

**“Capacity Rights”** means the rights, whether in existence as of the Effective Date or arising hereafter during the Agreement Term, to capacity, resource adequacy, associated attributes and/or reserves or any of the foregoing associated with the electric generating capability of the Facility, including the right to resell such rights.

“**CEC**” means the California Energy Resources Conservation and Development Commission, also known as the California Energy Commission, or its successor agency.

“**CEQA**” means the California Environmental Quality Act, as amended from time to time, and any successor statute.

“**Commercial Operation**” means all of the following have been satisfied by Seller:

- (a) Construction of the Facility has been completed in accordance with the terms and conditions of this Agreement and the Facility possesses all the characteristics, and satisfies all of the requirements, set forth for this Facility in this Agreement;
- (b) The Facility has successfully completed all testing required by Prudent Utility Practices or any Requirement of Law to be completed prior to full commercial operations;
- (c) Seller has obtained all Permits required for the construction, operation and maintenance of the Facility in accordance with this Agreement (including those identified in Appendix A), and all such Permits are final and non-appealable;
- (d) The Facility is both authorized and able to operate and deliver Energy at full Capacity in accordance with Prudent Utility Practices, the requirements of this Agreement and all Requirements of Law; and
- (e) Seller has caused the CEC to certify the Facility as RPS Compliant.

“**Commercial Operation Date**” means the date on which Seller demonstrates to Buyer’s reasonable satisfaction that Commercial Operation has occurred.

“**Commercial Operation Deadline**” means the Planned Commercial Operation Date as such date may be extended pursuant to Section 2.5.

“**Contract Year**” means (i) the twelve-month period beginning on the Commercial Operation Date and ending on the first anniversary of the Commercial Operation Date, and (ii) each succeeding period of twelve consecutive months following the period described in the preceding clause (i).

“**Default**” has the meaning set forth in Section 11.1.

“**Defaulting Party**” has the meaning set forth in Section 11.1.

“**Delivery Term**” has the meaning set forth in Section 2.2.

“**Development Security Deposit**” means the development security deposit described in Section 3.6 that is required to be provided by Seller to Buyer.

***“Effective Date”*** means the date LADWP executes this Agreement, so long as the conditions precedent set forth in Section 2.1 have been met by such date.

***“Electric Metering Device”*** means all meters, metering equipment, and data processing equipment used to measure, record, or transmit data relating to the Energy output from the Facility. Electric Metering Devices include the metering current transformers and the metering voltage transformers.

***“Electric Service Requirements”*** means all requirements prescribed in writing by LADWP in effect at the time this Agreement is executed, and all revisions thereto or replacements thereof, which are necessary and proper for the regulation of any electric service installed, operated, and maintained within the City of Los Angeles. The Electric Service Requirements shall be in conformance with the Charter of the City of Los Angeles and the Rules.

***“Eligible Renewable Energy Facility”*** means an electric generation facility that complies with the requirements of Section 387.6 of the Public Utilities Code or any successor thereto.

***“Energy”*** means electrical energy.

***“Environmental Attributes”*** means any and all current or future fuel, emissions, air quality, or other environmental characteristics, credits, benefits, reductions, offsets, or allowances, howsoever entitled, named, registered, created, measured, allocated, or validated, that are at any time recognized or deemed of value (or both) by Buyer, applicable law, or any voluntary or mandatory program of any Governmental Authority or other Person that are attributable to Facility Energy and the emissions or other environmental characteristics of such generation or its displacement of conventional fossil fuel Energy generation, including the avoidance of the emission of any gas, chemical, or other substance to the air, soil or water. Environmental Attributes include:

- (a) any REC or Renewable Energy Certificate;
- (b) any environmental attributes arising out of legislation or regulation concerned with oxides of nitrogen, sulfur, carbon, or any other greenhouse gas or chemical compound, with particulate matter, soot, or mercury;
- (c) any environmental attributes arising out of legislation or regulation implementing the United Nations Framework Convention on Climate Change (the “UNFCCC”), or the Kyoto Protocol to the UNFCCC;
- (d) any environmental attributes arising out of California’s greenhouse gas legislation and regulations, including California Assembly Bill 32 (Global Warming Solutions Act of 2006) and the regulations implemented pursuant to that act, including compliance instruments accepted under the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms regulation (or any successors thereto);
- (e) any environmental attributes arising out of any similar international, federal, state or local program;

- (f) any environmental attributes arising out of laws or regulations involving or administered by the CAMD, any successor agency and any similar state, regional or federal or intergovernmental entity or Person; and
- (g) all rights to report to any Person, and claim ownership of, the Environmental Attributes, including all evidences (if any) thereof such as RECs.

Environmental Attributes do not include any federal or state production tax credits. Environmental Attributes for purposes of this definition are separate from the Energy produced from the Facility.

**“EPA”** means Environmental Protection Agency and any successor agency.

**“EPS Compliant,”** when used with respect to the Facility at any time, means that the Facility satisfies the greenhouse gas emissions performance standard(s) applying at that time to electric generation facilities owned or operated (or both) by local publicly owned electric utilities, as established by the Governmental Authorities with jurisdiction over Buyer.

**“Facility”** means the Eligible Renewable Energy Facility, including all property interests and related transmission and other facilities described in Appendix A.

**“Facility Energy”** means Energy generated by the Facility and delivered to the Point of Delivery that qualifies for a Renewable Energy Certificate.

**“Facility Lender”** means any lender providing senior or subordinated construction, interim or long-term debt financing or refinancing for or in connection with the development, construction, purchase, installation or operation of the Facility.

**“FERC”** means the Federal Energy Regulatory Commission or any successor agency thereto.

**“Force Majeure”** means event or circumstance, including any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, wildland fire or firestorm, storm or flood, or any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities (i) which prevents one Party from performing any of its obligations under this Agreement, (ii) which could not reasonably be anticipated as of the date of this Agreement, (iii) which is not within the reasonable control of, or the result of negligence, willful misconduct, breach of contract, intentional act or omission or wrongdoing on the part of the affected Party, and (iv) which despite the exercise of commercially reasonable efforts the affected Party is unable to overcome or avoid or cause to be avoided.

**“Governmental Authority”** means any federal, state, regional, city or local government, any intergovernmental association or political subdivision thereof, or other governmental, regulatory or administrative agency, court, commission, administration, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority, or any Person acting as a delegate or agent of any Governmental Authority.

**“Insurance”** means the policies of insurance as set forth in Appendix D.

**“Interconnection Agreement”** means LADWP’s “STANDARD OFFER FOR FEED-IN TARIFF CUSTOMER GENERATION INTERCONNECTION AGREEMENT” as amended, supplemented or otherwise modified from time to time.

**“kWh”** means kilowatt-hours.

**“Lien”** means any mortgage, deed of trust, lien, security interest, retention of title or lease for security purposes, pledge, charge, encumbrance, equity, attachment, claim, easement, right of way, covenant, condition or restriction, leasehold interest, purchase right or other right of any kind, including an option, of any other Person in or with respect to any real or personal property.

**“Los Angeles City Attorney”** means Buyer’s Counsel as provided under the Charter of the City of Los Angeles Section 270, *et. seq.* or any successor.

**“Milestone”** means the date on which the seller has either obtained the permit or permits required to construct the Facility, or has submitted to Buyer in writing proof of solar panel procurement for the rated Capacity of the Facility.

**“Milestone Deadline”** means the date that is the six-month anniversary of the Effective Date.

**“MWh”** means megawatt-hours.

**“NERC”** means the North American Electric Reliability Corporation and any successor thereto.

**“Non-Defaulting Party”** has the meaning set forth in Section 11.3.

**“Pacific Prevailing Time”** means the local time in Los Angeles, California.

**“Permit”** means all applications, permits, licenses, franchises, certificates, concessions, consents, authorizations, certifications, self-certifications or approvals which are required to be filed, submitted, obtained or maintained by any Person with respect to the development, construction, equipping, financing, ownership, operation or maintenance of the Facility, the production, sale and delivery of Facility Energy, Capacity Rights and Environmental Attributes, or any other transactions or matter contemplated by this Agreement (including those pertaining to electrical, building, zoning, environmental and occupational safety and health requirements).

**“Person”** means any individual, corporation, partnership, joint venture, limited liability company, association, joint stock company, trust, unincorporated organization, entity, government or other political subdivision.

**“Point of Delivery”** means, when used with respect to any Energy sold and purchased under this Agreement, the point where that Energy is required to be delivered by Seller to Buyer under this Agreement, as set forth in Appendix A.

**“Power Revenue Fund”** means the fund in the City of Los Angeles’ treasury known as the “Power Revenue Fund” to which all revenue from every source collected by LADWP in



connection with its possession, management and control of the power assets is required to be deposited and credited.

**“Program Guidelines”** means guidelines for the Feed-in Tariff Set Pricing Program adopted by the Board, including all amendments, revisions, and replacements thereof.

**“Planned Commercial Operation Date”** means the Planned Commercial Operation Date set forth in Appendix A, which shall be no later than the 18-month anniversary of the Effective Date, subject to extension pursuant to Section 2.5 and the Program Guidelines.

**“Prudent Utility Practices”** means those practices, methods, and acts, that are commonly used by a significant portion of the renewable energy generation industry in prudent engineering and operations to design and operate electric equipment lawfully and with safety, dependability, efficiency, and economy, including any applicable practices, methods, acts, guidelines, standards and criteria of FERC, NERC, WECC and compliance with all applicable Requirements of Law.

**“Public Utilities Code”** means the Public Utilities Code of the State of California.

**“Purchase Price”** is defined in Appendix C.

**“REC”** or **“Renewable Energy Certificate”** means a tradable environmental commodity that represents proof, in accordance with the WREGIS Operating Rules or any successor, that one (1) megawatt-hour (MWh) of energy was generated from an eligible renewable energy resource, as defined in Section 399.12 of the Public Utilities Code or any successor thereto.

**“Renewables Portfolio Standard”** means the procurement targets for eligible renewable energy resources Buyer is required to implement under Section 399.30 of the Public Utilities Code or any successor thereto.

**“Requirement of Law”** means the Rules, the Electric Service Requirements, the Program Guidelines, all federal, state and local laws, statutes, regulations, rules, codes or ordinances enacted, adopted, issued or promulgated by any federal, state, local or other Governmental Authority (including those pertaining to electrical, building, zoning, environmental, and occupational safety and health requirements).

**“RPS Compliant,”** when used with respect to the Facility at any time, means that all Energy generated by that Facility at that time would, if purchased by Buyer together with the associated Environmental Attributes (including RECs), be eligible to be credited against the Renewables Portfolio Standard.

**“Rules”** means The Rules Governing Electric Service in the City of Los Angeles adopted by the Board under Resolution No. 56, dated September 8, 1983, and all amendments, revisions, and replacements thereof.

**“Site”** means the real property (including all fixtures and appurtenances thereto) and related physical and intangible property generally identified in Appendix A as owned or leased by Seller where the Facility is located or will be located, and including any easements, rights-of-

way or contractual rights held or to be held by Seller for transmission lines and/or roadways servicing such Site or the Facility located (or to be located) thereon.

**“Site Control”** means that Seller shall: (i) own the Site; or (ii) be the lessee of the Site under a lease, which permits Seller to perform its obligations under this Agreement.

**“Station Service”** means the electric supply for the ancillary equipment used to operate a generating station or substation.

**“Tax” or “Taxes”** means each federal, state, county, local and other (a) net income, gross income, gross receipts, sales, use, ad valorem, business or occupation, transfer, franchise, profits, withholding, payroll, employment, excise, property or leasehold tax and (b) customs, duty or other fee, assessment or charge of any kind whatsoever, together with any interest and any penalties, additions to tax or additional amount with respect thereto.

**“WECC”** means the Western Electricity Coordinating Council and any successor entity thereto.

**“WREGIS”** means Western Renewable Energy Generation Information System, and any successor; provided that said successor is capable of performing substantially similar functions and is acceptable to Buyer.

**“WREGIS Operating Rules”** means the rules describing the operations of the Western Renewable Energy Generation Information System, as published by WREGIS and as may be amended from time to time.

Other terms defined herein have the meanings so given them in this Agreement.

**Section 1.2 Interpretation.** In this Agreement, unless a clear contrary intention appears:

- (a) the singular number includes the plural number and vice versa;
- (b) reference to any Person includes such Person’s successors and assigns but, in case of a Party hereto, only if such successors and assigns are permitted by this Agreement, and reference to a Person in a particular capacity excludes such Person in any other capacity or individually;
- (c) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof;
- (d) reference to any Article, Section, or Appendix means such Article of this Agreement, Section of this Agreement, or such Appendix to this Agreement, as the case may be, and references in any Article or Section or definition to any clause means such clause of such Article or Section or definition;

- (e) “hereunder”, “hereof”, “hereto” and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Article or Section or other provision hereof or thereof;
- (f) “including” (and with correlative meaning “include”) means including without limiting the generality of any description preceding such term;
- (g) reference to time shall always refer to Pacific Prevailing Time; and reference to any “day” shall mean a calendar day unless otherwise indicated.

## ARTICLE II

### EFFECTIVE DATE, TERM, AND EARLY TERMINATION

**Section 2.1 Effective Date.** Subject to Section 3.2, this Agreement is effective as of the Effective Date. On or prior to the Effective Date, each of the following must have occurred:

- (a) Buyer received satisfactory evidence that Seller has obtained Site Control for the Agreement Term;
- (b) Buyer received copies of all requisite resolutions and incumbency certificates of Seller and any other documents evidencing all actions taken by Seller to authorize the execution and delivery of this Agreement and all Ancillary Documents to which it is a party;
- (c) Buyer received a copy of Seller's completed Business Tax Registration Certificate;
- (d) Buyer has received the Seller's signed Certificate of Compliance with Child Support Obligations;
- (e) Buyer has received Seller's Equal Employment Practices Provisions Certification;
- (g) Buyer has received Seller's Affirmative Action Plan;
- (h) Buyer has obtained all necessary approvals (if any) of Buyer’s Board of Commissioners and/or the Los Angeles City Council, if applicable;
- (i) Buyer received an executed Interconnection Agreement from Seller; and
- (j) Buyer received the Development Security Deposit as set forth in Section 3.6.

**Section 2.2 Agreement Term and Delivery Term.** This Agreement shall have a delivery term (the “*Delivery Term*”) of [\_\_\_\_\_ (\_\_\_)] Contract Years commencing on the

Commercial Operation Date and ending on the [ ] anniversary thereof, unless sooner terminated in accordance with the terms of this Agreement. The term of this Agreement (the “**Agreement Term**”) shall commence on the Effective Date and shall end upon the expiration or earlier termination of this Agreement in accordance with the terms hereof.

**Section 2.3 Survivability.** The provisions of this Article II, Article X, and Article XI shall survive for a period of one year following the termination of this Agreement. The provisions of Article IX shall survive for a period of four (4) years following final payment made by Buyer hereunder or the expiration or termination date of this Agreement, whichever is later. The provisions of Article V, Article VI, and Article VIII shall continue in effect after termination to the extent necessary to provide for final billing and adjustments related to the period prior to termination of this Agreement.

**Section 2.4 Early Termination.** This Agreement may be terminated (i) by mutual written agreement of the Parties, (ii) when and as provided in Section 3.2, (iii) upon the occurrence of a Default, the Non-Defaulting Party may terminate this Agreement as set forth in Section 11.3, (iv) when and as provided in Section 12.21, or (v) by Buyer, in its sole discretion, (a) upon notice to Seller if Seller fails to achieve the Milestone on or before the Milestone Deadline, with the exception of Force Majeure, (b) upon notice to Seller if Seller fails to achieve Commercial Operation on or before the Commercial Operation Deadline, without exception, suspension or extension for reasons of Force Majeure or otherwise, (c) if Seller abandons the Facility, (d) if electric output from the Facility ceases for twelve (12) consecutive months, (e) if Seller or the owner of the Site applies for or participates in any net metering program or receives ratepayer-funded on-site generation incentives for the Facility, or (f) if Facility consumes more than 10% of its energy delivery as measured by the Electric Metering Device. Upon termination of this Agreement, Seller shall disconnect the Facility from LADWP’s distribution system at Seller’s expense. Any termination of this Agreement under this Section shall be without prejudice to the rights and remedies of either Party for Defaults occurring prior to such termination.

**Section 2.5 Extension of Planned Commercial Operation Date.** The Planned Commercial Operation Date may be extended for up to six (6) months. Seller must submit a request for extension of the Planned Commercial Operation Date to LADWP in writing, describing in reasonable detail the cause of the delay, at least thirty (30) days prior to the Planned Commercial Operation Date. Any decision to grant such extension will be made at the discretion of LADWP.

### **ARTICLE III DEVELOPMENT OF THE FACILITY**

**Section 3.1 Design and Permitting.** Seller shall determine the proposed location, design, configuration and capacities of the Facility as it deems appropriate, subject only to the requirements of this Agreement and all applicable Requirements of Law. Seller, at its expense, shall timely take all steps necessary to obtain all Permits required to construct, maintain or operate the Facility and for the production, sale and delivery of Energy and Environmental Attributes in accordance with the requirements of this Agreement and all applicable

Requirements of Law. Seller shall represent the Facility as necessary in all meetings with and proceedings before all Governmental Authorities.

**Section 3.2 CEQA Determinations.** Any CEQA requirements for creation of a Facility shall be the responsibility of Seller. The Parties acknowledge and agree that Buyer reserves all of its rights and powers under CEQA that may be applicable, including the power to: (i) review the Facility and its environmental impacts; (ii) prepare and/or review environmental documents and studies; (iii) adopt feasible mitigation measures and/or alternatives in order to avoid or lessen any significant environmental impacts resulting from the project; (iv) determine that any significant impacts that cannot be mitigated are acceptable due to overriding considerations; and (v) decide to terminate this Agreement due to any significant adverse environmental effects resulting from the Facility. The parties therefore acknowledge and agree that Buyer has no obligation to purchase Energy under this Agreement until all of the following have occurred: (i) any applicable CEQA review has been completed; (ii) Buyer has decided, based on that review, to approve the purchase of Energy from the Facility; and (iii) the applicable period for any legal challenges under CEQA relating to the Facility has expired without any such challenge having been filed or, in the event of any such challenge, the challenge has been determined adversely to the challenger by final judgment or settlement. If Buyer, based upon its independent review of the Facility under CEQA, decides not to approve the purchase of Energy from the Facility and to terminate this Agreement, due to significant adverse environmental effects from the Facility, Buyer will give Seller notice thereof and this Agreement will terminate upon the giving of such notice.

**Section 3.3 Construction and Ownership of the Facility.** Seller shall use commercially reasonable and diligent efforts to site, develop, finance and construct the Facility. The Facility shall be owned by Seller during the Agreement Term, subject to Section 12.6. Seller shall develop the Facility, at its sole risk and expense, and in compliance with the requirements of this Agreement, Buyer's interconnection requirements, and all applicable Requirements of Law and Prudent Utility Practices.

**Section 3.4 Milestone.** Seller shall provide Buyer with documentation demonstrating that the Milestone has been met on or before the Milestone Deadline.

**Section 3.5 Certification of Commercial Operation Date.** Seller shall provide Buyer with a notice when Seller believes that all requirements to achieving Commercial Operation of the Facility as specified in the definition of "Commercial Operation" in Section 1.1 have been satisfied.

**Section 3.6 Development Security Deposit.** Seller shall deposit an amount of \$50 for each kilowatt of the nominal nameplate Capacity of the Facility to Buyer in the form of a check on or prior to the Effective Date. Buyer will return the amount of the Development Security Deposit to Seller within thirty (30) days after Commercial Operation has occurred. Seller shall forfeit and Buyer shall retain the entire Development Security Deposit if the Milestone is not met by the Milestone Deadline or Commercial Operation does not occur by the Commercial Operation Deadline. However, if failure to meet Milestone Deadline or Commercial Operation is due to Force Majeure, Buyer will refund the Development Security Deposit.

## **ARTICLE IV OPERATION AND MAINTENANCE OF THE FACILITY**

**Section 4.1 Compliance with Electrical Service Requirements.** Seller shall, at its sole expense, operate and maintain the Facility (i) in accordance with Prudent Utility Practices, the requirements of this Agreement, Buyer's interconnection requirements, and all applicable Requirements of Law, and (ii) in a manner that is reasonably likely to maximize the output of Energy and Environmental Attributes from the Facility and result in a useful life for the Facility of not less than the Agreement Term.

**Section 4.2 General Operational Requirements.** In addition to the requirements set forth in Section 4.1 and elsewhere in this Agreement, Seller shall, at all times: (i) employ qualified and trained personnel for operating and maintaining the Facility, (ii) operate and maintain the Facility with due regard for the safety, security and reliability of the interconnected facilities, LADWP's distribution system, and (iii) comply with operating and maintenance standards recommended by, and required by, the Facility's equipment suppliers.

**Section 4.3 Operation and Maintenance Plan.** Seller shall devise and implement a plan of inspection, maintenance, and repair for the Facility and the components thereof in order to maintain such equipment in accordance with Prudent Utility Practices, and shall keep records with respect to inspections, maintenance, and repairs thereto. The aforementioned plan and all records of such activities shall be available for inspection by Buyer during Seller's regular business hours upon reasonable notice.

**Section 4.4 Outages.** Seller shall notify Buyer as soon as Seller becomes aware of any current or planned outage at the Facility reasonably expected to last longer than 30 days. Seller shall take all reasonable measures and exercise commercially reasonable efforts to avoid outages and to limit the duration and extent of any outages. Seller shall promptly notify Buyer of any material damage or destruction affecting the Facility or of the institution of any proceeding for the condemnation or other taking of the Facility and shall keep Buyer apprised on the effect thereof on the ability of the Facility to deliver Facility Energy.

## **ARTICLE V COMPLIANCE DURING CONSTRUCTION AND OPERATION PERIOD**

**Section 5.1 The Facility.** Seller warrants and guarantees that it will perform, or cause to be performed, all engineering, design and construction in a good and workmanlike manner and in accordance with applicable standards, Prudent Utility Practices, all applicable Requirements of Law, the Milestone and all other requirements of this Agreement. Seller also warrants and guarantees that throughout the Agreement Term Seller shall monitor the operation and maintenance of the Facility and that said operation and maintenance will be, in full compliance with all applicable standards, Prudent Utility Practices, Requirements of Law and other provisions of this Agreement. Without limiting the foregoing, Seller shall promptly repair and/or replace, consistent with Prudent Utility Practice, any component of the Facility that may be damaged or destroyed or otherwise not operating properly and efficiently.

**Section 5.1.1 Buyer's Right to Monitor In General.** Buyer shall have the right and Seller shall permit Buyer and its representatives, advisors, engineers and consultants to observe, inspect and monitor all operations and activities at the Facility Site.

**Section 5.1.2 Startup and Testing.** Prior to the Commercial Operation Date and as a condition precedent to the achievement of the Commercial Operation Date, Buyer shall have the right to (i) review and monitor the performance and achievement of all initial performance tests and all other tests required under the Facility construction contracts that must be performed in order to achieve completion; (ii) be present to witness such initial performance tests and review the results thereof; and (iii) perform such detailed examinations, inspections, quality surveillance and tests as, in the judgment of Buyer, are appropriate and advisable to determine that all components of the Facility have been installed in accordance with this Agreement.

**Section 5.2 Compliance with Standards; Insurance.** Seller shall cause the Facility and all parts thereof to be designed, constructed, tested, operated and maintained to meet all of the requirements of this Agreement, all applicable Requirements of Law, all applicable requirements of the latest revision of the American Society for Testing and Materials, American Society of Mechanical Engineers, American Welding Society, EPA, Edison Electric Institute, Institute of Electrical and Electronics Engineers, Instrument Society of America, National Electrical Code, National Electric Safety Code, Occupational Safety & Health Administration, California Occupational Safety & Health Administration, as applicable, Uniform Building Code, Uniform Plumbing Code, and the applicable local County Fire Department Standards of the applicable county, and any successors thereto. Seller shall obtain and maintain, at its sole cost and expense, the Insurance coverage listed in Appendix D on substantially the terms set forth in Appendix D and shall refrain from taking any actions that would cause such insurance to lapse or otherwise not be effective. Such Insurance shall not be deemed to limit or qualify the liabilities or obligations Seller has assumed under this Agreement. Seller shall provide to Buyer all certificates and other documents required to establish that the insurance policies required by Appendix D are in full force and effect upon the Commercial Operation Date.

**Section 5.3 Effect of Review by Buyer.** Any review by Buyer of the design, construction, engineering, operation or maintenance of the Facility is solely for the information of Buyer. Buyer shall have no obligation to share the results of any such review with Seller, nor shall any such review or the results thereof (whether or not the results are shared with Seller) nor any failure to conduct any such review relieve Seller from any of its obligations under this Agreement.

**Section 5.4 Inspection and Maintenance Reports.** Seller shall provide an inspection and maintenance report on the Facility to Buyer prior to the end of the third full month of the second Contract Year, the fourth Contract Year and every second Contract Year thereafter. This report shall be prepared at Seller's expense by a California licensed contractor who is not the owner or operator of the Facility. A California licensed electrician shall perform the inspection of the electrical portion of the Facility.



## **ARTICLE VI PURCHASE AND SALE OF POWER; CAPACITY RIGHTS**

**Section 6.1 Purchases by Buyer.** On and after the Commercial Operation Date and continuing for the Delivery Term, Seller shall sell and deliver, and Buyer shall purchase and receive, all Facility Energy, together with all associated Environmental Attributes and Capacity Rights for the Purchase Price. In no event shall Buyer have any obligation or liability whatsoever for any debt pertaining to the Facility by virtue of Buyer's ownership of the Capacity Rights or otherwise. Seller represents and covenants that it has not assigned, transferred, conveyed, encumbered, sold or otherwise disposed of and will not in the future assign, transfer, convey, encumber, sell or otherwise dispose of any of the Capacity Rights to any Person other than Buyer or attempt to do any of the foregoing with respect to any of the Capacity Rights. Seller shall not report to any Person that any of the Capacity Rights belong to any Person other than Buyer. Buyer may, at its own risk and expense, report to any Person that the Capacity Rights belong to it. Buyer shall not be required to purchase and receive any Facility Energy if receiving such Facility Energy would cause or contribute to any adverse effects to Buyer's operation of a reliable and efficient electric grid as determined in Buyer's sole discretion. Any energy consumption by the Facility not used to generate a REC, will be billed to Seller pursuant to a separate electric service agreement.

**Section 6.2 Facility's Point of Delivery.** Seller shall deliver all Facility Energy to Buyer, and Buyer shall receive all Facility Energy from Seller, under this Agreement at the Point of Delivery.

**Section 6.3 Energy to Come Exclusively from Facility.** All Energy for sale and delivery pursuant to this Agreement shall come from the Facility and Seller shall not procure Energy from sources other than the Facility for sale and delivery pursuant to this Agreement.

**Section 6.4 Sales to Third Parties.** Seller shall not sell or otherwise transfer any Facility Energy, Capacity Rights or Environmental Attributes to any Person other than Buyer. Any purported sale or transfer in violation of this provision shall be null and void at inception and of no force or effect.

**Section 6.5 Facility Consumption.** Facilities consuming more than 10% of its Energy delivery as measured by the Electric Metering Device shall result in the termination of this Agreement and placement on the applicable Customer Generation Rate per LADWP's *Electric Rates Ordinance*.

## **ARTICLE VII TITLE AND RISK OF LOSS**

**Section 7.1 Title; Risk of Loss.** Seller shall be responsible for any costs or charges imposed on or associated with the delivery of Energy up to the Point of Delivery, and Buyer shall be responsible for any costs or charges imposed on or associated with the delivery of Energy at and from the Point of Delivery. As between the Parties, Seller shall be deemed to be in exclusive control (and responsible for any damages or injury caused thereby) of all Energy prior to the Point of Delivery, and Buyer shall be deemed to be in exclusive control (and

responsible for any damages or injury caused thereby) of all Energy at and from the Point of Delivery. Seller warrants that it will deliver all Energy and Environmental Attributes to Buyer free and clear of all Liens created by any Person other than Buyer. Title to and risk of loss as to all Energy and Environmental Attributes shall pass from Seller to Buyer at the Point of Delivery.

## **ARTICLE VIII**

### **ENVIRONMENTAL ATTRIBUTES; EPS AND RPS COMPLIANCE**

**Section 8.1 Generation of Environmental Attributes.** Upon Buyer's request, Seller shall take all actions and execute all documents or instruments necessary under applicable law, bilateral arrangements or other obligatory or voluntary Environmental Attribute programs of any kind to maximize the attribution, accrual, realization, generation, production, recognition and validation of Environmental Attributes throughout the Agreement Term.

**Section 8.2 Transfer of Environmental Attributes.** Seller shall transfer to Buyer, and Buyer shall receive from Seller, all right, title, and interest in and to all Environmental Attributes, whether now existing or acquired by Seller or that hereafter come into existence or are acquired by Seller during the Agreement Term. Seller agrees to transfer and make available to Buyer all Environmental Attributes, to the fullest extent allowed by applicable law, immediately upon Seller's production or acquisition of the Environmental Attributes.

**Section 8.3 Conveyance of Environmental Attributes.** Buyer may unilaterally elect to change the Environmental Attribute conveyance procedure for Buyer to be able to receive and report the Environmental Attributes purchased under the Agreement as belonging to Buyer. Buyer will provide written notice to Seller of such change in procedure, and Seller shall thereafter comply with such new procedures.

**Section 8.4 Reporting of Ownership of Environmental Attributes.** During the Agreement Term, Seller shall not report to any Person that the Environmental Attributes belong to any Person other than Buyer, and Buyer may report under any program that such Environmental Attributes purchased hereunder belong to it.

**Section 8.5 Status of Facility.** Seller warrants and guarantees that when complete, and at all times thereafter, the Facility will be both RPS Compliant and EPS Compliant and will be an Eligible Renewable Energy Facility. Seller will be responsible for having the CEC certify the Facility as RPS Compliant and maintaining such certification during the Agreement Term.

**Section 8.6 WREGIS.** Seller shall cause and allow LADWP to be the "Qualified Reporting Entity" and "Account Holder" (as such terms are defined by WREGIS) for the Facility.

## **ARTICLE IX**

### **BILLING; PAYMENT; AUDITS; METERING; POLICIES**

**Section 9.1 Calculation of Energy Delivered; Statements; Payment.** For each calendar month during the Delivery Term, commencing with the first calendar month in which Facility Energy is delivered by Seller to, and received by, Buyer under this Agreement, Buyer shall calculate the amount of Energy so delivered and received during such calendar month as

determined from recordings produced by Buyer's meters maintained pursuant to Section 9.6, at or near midnight on the last day of the calendar month in question. In no event will Buyer be obligated to purchase Facility Energy in excess of 1.15 times the monthly production profile submitted by Seller at time of application. The calculation methodology for the Purchase Price of Facility Energy that will be used is set forth in Appendix C.

**Section 9.2 Payment.** Not later than the 30th day of each calendar month, commencing with the next calendar month following Seller's first delivery of Facility Energy to Buyer under this Agreement, Buyer shall deliver to Seller a statement showing the amount of Facility Energy that was delivered by Seller, the total payment amount as calculated in accordance with Appendix C, and payment for that amount.

**Section 9.3 Disputed Statement.** In the event any portion of any statement or Environmental Attribute is in dispute, the undisputed amount shall be paid when due. The Party disputing a payment or Environmental Attribute shall promptly notify the other Party of the basis for the dispute. Disputes shall be discussed by the parties, who shall use reasonable efforts to amicably and promptly resolve the disputes.

**Section 9.4 Buyer's Right of Setoff.** In addition to any right now or hereafter granted under applicable law and not by way of limitation of any such rights, Buyer shall have the right at any time or from time to time without notice to Seller or to any other Person, any such notice being hereby expressly waived, to set off against any amount due to Seller from Buyer under this Agreement or otherwise any amount due to Buyer from Seller under this Agreement or otherwise, including any amounts due because of breach of this Agreement or any other obligation and any costs payable by Seller if and to the extent paid in the first instance by Buyer.

**Section 9.5 Records and Audits.** Seller shall maintain or cause to be maintained all records pertaining to the management of this Agreement, related subcontracts, and performance of services pursuant to this Agreement (including all billings, costs, metering, and Environmental Attributes), in their original form, sufficient to properly reflect all costs claimed to have been incurred and services performed pursuant to this Agreement. Buyer and the Authorized Auditors shall have the right to discuss such records with Seller's officers and independent public accountants (and by this provision Seller authorizes said accountants to discuss such billings and costs), all at such times and as often as may be reasonably requested. All records shall be retained, and shall be subject to examination and audit with fourteen (14) calendar days prior written notice by the Authorized Auditors, for a period of not less than four (4) years following final payment made by Buyer hereunder or the expiration or termination date of this Agreement, whichever is later. The Authorized Auditors will have the right to reproduce, photocopy, download, transcribe, and the like any such records. Any information provided by Seller on machine-readable media shall be provided in a format accessible and readable by the Authorized Auditors. To the extent that the Authorized Auditor's examination or audit reveals inaccurate, incomplete or non-current records, or records are unavailable, the records shall be considered defective. If the Authorized Auditor's examination or audit indicates Seller has been overpaid under a previous payment application, within fifteen (15) calendar days of notice to Seller of the identified overpayment Seller shall pay to Buyer the identified overpayment and, if the audit reveals that Buyer overpayment to Seller is more than five percent (5.0%) of the

billings reviewed, all expenses and costs incurred by the Authorized Auditors arising out of or related to the examination or audit.

**Section 9.6 Electric Metering Device.** The Facility Energy made available to Buyer or Buyer's Agent by Seller under this Agreement shall be measured using one (1) Electric Metering Device installed, owned and maintained by Buyer. Buyer or its designee, at no expense to Seller, shall inspect and test all Electric Metering Devices as required. If an Electric Metering Device fails to register, or if the measurement made by an Electric Metering Device is found upon testing to be inaccurate by more than one percent (1.0%), an adjustment shall be made correcting all measurements by the inaccurate or defective Electric Metering Device for both the amount of the inaccuracy and the period of the inaccuracy. The adjustment period shall be determined as far as can be reasonably ascertained by Buyer from the best available data. If the period of the inaccuracy cannot be ascertained reasonably, any such adjustment shall be for a period equal to one-third of the time elapsed since the preceding test of the Electric Metering Devices. To the extent that the adjustment period covers a period of deliveries for which payment has already been made by Buyer, Buyer shall use the corrected measurements as determined in accordance with this Section 9.6 to recompute the amount due for the period of the inaccuracy and shall subtract the previous payments by Buyer for this period from such recomputed amount. Any difference shall be accounted for in the next statement Buyer sends to Seller.

**Section 9.7 Power Revenue Fund.** Any amounts payable by Buyer under this Agreement shall be payable solely from Buyer's Power Revenue Fund. No other fund or account held by or on behalf of Buyer (or any other department or division thereof) may be used to satisfy any such obligations.

**Section 9.8 Taxes.** Seller shall be responsible for and shall pay, before the due dates therefore, any and all federal, state and local Taxes incurred by it as a result of entering into this Agreement and all Taxes imposed or assessed with respect to the Facility, the Facility site, or any other assets of Seller, the sale or use of Energy and Environmental Attributes and all Taxes related to Seller's income.

## **ARTICLE X REPRESENTATIONS; WARRANTIES; SELLER'S COVENANTS**

**Section 10.1 Representations and Warranties of Buyer.** Buyer makes the following representations and warranties to Seller as of the Effective Date:

- (a) Buyer is a validly existing California charter city and has the legal power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement and all Ancillary Documents to which it is a party and carry out the transactions contemplated hereby and thereby and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement and all Ancillary Documents to which it is a party.

- (b) The execution, delivery and performance by Buyer of this Agreement and all Ancillary Documents to which it is a party have been duly authorized by all necessary action, and do not and will not require any consent or approval of Buyer's regulatory/governing bodies, other than that which has been obtained.
- (c) This Agreement and all Ancillary Documents to which Buyer is a party constitute the legal, valid and binding obligation of Buyer enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws relating to or affecting the enforcement of creditors' rights generally or by general equitable principles, regardless of whether such enforceability is considered in a proceeding in equity or at law.

**Section 10.2 Representations, Warranties and Covenants of Seller.** Seller makes the following representations, warranties and covenants to Buyer:

- (a) Seller is a [limited liability company/partnership/corporation/person] [duly organized, validly existing and in good standing under the laws of its respective state of incorporation or organization], is qualified to do business in the State of California and has the legal power and authority to own and lease its properties, to carry on its business as now being conducted and has all necessary authority, permits and approvals, including, to the extent required, any FERC authorization, to enter into this Agreement and all Ancillary Documents to which it is a party and to carry out the transactions contemplated hereby and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement and all Ancillary Documents to which it is a party.
- (b) The execution, delivery and performance by Seller of this Agreement and all Ancillary Documents to which it is a party, including the consummation of the transactions contemplated thereby and the fulfillment of and compliance with the provisions of this Agreement and all Ancillary Documents to which it is a party, have been duly authorized by all necessary action, and do not and will not require any consent or approval other than those which have already been obtained.
- (c) The execution and delivery of this Agreement and all Ancillary Documents to which Seller is a party, the consummation of the transactions contemplated hereby and thereby and the fulfillment of and compliance with the provisions of this Agreement and such Ancillary Documents, do not and will not conflict with or constitute a breach of or a default under, any of the terms, conditions or provisions of any Requirement of Law, or any organizational documents or any other agreement or instrument to which Seller is a party or by which it or any of its property is bound or result in or require the creation or imposition of

any Lien upon any of the properties or assets of Seller, and Seller has obtained or shall timely obtain all Permits required for the performance of its obligations hereunder and there under and operation of the Facility in accordance with the requirements of this Agreement and all Ancillary Documents to which it is a party.

- (d) This Agreement and all Ancillary Documents to which Seller is a party constitute the legal, valid and binding obligation of Seller which is party thereto enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws relating to or affecting the enforcement of creditors' rights generally or by general equitable principles, regardless of whether such enforceability is considered in a proceeding in equity or at law.
- (e) There is no pending, or to the knowledge of Seller, threatened action or proceeding affecting Seller before any Governmental Authority, which purports to affect the legality, validity or enforceability of this Agreement or any Ancillary Documents to which it is a party.
- (f) Seller is not in violation of any Requirement of Law, which violations, individually or in the aggregate, would reasonably be expected to result in a material adverse effect on the business, assets, operations, condition (financial or otherwise) or prospects of Seller, or the ability of Seller to perform any of its obligations under this Agreement or any Ancillary Documents to which it is a party.
- (g) The CEQA authorizations or other Permits required to construct, maintain or operate the Facility and for the production, sale and delivery of Energy and Environmental Attributes in accordance with the requirements of this Agreement and all Ancillary Documents and all applicable Requirements of Law will be timely obtained in the ordinary course of business.
- (h) Seller owns or possesses, or will own or possess in a timely manner, all patents, rights to patents, trademarks, copyrights and licenses necessary for the performance by Seller of this Agreement and all Ancillary Documents to which it is a party and the transactions contemplated thereby, without any conflict with the rights of others.
- (i) At all times after the Effective Date, Seller shall have Site Control. Seller shall provide Buyer with prompt notice of any change in the status of Seller's Site Control.
- (j) Neither Seller nor, to Seller's knowledge, the owner of the Site has participated in or submitted any claim for receipt of funds under any net metering program or ratepayer-funded on-site generation incentives for the Facility. Seller waives all claims for eligibility for, and will not submit

any claim for receipt of funds under, any net metering program or ratepayer-funded on-site generation incentives for the Facility.

## **ARTICLE XI**

### **DEFAULT; TERMINATION AND REMEDIES**

**Section 11.1 Default.** Each of the following events or circumstances shall constitute a “*Default*” by the responsible Party (the “*Defaulting Party*”):

- (a) *Buyer Payment or Performance Default.* Failure by Buyer to make any payment or perform any of its other duties or obligations under this Agreement or any Ancillary Documents to which it is a party when and as due which is not cured within thirty (30) calendar days after receipt of notice thereof from Seller.
- (b) *Seller Payment or Performance Default.* Failure by Seller to make any payment or perform any of its other duties or obligations under this Agreement or any Ancillary Documents to which it is a party when and as due which is not cured within thirty (30) calendar days after receipt of notice thereof from Buyer.
- (c) *Buyer Breach of Representation and Warranty.* Inaccuracy in any material respect at the time made or deemed to be made of any representation, warranty, certification or other statement made by Buyer in this Agreement or any Ancillary Document to which it is a party.
- (d) *Seller Breach of Representation and Warranty.* Inaccuracy in any material respect at the time made or deemed to be made of any representation, warranty, certification or other statement made by Seller in this Agreement or any Ancillary Documents to which it is a party.
- (e) *Buyer Bankruptcy.* Bankruptcy of Buyer.
- (f) *Seller Bankruptcy.* Bankruptcy of Seller.
- (g) *Insurance Default.* The failure of Seller to maintain and provide acceptable evidence of the required insurance for the required period of coverage as set forth in Appendix D.
- (h) *Fundamental Change.* Seller consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another Person and at the time of such consolidation, amalgamation, merger or transfer, the resulting, surviving or transferee Person fails to assume all the obligations of Seller under this Agreement and all Ancillary Documents to which it is a party pursuant to an agreement satisfactory to Buyer.



**Section 11.2 Default Remedy.** If a Default has occurred and is continuing, the remedy of the non-defaulting Party shall be the exercise of any rights and remedies provided for herein, or otherwise available at law or equity, including (i) application of all amounts available under the Development Security Deposit against any amounts then payable by Seller to Buyer under this Agreement or any Ancillary Documents and (ii) termination of this Agreement pursuant to Section 11.3. No failure of either Party to exercise, and no delay in exercising, any right, remedy or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by either Party of any right, remedy or power hereunder preclude any other or future exercise of any right, remedy or power.

**Section 11.3 Termination for Default.** If Default occurs, the Party that is not the Defaulting Party (the “*Non Defaulting Party*”) may, for so long as the Default is continuing and without limiting any other rights or remedies available to the Non-Defaulting Party under this Agreement, by notice to the Defaulting Party establish a date, which shall coincide with the last day of a statement period, but no later than thirty (30) days after the date of such notice, on which this Agreement shall terminate; provided that if a Default is due to the Bankruptcy of either Party, this Agreement shall automatically terminate on the occurrence of such event, without notice or other action by either Party.

## **ARTICLE XII MISCELLANEOUS**

**Section 12.1 Authorized Representative.** Each Party hereto shall designate an authorized representative who shall be authorized to act on its behalf with respect to those matters contained herein (each an “*Authorized Representative*”), which shall be the functions and responsibilities of such Authorized Representatives. Each Party may also designate an alternate who may act for the Authorized Representative. Within thirty (30) calendar days after execution of this Agreement, each Party shall notify the other Party of the identity of its Authorized Representative, and alternate if designated, and shall promptly notify the other Party of any subsequent changes in such designation. The Authorized Representatives shall have no authority to alter, modify, or delete any of the provisions of this Agreement.

**Section 12.2 Notices.** With the exception of statements and payments in Section 9.2 hereof, all notices, requests, demands, consents, waivers and other communications which are required under this Agreement shall be in writing and shall be deemed properly sent if delivered in person or sent by facsimile transmission, reliable overnight courier, or sent by registered or certified mail, postage prepaid to the persons specified in Appendix B. In addition to the foregoing, the Parties may agree in writing at any time to deliver notices, requests, demands, consents, waivers and other communications through alternate methods, such as electronic mail.

**Section 12.3 Further Assurances.** Each Party agrees to execute and deliver all further instruments and documents, and take all further action not inconsistent with the provisions of this Agreement that may be reasonably necessary to effectuate the purposes and intent of this Agreement.

**Section 12.4 No Dedication of Facilities.** Any undertaking by one Party hereto to the other Party under any provisions of this Agreement shall not constitute the dedication of the

system or any portion thereof of either Party to the public or to the other Party or any other Person, and it is understood and agreed that any such undertaking by either Party shall cease upon the termination of such Party's obligations under this Agreement.

**Section 12.5 Force Majeure.** A Party shall not be considered to be in default in the performance of any of its obligations under this Agreement when and to the extent such Party's performance is prevented by a Force Majeure; *provided, however*, that the Party has given a written detailed description of the full particulars of the Force Majeure to the other Party reasonably promptly after becoming aware thereof.

**Section 12.6 Assignment of Agreement.** Buyer may 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 without the consent of Seller. Upon any such assignment and delegation of obligations by such an assignee, Buyer shall be relieved of and fully discharged from all its obligations hereunder, whether such obligations arose before or after the date of such assignment and delegation. Seller shall not assign any of its rights, or delegate any of its obligations, under this Agreement without the prior written consent of Buyer and unless Seller has provided written notice of such assignment or delegation to Buyer at least ten (10) Business Days before such assignment or delegation, other than collateral assignments to the extent described below, provided that a Seller may assign any of its rights, or delegate any of its obligations, under this Agreement without prior written consent if such assignment is to a retail customer of Buyer who owns the premises on which the Facility is located. Any purported assignment or delegation in violation of this provision shall be null and void and of no force or effect. To facilitate Seller's obtaining of financing to construct and operate the Facility, Buyer shall provide, at Seller's cost and expense, such consents to collateral assignment or other documents (in form and substance satisfactory to Buyer and the Los Angeles City Attorney) as may be reasonably requested by Seller or any Facility Lender in connection with the financing of the Facility. Notwithstanding the foregoing or anything else expressed or implied herein to the contrary, Seller shall not assign, transfer, convey, encumber, sell or otherwise dispose of all or any portion of the Facility Energy, Capacity Rights or Environmental Attributes (not including the proceeds thereof) to any Facility Lender.

**Section 12.7 Entire Agreement.** This Agreement (including all Appendices and Exhibits) contains the entire understanding concerning the subject matter herein and supersedes and replaces any prior negotiations, discussions or agreements between the Parties, or any of them, concerning that subject matter, whether written or oral, except as expressly provided for herein. This is a fully integrated document. Each Party acknowledges that no other party, representative or agent, has made any promise, representation or warranty, express or implied, that is not expressly contained in this Agreement that induced the other Party to sign this document. This Agreement may be amended or modified only by an instrument in writing signed by each Party.

**Section 12.8 Governing Law; Venue.** This Agreement was made and entered into in the City of Los Angeles and shall be governed by, interpreted and enforced in accordance with the laws of the State of California and the City of Los Angeles, without regard to conflict of law principles. All litigation arising out of, or relating to this Agreement, shall be brought in a state or federal court in the County of Los Angeles in the State of California. The Parties irrevocably

agree to submit to the exclusive jurisdiction of such courts in the State of California and waive any defense of forum non conveniens.

**Section 12.9 Representation.** Each party has been represented by legal counsel in the negotiations and execution of this Agreement.

**Section 12.10 Execution in Counterparts.** This Agreement may be executed in counterparts and upon execution by each signatory, each executed counterpart shall have the same force and effect as an original instrument and as if all signatories had signed the same instrument.

**Section 12.11 Effect of Section Headings.** Section headings appearing in this Agreement are inserted for convenience only and shall not be construed as interpretations of text.

**Section 12.12 Waiver.** The failure of either Party to this Agreement to enforce or insist upon compliance with or strict performance of any of the terms or conditions hereof, or to take advantage of any of its rights hereunder, shall not constitute a waiver or relinquishment of any such terms, conditions or rights, but the same shall be and remain at all times in full force and effect. Notwithstanding anything expressed or implied herein to the contrary, nothing contained herein shall preclude either Party from pursuing any available remedies for breaches not rising to the level of a Default, including recovery of damages caused by the breach of this Agreement and specific performance or any other remedy given under this Agreement or now or hereafter existing in law or equity or otherwise. Seller acknowledges that money damages may not be an adequate remedy for violations of this Agreement and that Buyer may, in its sole discretion, seek and obtain from a court of competent jurisdiction specific performance or injunctive or such other relief as such court may deem just and proper to enforce this Agreement or to prevent any violation hereof. Seller hereby waives any objection to specific performance or injunctive relief. The rights granted herein are cumulative.

**Section 12.13 Relationship of the Parties.** This Agreement shall not be interpreted to create an association, joint venture or partnership between the Parties hereto or to impose any partnership obligation or liability upon either such Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as an agent or representative of, the other Party.

**Section 12.14 Third Party Beneficiaries.** The provisions of this Agreement are solely for the benefit of the parties hereto. Nothing in this Agreement, whether expressed or implied, shall be construed to give to, or be deemed to create in, any other Person, whether as a third party beneficiary of this Agreement or otherwise, any legal or equitable right, remedy or claim in respect of this Agreement of any covenant, condition, provision duty, obligation or undertaking contained or established herein. This Agreement shall not be construed in any respect to be a contract in whole or in part for the benefit of any Person not a party hereto.

**Section 12.15 Indemnification.** To the fullest extent permitted by applicable law, except for the sole negligence or willful misconduct of LADWP, Seller undertakes and agrees to defend, indemnify and hold harmless LADWP, the City of Los Angeles, and each of their respective boards, commissioners, officers, agents, employees, assigns and successors in interest,

as applicable (hereinafter, collectively, "Indemnitees") from and against any and all suits and causes of action (including proceedings before FERC), claims, losses, demands, penalties, judgments, costs, expenses, damages (including indirect, consequential, or incidental), disbursements of any kind or nature whatsoever, including but not limited to attorney's fees (including allocated costs of internal counsel), other monetary remedies, and costs of litigation, damages, obligation or liability of any kind or nature whatsoever, in any manner arising by reason of, incident to, or connected in any manner with the performance, non-performance or breach of this Agreement, or any other act, error or omission or willful misconduct by or of the Seller or Seller's officers, employees, agents, contractors, sub-contractors of any tier, including but not limited to any such performance, non-performance, breach, act, error or omission or willful misconduct that results in intellectual property infringement or leads to death or injury to any person, including but not limited to Seller, Seller's officers, employees, agents, contractors or sub-contractors of any tier, or damage or destruction to property of any kind or nature whatsoever, of either Party hereto, or of third parties, or loss of use (hereinafter, collectively, "Indemnified Liabilities"). The provisions of this paragraph shall be in addition to, and not exclusive of, any other rights or remedies which Indemnitees have at law, in equity, under this Agreement or otherwise. To the extent that the undertakings to defend, indemnify, pay and hold harmless set forth in this subsection may be unenforceable in whole or in part because they are violative of any law or public policy, Seller shall contribute the maximum portion that it is permitted to pay and satisfy under applicable law to the payment and satisfaction of all Indemnified Liabilities incurred by Indemnitees or any of them. The provisions of this paragraph shall survive the expiration or termination of this Agreement.

**Section 12.16 Limitation of Liability.** IN SIGNING THIS AGREEMENT, SELLER UNDERSTANDS AND AGREES, THAT, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, NONE OF LADWP, THE CITY OF LOS ANGELES, OR ANY OF THEIR RESPECTIVE BOARDS, COMMISSIONERS, OFFICERS, AGENTS, EMPLOYEES, ASSIGNS AND SUCCESSORS IN INTEREST, AS APPLICABLE, SHALL BE LIABLE, RESPONSIBLE, ANSWERABLE OR ACCOUNTABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES (i) WITH RESPECT TO LADWP'S OBLIGATIONS UNDER OR IN CONNECTION WITH THIS AGREEMENT, EXCEPT THAT SUCH LIMITATION SHALL NOT LIMIT THE LIABILITY, IF ANY, OF LADWP FOR ITS GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OR (ii) FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS, LOSS OF USE OR OTHER COSTS OF BUSINESS INTERRUPTION RELATED TO THIS AGREEMENT, WHETHER BASED ON STATUTE, TORT, CONTRACT, OR UNDER ANY OTHER THEORY OF LIABILITY. SELLER FURTHER UNDERSTANDS THAT THIS LIMITATION IS WITHOUT REGARD TO THE CAUSE OR CAUSES OF SUCH DAMAGES OR COSTS, INCLUDING NEGLIGENCE, BE IT SOLE, JOINT, CONTRIBUTORY, OR CONCURRENT, ACTIVE OR PASSIVE. ANY LIABILITY OF LADWP, THE CITY OF LOS ANGELES, OR ANY OF THEIR RESPECTIVE BOARDS, COMMISSIONERS, OFFICERS, AGENTS, EMPLOYEES, ASSIGNS AND SUCCESSORS IN INTEREST, AS APPLICABLE, SHALL BE LIMITED TO ACTUAL DIRECT DAMAGES, AND SUCH ACTUAL DIRECT DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED UNLESS EXPRESSLY PROVIDED FOR HEREIN.

**Section 12.17 Severability.** In the event any of the terms, covenants or conditions of this Agreement, or the application of any such terms, covenants or conditions, shall be held invalid, illegal or unenforceable by any court having jurisdiction, all other terms, covenants and conditions of this Agreement and their application not adversely affected thereby shall remain in force and effect, *provided* that the remaining valid and enforceable provisions materially retain the essence of the Parties' original bargain.

**Section 12.18 Disclosure of Information.** Seller acknowledges that Buyer, as a California municipal corporation, is subject to disclosure as required by the California Public Records Act, Cal. Govt. Code §§ 6250 *et seq.* and the Ralph M. Brown Act, Cal. Govt. Code §§ 54950 *et seq.* Information of Seller provided to Buyer pursuant to this Agreement will become the property of Buyer and Seller acknowledges that Buyer shall not have any liability whatsoever under this Agreement or otherwise for any claims or causes of action whatsoever resulting from or arising out of Buyer's copying or releasing to a third party any of the information of Seller pursuant to either of the aforementioned Acts.

**Section 12.19 Fixed-Rate Contract: Mobile-Sierra Clause.** The Parties hereby stipulate and agree that this Agreement was entered into as a result of arms'-length negotiations between the Parties. Further, the Parties believe that, to the extent the sale of Energy under this Agreement is subject to Sections 205 and 206 of the Federal Power Act, 16 U.S.C. Sections 824d or 824e, the rates, terms and conditions of this Agreement are just and reasonable within the meaning of Sections 205 and 206 of the Federal Power Act, and that the rates, terms and conditions of this Agreement will remain so over the life of the Agreement. The Parties waive all rights to challenge the validity of this Agreement or whether it is just and reasonable for and with respect to the entire term thereof, under Sections 205 and 206 of the Federal Power Act and to request the FERC to revise the terms and conditions and the rates or services specified in this Agreement, and hereby agree to make no filings at the FERC or with any other state or federal agency, board, court or tribunal challenging the rates, terms and conditions of this Agreement as to whether they are just and reasonable or in the public interest under the Federal Power Act. The Parties hereby further stipulate and agree that neither Party may bring any action, proceeding or complaint under Section 205 or 206 of the Federal Power Act, 16 U.S.C. 824d or 824e, seeking to modify, cancel, suspend, or abrogate the rates, terms and conditions of this Agreement, or to prevent this Agreement from taking effect. It is further agreed that, absent the agreement of both Parties to a proposed change, the standard of review for changes to any rate, charge, classification, term or condition of this Agreement, whether proposed by a Party (to the extent that any provision of this section is unenforceable or ineffective as to such Party), a non-party, or FERC acting *sua sponte* shall solely be the "public interest" application of the "just and reasonable" standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Corp.*, 350 U.S. 332 (1956) and *FPC v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956), and clarified by *Morgan Stanley Capital Group, Inc. v. Pub. Util. Dist. No. 1 of Snohomish*, 554 U.S. 527 (2008).

**Section 12.20 No Agreement for Retail Electric Service.** This Agreement does not constitute an agreement by LADWP to provide retail electrical service to Seller or any third party. Such arrangements must be made separately with LADWP.

**Section 12.21 Attorneys' Fees.** Both Parties hereto agree that in any action to enforce the terms of this Agreement, each Party shall be responsible for its own attorneys' fees and costs.

**Section 12.22 LADWP Business Policies.**

**Section 12.22.1 Non-Discrimination.** Unless otherwise exempt, this contract is subject to the non-discrimination provisions in Sections 10.8 through 10.8.2 of the Los Angeles Administrative Code, as amended from time to time. The Seller shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the City of Los Angeles. In performing this contract, Seller shall not discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, age, disability, domestic partner status, marital status or medical condition. Any subcontract entered into by Seller relating to this contract, to the extent allowed hereunder, shall include a like provision for work to be performed under this contract.

Failure of Seller to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject Seller to the imposition of any and all sanctions allowed by law, including but not limited to termination of Seller's contract with the Buyer.

**Section 12.22.2 Equal Employment Practices.** Unless otherwise exempt, this contract is subject to the equal employment practices provisions in Section 10.8.3 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of this contract, Seller agrees and represents that it will provide equal employment practices and Seller and each subcontractor hereunder will ensure that in his or her employment practices persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
  - 1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
  - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
  - 3. Seller agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. Seller will, in all solicitations or advertisements for employees placed by or on behalf of Seller, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

- C. As part of the Buyer's supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, Seller shall certify in the specified format that he or she has not discriminated in the performance of City of Los Angeles contracts against any employee or applicant for employment on the basis or because of race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.
- D. Seller shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of City of Los Angeles contracts. On their or either of their request Seller shall provide evidence that he or she has or will comply therewith.
- E. The failure of any Seller to comply with the Equal Employment Practices provisions of this contract may be deemed to be a material breach of this contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to Seller.
- F. Upon a finding duly made that Seller has failed to comply with the Equal Employment Practices provisions of this contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the Seller is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Charter of the City of Los Angeles. In the event of such a determination, Seller shall be disqualified from being awarded a contract with the Buyer and the City of Los Angeles for a period of two years, or until Seller shall establish and carry out a program in conformance with the provisions hereof.
- G. Notwithstanding any other provision of this contract, the Buyer shall have any and all other remedies at law or in equity for any breach hereof.



- H. The Board of Public Works shall promulgate rules and regulations through the Office of Contract Compliance, and provide necessary forms and required language to the awarding authorities to be included in City of Los Angeles Request for Bids or Request for Proposal packages or in supplier registration requirements for the implementation of the Equal Employment Practices provisions of this contract, and such rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive orders. No other rules, regulations or forms may be used by an awarding authority of the City of Los Angeles to accomplish the contract compliance program.
- I. Nothing contained in this contract shall be construed in any manner so as to require or permit any act which is prohibited by law.
- J. At the time a supplier registers to do business with the City of Los Angeles, or when an individual bid or proposal is submitted, Seller shall agree to adhere to the Equal Employment Practices specified herein during the performance or conduct of City of Los Angeles Contracts.
- K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
  - 1. Hiring practices;
  - 2. Apprenticeships where such approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
  - 3. Training and promotional opportunities; and
  - 4. Reasonable accommodations for persons with disabilities.
- L. All Sellers subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the Buyer and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to Seller. Failure of Seller to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject Seller to the imposition of any and all sanctions allowed by law, including but not limited to termination of the Seller's contract with the Buyer.

**Section 12.22.3 Affirmative Action Program.** Unless otherwise exempt, this contract is subject to the affirmative action program provisions in Section 10.8.4 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of this contract, Seller certifies and represents that Seller and each subcontractor hereunder will adhere to an affirmative action program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
  - 1. This provision applies to work or services performed or materials manufactured or assembled in the United States.
  - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
  - 3. Seller shall post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. Seller will, in all solicitations or advertisements for employees placed by or on behalf of Seller, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- C. As part of the Buyer's supplier registration process, and/or at the request of the awarding authority or the Office of Contract Compliance, Seller shall certify on an electronic or hard copy form to be supplied, that Seller has not discriminated in the performance of City of Los Angeles contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- D. Seller shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of City of Los Angeles contracts, and on their or either of their request to provide evidence that it has or will comply therewith.

- E. The failure of Seller to comply with the Affirmative Action Program provisions of this contract may be deemed to be a material breach of this contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to Seller.
- F. Upon a finding duly made that Seller has breached the Affirmative Action Program provisions of this contract, the contract may be forthwith cancelled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, such breach may be the basis for a determination by the awarding authority or the Board of Public Works that the said Seller is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Los Angeles City Charter. In the event of such determination, such Seller shall be disqualified from being awarded a contract with the City of Los Angeles for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.
- G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that Seller has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a City of Los Angeles contract, there may be deducted from the amount payable to Seller by the City of Los Angeles under the contract, a penalty of ten dollars (\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a City of Los Angeles contract.
- H. Notwithstanding any other provisions of this contract, Buyer shall have any and all other remedies at law or in equity for any breach hereof.
- I. The Public Works Board of Commissioners shall promulgate rules and regulations through the Office of Contract Compliance and provide to the awarding authorities electronic and hard copy forms for the implementation of the Affirmative Action Program provisions of City of Los Angeles contracts, and rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive Orders. No other

rules, regulations or forms may be used by an awarding authority of the City of Los Angeles to accomplish this contract compliance program.

- J. Nothing contained in this contract shall be construed in any manner so as to require or permit any act which is prohibited by law.
- K. Seller shall submit an Affirmative Action Plan which shall meet the requirements of this chapter at the time it submits its bid or proposal or at the time it registers to do business with the City of Los Angeles. The plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract. The awarding authority may also require Sellers and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve months from the date of approval by the Office of Contract Compliance. In case of prior submission of a plan, Seller may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, Seller must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.
  - 1. Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.
  - 2. Seller may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for approval.
- L. The Office of Contract Compliance shall annually supply the awarding authorities of the City of Los Angeles with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan

after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and Seller.

- M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
  2. Classroom preparation for the job when not apprenticeable;
  3. Pre-apprenticeship education and preparation;
  4. Upgrading training and opportunities;
  5. Encouraging the use of contractors, subcontractors and suppliers of all racial and ethnic groups, provided, however, that any contract subject to this ordinance shall require the Seller, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the Seller's, subcontractor's or supplier's geographical area for such work;
  6. The entry of qualified women, minority and all other journeymen into the industry; and
  7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.
- N. Any adjustments which may be made in Seller's or supplier's work force to achieve the requirements of the City's Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the work force or replacement of those employees who leave the work force by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.
- O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and may be publicized by Seller at his or her discretion. Approved

Affirmative Action Agreements become the property of the City and may be used at the discretion of the City in its Contract Compliance Affirmative Action Program.

- P. This ordinance shall not confer upon the City of Los Angeles or any agency, Board or Commission thereof any power not otherwise provided by law to determine the legality of any existing collective bargaining agreement and shall have application only to discriminatory employment practices by seller or suppliers engaged in the performance of City contracts.
- Q. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with Buyer and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to Seller. Failure of Seller to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject Seller to the imposition of any and all sanctions allowed by law, including but not limited to termination of Seller's contract with Buyer.

**Section 12.22.4 Compliance With Los Angeles City Charter**

**Section 470(c)(12).** Seller, any subcontractors, and their principals are obligated to fully comply with City of Los Angeles Charter Section 470(c)(12) and related ordinances, regarding limitations on campaign contributions and fundraising for certain elected City officials or candidates for elected City office if the contract is valued at \$100,000 or more and requires approval of a City elected official. Additionally, Seller is required to provide and update certain information to the City as specified by law. Any Seller subject to Charter Section 470(c)(12), shall include the following notice in any contract with a subcontractor expected to receive at least \$100,000 for performance under this contract:

Notice Regarding Los Angeles Campaign Contribution and Fundraising Restrictions:

As provided in Charter Section 470(c)(12) and related ordinances, you are subcontractor on City of Los Angeles contract #\_\_\_\_\_. Pursuant to City Charter Section 470(c)(12), subcontractor and its principals are prohibited from making campaign contributions and fundraising for certain elected City officials or candidates for elected City office for 12 months after the City contract is signed. Subcontractor is required to provide to Seller names and addresses of the subcontractor's principals and contact information and shall update that information if it changes during the 12 month time period. Subcontractor's information included must be provided to Seller within 10 business days. Failure to comply may result in termination of contract or any other available legal remedies

including fines. Information about the restrictions may be found at the City Ethics Commission's website at <http://ethics.lacity.org/> or by calling 213/978-1960.

Seller, Subcontractors, and their Principals shall comply with these requirements and limitations. Violation of this provision shall entitle the Buyer to terminate this Agreement and pursue any and all legal remedies that may be available.

**Section 12.22.5 Child Support Policy.** Seller and any of its subcontractor(s) must fully comply with all applicable state and federal employment reporting requirements for Seller's and any Seller's subcontractor(s)' employees. Seller and any of its subcontractor(s) must fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with the California Family Code. Seller and any of its subcontractor(s) must certify that the principal owner(s) thereof (any person who owns an interest of 10 percent or more) are in compliance with any Wage and Earnings Assignment Orders or Notices of Assignment applicable to them personally. Seller and any of its subcontractor(s) must certify that such compliance will be maintained throughout the term of this Agreement. Failure of Seller and/or any of its subcontractor(s) to fully comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignments or Notices of Assignment or failure of the principal owner(s) to comply with any Wage and Earnings Assignments or Notices of Assignment applicable to them personally shall constitute a Default under this Agreement. Failure of Seller and/or any of its subcontractor(s) or principal owner(s) thereof to cure the default within ninety (90) days of notice of such Default by Buyer shall subject this Agreement to termination.

**Section 12.22.6 Living Wage Ordinance.** Seller and any of its subcontractor(s) must fully comply with the City of Los Angeles Living Wage Ordinance (LWO), Los Angeles Administrative Code Sections 10.37 *et seq.* Unless approved for an exemption, contractors under contracts primarily for the furnishing of services to or for the City and that involve an expenditure in excess of \$25,000 and a contract term of at least three (3) months, lessees and licensees of City property, and certain recipients of City financial assistance, shall comply with the provisions of the LWO. Seller who believes that they meet the qualifications for one of the exemptions described in the LWO List of Statutory Exemptions may apply for exemption from the Ordinance by submitting an application for Non-Coverage or Exemption (Form OCC/LW-10), or the Non-Profit/One-Person Contractor Certification of Exemption (OCC/LW-13). The List of Statutory Exemptions, the Application, and the Certification can be found at the City of Los Angeles Office of Contract Compliance at <http://bca.lacity.org>.

**Section 12.22.7 Los Angeles City Business Tax Registration Certificate.** Seller shall obtain and keep in full force and effect during the term of this Agreement all Business Tax Registration Certificates required by the City of Los Angeles Business Tax Ordinance, Article 1, Chapter II, Section 21.00 and following, of the Los Angeles Municipal Code. Seller's Vendor Registration Number must be shown on all invoices submitted for payment. Failure to do so, may delay payment. For additional

information regarding applicability of the City Business Tax Registration, contact the City of Los Angeles Clerk's Office at (213) 978-1521.

**Section 12.22.8 Taxpayer Identification Number (TIN).** Seller declares that its authorized TIN is [\_\_\_\_\_]. No payment will be made under this Agreement without a valid TIN number.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date set forth at the beginning of this Agreement.

CITY OF LOS ANGELES acting by and through the  
DEPARTMENT OF WATER AND POWER

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

\_\_\_\_\_  
Title

Date: \_\_\_\_\_

[SELLER]

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

\_\_\_\_\_  
Title

Date: \_\_\_\_\_



**APPENDIX A**  
**FACILITY**

1. Name of Facility: [name]
  - (a) Site: [city, county and state]
  - (b) Point of Delivery [circuit #]
2. Owner of Property: [name]
3. Owner and Operator of Facility: [name]
4. Equipment:
  - (a) Type of Facility: [generation type]
  - (b) Capacity:

Total nominal gross nameplate capacity (under expected average site conditions):  
[XXXX] kW (AC)

Total nominal net capacity (under expected average site conditions): [XXXX] kW (AC)
5. Planned Commercial Operation Date: [XXXX 1, 20XX]
6. Permits: [to be filled in based on specific project requirements]

**APPENDIX B**  
**BUYER AND SELLER BILLING, NOTIFICATION AND CONTACT INFORMATION**

1. **Authorized Representative.** Correspondence to the Authorized Representative shall be transmitted to the following addresses:

1.1 If to Buyer:

Department of Water and Power of the City of Los Angeles  
111 North Hope Street, Room 940 JFB  
Los Angeles, California 90012  
Attention: FiT Program Administrator

Telephone: (213) 367-2100  
Facsimile: (213) 367-2591  
Email: fit@ladwp.com

1.2 If to Seller:

[\_\_\_\_\_]

[\_\_\_\_\_]

[\_\_\_\_\_]

Attention:

Telephone: [(XXX) XXX-XXXX]  
Facsimile: [(XXX) XXX-XXXX]

2. Statements and payments shall be transmitted to the following addresses:

2.1 If to Buyer:

Department of Water and Power of the City of Los Angeles  
P.O. Box 51111  
Los Angeles, California 90051-0100  
Attention: Accounts Receivable

2.2 If to Seller:

[\_\_\_\_\_]

[\_\_\_\_\_]

[\_\_\_\_\_]

Attention:

Telephone: [(XXX) XXX-XXXX]  
Facsimile: [(XXX) XXX-XXXX]

3. All notices required under the Agreement shall be sent by facsimile transmission, reliable overnight courier, and registered or certified mail, postage prepaid, to the address specified below.

If to Buyer:

Department of Water and Power of the City of Los Angeles  
111 North Hope Street, Room 940 JFB  
Los Angeles, California 90012  
Attention: FiT Program Administrator

Telephone: (213) 367-2100  
Facsimile: (213) 367-2591  
Email: fit@ladwp.com

If to Seller:

[\_\_\_\_\_]

[\_\_\_\_\_]

[\_\_\_\_\_]

Attention:

Telephone: [(XXX) XXX-XXXX]  
Facsimile: [(XXX) XXX-XXXX]

**APPENDIX C**  
**CALCULATION OF MONTHLY PAYMENT**

1. The Purchase Price and monthly payment for Facility Energy will be calculated as the sum of Facility Energy delivered at each hour multiplied by the Base Price for Energy (BPE) and the Time-of-Delivery (TOD) multiplier for each particular hour.
2. The BPE for this agreement is \$[\_\_\_\_\_.\_\_] per kilowatt-hour.
3. TOD multipliers will be applied to the BPE as outlined in the table below:

<b>Time of Delivery Multiplier</b>				
		<b>High Peak</b>	<b>Low Peak</b>	<b>Base</b>
<b>Period</b>	<b>Months</b>	M-F (1:00 pm - 5:00 pm)	M-F (10:00 am - 1:00 pm) M-F (5:00 pm - 8:00 pm)	M-F (8:00 pm - 10:00 am) All Day Saturday, Sunday
High Season	Jun-Sep	2.25	1.10	0.50
Low Season	Oct-May	1.30	0.90	0.50

## **APPENDIX D** **INSURANCE**

### **I. GENERAL REQUIREMENTS**

Thirty (30) days prior to the Commercial Operation Date, Seller shall furnish LADWP evidence of coverage from insurers acceptable to the LADWP and in a form acceptable to LADWP's Risk Management Section and the Office of the Los Angeles City Attorney. LADWP shall not by reason of its inclusion under these policies incur liability to the insurance carrier for payment of premium for these policies.

Any insurance carried by LADWP which may be applicable shall be deemed to be excess insurance and Seller's insurance is primary for all purposes despite any conflicting provision in Seller's policies to the contrary.

Said evidence of insurance shall contain a provision that the policy cannot be canceled or reduced in coverage or amount without first giving thirty (30) calendar days prior notice thereof (ten (10) days for non-payment of premium) by registered mail to The Office of the City Attorney, Water and Power Division, Post Office Box 51111, GOB Room 340, Los Angeles, California 90051-0100.

Should any portion of the required insurance be on a "Claims Made" policy, Seller shall, at the policy expiration date following completion of work, provide evidence that the "Claims Made" policy has been renewed or replaced with the same limits, terms and conditions of the expiring policy, or that an extended discovery period has been purchased on the expiring policy at least for the contract under which the work was performed.

### **II. SPECIFIC COVERAGES REQUIRED**

#### **A. Commercial General Liability**

Seller shall provide Commercial General Liability insurance with Blanket Contractual Liability, Independent Contractors, Broad Form Property Damage, Premises and Operations, Products and Completed Operations, fire Legal Liability and Personal Injury coverages included. Such insurance shall provide coverage for total limits actually arranged by Seller, but not less than \$1,000,000.00 combined single limit per occurrence. Should the policy have an aggregate limit, such aggregate limits should not be less than double the Combined Single Limit and be specific for this contract. Umbrella or Excess Liability coverages may be used to supplement primary coverages to meet the required limits. Evidence of such coverage shall be on LADWP's Additional Insured Endorsement form or on an endorsement to the policy acceptable to the Risk Management Section and the Office of the Los Angeles City Attorney, and shall provide for the following:

1. Include LADWP and its officers, agents, and employees as additional insureds with the Named Insured for the activities and operations under this Agreement.

2. Severability-of-Interest or Cross-Liability Clause such as: "The policy to which this endorsement is attached shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the company's liability."
3. A description of the coverages included under the policy.

**B. Excess Liability**

Seller may use an Umbrella or Excess Liability Coverage to meet coverage limits specified in this Agreement. Seller shall require the carrier for Excess Liability to properly schedule and to identify the underlying policies as provided for LADWP on the LADWP Additional Insured Endorsement Form, or on an endorsement to the policy acceptable to LADWP's Risk Management Section and the Office of the Los Angeles City Attorney. Such policy shall include, as appropriate, coverage for Commercial General Liability, Commercial Automobile Liability, Employer's Liability, or other applicable insurance coverages.

**III. APPLICABLE TERMS AND CONDITIONS**

**A. Additional Insured Status Required**

Seller shall procure at its own expense, and keep in effect at all times during the term of this Agreement, the types and amounts of insurance specified on Exhibit A, the Contract Insurance Requirements. The specified insurance shall also, either by provisions in the policies, by the City of Los Angeles' own endorsement form or by other endorsement attached to such policies, include and insure City of Los Angeles, LADWP, the Board, and all of its officers, employees and agents, their successors and assigns, as Additional Insureds, against the area of risk described herein as respects Seller's acts, errors or omissions in the performance of this contract or other related functions performed by or on behalf of Seller. Such insurance shall not limit or qualify the liabilities and obligations of the Seller assumed under the contract.

**B. Severability of Interests and Cross Liability Required**

Each specified insurance policy (other than Workers' Compensation and Employers' Liability and Property coverages) shall contain a Severability of Interest and Cross Liability clause which states, "It is agreed that the insurance afforded by this policy shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the company's liability," and a Contractual Liability Endorsement which shall state, "Such insurance as is afforded by this policy shall also apply to liability assumed by the insured under this Agreement with the City of Los Angeles."

**C. Primary and Non-Contributing Insurance Required**

All such insurance shall be Primary and Non-contributing with any other insurance held by the City of Los Angeles or LADWP where liability allegedly arises out of or results

from the acts or omissions of Seller, its agents, employees, officers, assigns, or any person or entity acting for or on behalf of Seller. Any insurance carried by the City of Los Angeles or LADWP which may be applicable shall be deemed to be excess insurance and the Seller's insurance is primary for all purposes despite any conflicting provision in the Seller's policies to the contrary.

**D. Deductibles Subject to Department's Discretion**

Deductibles and/or self-insured retentions shall be at the sole discretion of the Risk Manager of LADWP (hereinafter referred to as "Risk Manager"). LADWP shall have no liability for any premiums charged for such coverage(s), nor for payment of deductibles. The inclusion of the City of Los Angeles or LADWP, its Board, and all of its officers, employees and agents, and their agents and assigns, as additional insureds, is not intended to, and shall not, make them, or any of them a partner or joint venturer with Seller in its operations.

**E. Proof of Insurance for Renewal or Extension Required**

At least ten (10) days prior to the expiration date of any of the policies required on Exhibit A, "Contract Insurance Requirements," documentation showing that the insurance coverage has been renewed or extended shall be filed with LADWP. If such coverage is canceled or reduced in coverage, Seller shall, within fifteen (15) days of such cancellation or reduction of coverage, file with the Department evidence that the required insurance has been reinstated or provided through another insurance company or companies.

**F. Submission of Acceptable Proof of Insurance and Notice of Cancellation**

Seller shall provide proof to LADWP's Risk Manager of all specified insurance and related requirements either by production of the actual insurance policy(ies), by use of LADWP's own endorsement form(s), by other written evidence of insurance acceptable to the Risk Manager, but always in a form acceptable to the Risk Manager and the Office of the City Attorney. The documents evidencing all specified coverages shall be filed with LADWP prior to Seller beginning operations hereunder. Said proof shall contain at a minimum, the applicable policy number, the inclusive dates of policy coverages, the date the protection begins for LADWP, and the insurance carrier's name. It shall bear an original signature of an authorized representative of said carrier, and shall provide that such insurance shall not be subject to cancellation, material reduction in coverage or non-renewal except after written notice by certified mail, return receipt requested, to the City Attorney of the City of Los Angeles at least thirty (30) calendar days prior to the effective date thereof. The notification shall be sent by registered mail to: Risk Management Section, L.A. Water and Power, Post Office Box 51111, JFB Room 465, Los Angeles, California 90051-0100.

**G. Failure to Maintain and Provide as Cause for Termination**

Failure to maintain and provide acceptable evidence of the required insurance for the required period of coverage shall constitute a breach of contract, upon which LADWP

may immediately terminate or suspend the agreement.

#### **H. Periodic Right to Review/Update Insurance Requirements**

LADWP and Seller agree that the insurance policy limits specified on the attached Contract Insurance Requirements page may be reviewed for adequacy annually throughout the term of this Agreement by the Risk Manager/City Attorney, who may thereafter require Seller to adjust the amounts and types of insurance coverage however the Risk Manager/City Attorney deems to be adequate and necessary. The City of Los Angeles reserves the right to have submitted to it, upon request, all pertinent information about the agent and carrier providing such insurance, including applicable license and ratings.

#### **I. Specific Insurance Requirements**

Specific insurance requirements are set forth in Exhibit A, "Contract Insurance Requirements."



## EXHIBIT A - CONTRACT INSURANCE REQUIREMENTS

### CONTRACT INSURANCE REQUIREMENTS -- DEPARTMENT OF WATER AND POWER For Contractors, Service Providers, Vendors, and Tenants

Agreement/Activity/Operation: Feed In Tariff Agreements for Sale of Power  
Reference/Agreement: \_\_\_\_\_  
Term of Agreement: \_\_\_\_\_  
Contract Administrator and Phone: \_\_\_\_\_  
Buyer and Phone Number: \_\_\_\_\_  
Risk Manager /Date: \_\_\_\_\_ AMN/4-14-11

Contract-required types and amounts of insurance as indicated below by checkmark are the minimum which must be maintained. All limits are Combined Single Limit (Bodily Injury/Property Damage) unless otherwise indicated. Firm 30 day Notice of Cancellation required by Receipted Delivery.

#### PER OCCURRENCE LIMITS

- ( ) WORKERS' COMPENSATION(Stat. Limits)/Employer's Liability: ( )  
( ) Broad Form All States Endorsement ( ) US L&H (Longshore and Harbor Workers)  
( ) Jones Act (Maritime Employment) ( ) Outer Continental Shelf  
( ) Waiver of Subrogation ( ) Black Lung (Coal Mine Health and Safety)  
( ) Other: \_\_\_\_\_ ( ) Other: \_\_\_\_\_
- ( ) AUTOMOBILE LIABILITY: ( )  
( ) Owned Autos ( ) Any Auto  
( ) Hired Autos ( ) Non-Owned Auto  
( ) Contractual Liability ( ) Additional Insured  
( ) MCS-90 (US DOT) ( ) Trucker's Form  
( ) Waiver of Subrogation ( ) Other: \_\_\_\_\_
- (x) GENERAL LIABILITY: ( ) Limit Specific to Project ( ) Per Project Aggregate (\$1,000,000.00 )  
( ) Broad Form Property Damage (x) Contractual Liability (x) Personal Injury  
(x) Premises and Operations (x) Products/Completed Ops. (x) Independent Contractors  
( ) Fire Legal Liability ( ) Garagekeepers Legal Liab. ( ) Child Abuse/Molestation  
( ) Corporal Punishment ( ) Collapse/Underground ( ) Explosion Hazard  
( ) Watercraft Liability ( ) Pollution (x) Addition Insured Status  
( ) Waiver of Subrogation ( ) Airport Premises ( ) Hangarkeepers Legal Liab.  
( ) Marine Contractors Liability ( ) Other: \_\_\_\_\_ ( ) Other: \_\_\_\_\_
- ( ) PROFESSIONAL LIABILITY: ( )  
( ) Contractual Liability ( ) Waiver of Subrogation ( ) 3 Year Discovery Tail  
( ) Additional Insured ( ) Vicarious Liability Endt. ( ) Other: \_\_\_\_\_
- ( ) AIRCRAFT LIABILITY: ( )  
( ) Passenger Per Seat Liability ( ) Contractual Liability ( ) Hull Waiver of Subrogation  
( ) Pollution ( ) Additional Insured ( ) Other: \_\_\_\_\_
- ( ) PROPERTY DAMAGE: ( ) Loss Payable Status (AOIMA) ( )  
( ) Replacement Value ( ) Actual Cash Value ( ) Agreed Amount  
( ) All Risk Form ( ) Named Perils Form ( ) Earthquake: \_\_\_\_\_  
( ) Builder's Risk:\$\_\_\_\_\_ ( ) Boiler and Machinery ( ) Flood: \_\_\_\_\_  
( ) Transportation Floater:\$\_\_\_\_\_ ( ) Contractors Equipment\$\_\_\_\_\_ ( ) Loss of Rental Income: \_\_\_\_\_  
( ) Scheduled Locations/Propt. ( ) Other: \_\_\_\_\_ ( ) Other: \_\_\_\_\_
- ( ) WATERCRAFT: ( )  
( ) Protection and Indemnity ( ) Pollution ( ) Additional Insured  
( ) Waiver of Subrogation ( ) Other: \_\_\_\_\_ ( ) Other: \_\_\_\_\_
- ( ) POLLUTION: ( )  
( ) Incipient/Long Term ( ) Sudden and Accidental ( ) Additional Insured  
( ) Waiver of Subrogation ( ) Contractor's Pollution ( ) Other: \_\_\_\_\_
- ( ) CRIME: ( ) Joint Loss Payable Status ( ) Additional Insured ( )  
( ) Fidelity Bond ( ) Financial Institution Bond ( ) Loss of Monies/Securities  
( ) Employee Dishonesty ( ) In Transit Coverage ( ) Wire Transfer Fraud  
( ) Computer Fraud ( ) Commercial Crime ( ) Forgery/Alteration of Docs.  
( ) Other: \_\_\_\_\_ ( ) Other: \_\_\_\_\_
- ( ) ASBESTOS LIABILITY: ( ) Additional Insured ( )

~~~~~

| PER OCCURRENCE LIMITS           |            |           |
|---------------------------------|------------|-----------|
| ( ) _____<br>(type of coverage) | (\$ _____) |           |
| ( ) _____                       | ( ) _____  | ( ) _____ |
| ( ) _____                       | ( ) _____  | ( ) _____ |
| ( ) _____                       | ( ) _____  | ( ) _____ |
|                                 |            |           |
| ( ) _____<br>(type of coverage) | (\$ _____) |           |
| ( ) _____                       | ( ) _____  | ( ) _____ |
| ( ) _____                       | ( ) _____  | ( ) _____ |
| ( ) _____                       | ( ) _____  | ( ) _____ |
|                                 |            |           |
| ( ) _____<br>(type of coverage) | (\$ _____) |           |
| ( ) _____                       | ( ) _____  | ( ) _____ |
| ( ) _____                       | ( ) _____  | ( ) _____ |
| ( ) _____                       | ( ) _____  | ( ) _____ |

STANDARD OFFER  
FOR FEED-IN TARIFF CUSTOMER GENERATION  
INTERCONNECTION AGREEMENT

\_\_\_\_\_ - LADWP  
FEED-IN TARIFF CUSTOMER GENERATION  
INTERCONNECTION AGREEMENT

BETWEEN

\_\_\_\_\_  
(INTERCONNECTION CUSTOMER)

AND

CITY OF LOS ANGELES ACTING BY AND THROUGH THE  
DEPARTMENT OF WATER AND POWER

LADWP NO. \_\_\_\_\_

– LADWP  
FEED-IN TARIFF CUSTOMER GENERATION  
INTERCONNECTION AGREEMENT

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\_\_\_\_\_- LADWP  
FEED-IN TARIFF CUSTOMER GENERATION  
INTERCONNECTION AGREEMENT

This Agreement is made and entered into by and between CITY OF LOS ANGELES ACTING BY AND THROUGH THE DEPARTMENT OF WATER AND POWER (LADWP) and [\_\_\_\_\_], an LADWP Customer, sometimes referred to singularly as “Party” and collectively as “Parties”, who agree as follows:

1. RECITALS: This Agreement is made with reference to the following facts, among others:

- 1.1 By the In-Service Date, Customer shall receive Electric Service from LADWP at:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

Electric Service at this location is being provided pursuant to the terms and conditions of the Electric Rate Ordinance.

- 1.2 Customer currently has, or intends to design, construct, own, operate, and maintain, at its sole risk and expense, a renewable energy-powered Customer Generation Facility in parallel with LADWP’s electric system. The Customer Generation Facility has an installed nameplate rating of \_\_\_\_\_-kW. The Customer Generation Facility is more fully described in Exhibit A of this Agreement.

- 1.3 If it is deemed necessary by LADWP to do so after evaluating the Customer Generation Facility’s plans, LADWP will design, construct, own, operate, and maintain an LADWP Facility and make any necessary modifications to LADWP’s electric system for the safe operation of the Customer Generation Facility in parallel with LADWP’s electric system. Customer agrees to reimburse LADWP for all actual costs (direct and indirect) incurred in performing such work. If the LADWP Facility is constructed a description of the LADWP Facility will be attached as Exhibit B.

2. DEFINITIONS: The definitions, terms, conditions and requirements provided in the Electric Rate Ordinance, the Electric Service Requirements, the Rules and the

Standard Offer Power Purchase Agreement are incorporated in and made a part of this Agreement by reference. The following additional terms, when initially capitalized, whether in the singular or plural tense, shall mean:

2.1 Agreement: This \_\_\_\_\_ - LADWP Feed-in Tariff Customer Generation Interconnection Agreement.

2.2 Authorized Representatives: The representative or designated alternate of a Party appointed in accordance with Section 14 of this Agreement.

2.3 Customer: The LADWP customer or feed-in tariff applicant required to establish a customer account for the project at:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2.4 Customer Generation Facility: All of Customer's electrical and mechanical equipment associated with the generation of electricity at the Customer's location.

2.5 Effective Date: As defined in Section 27 of this Agreement.

2.6 Electric Rate Ordinance: Ordinance No. 168436, effective January 31, 1993, and all amendments, revisions, and replacements thereof, including the electric rate schedules adopted by ordinances of the City of Los Angeles approving the rates to be paid by Customer for Electric Service at the location of the Customer Generation Facility. The Electric Rate Ordinance in effect at the time of billing shall have precedence over any definitions, rate figures, numbers or calculations that may appear in this Agreement.

2.7 Electric Service: As defined in the Rules.

2.8 Electric Service Requirements: Requirements prescribed in writing by LADWP in effect at the time this Agreement is executed, and all revisions thereto or replacements thereof, which are necessary and proper for the regulation of any Electric Service installed, operated, and maintained within the City of Los Angeles. The Electric Service Requirements shall be in conformance with the Charter of the City of Los Angeles and the Rules.

- 2.9 In-Service Date: The date of initial interconnection of the Customer-Generation Facility to LADWP's electric system.
- 2.10 Interconnection Costs: All reasonable costs, as determined by Customer and LADWP in accordance with Prudent Utility Practices, including, but not limited to, planning, engineering, design, supervision, material procurement, construction, quality assurance and inspection, testing, metering, maintenance, negotiation, contract administration, protection, expediting, accounting, budgeting, and other activities reasonably necessary for the interconnection and safe parallel operation of the Customer Generation Facility to LADWP's electric system.
- 2.11 LADWP Facility: Electrical and mechanical equipment required and installed, owned, operated and maintained by LADWP for the safe parallel operation of the Customer Generation Facility. This equipment is deemed by LADWP to be appurtenant and/or incidental to the Customer Generation Facility and will be located at the site of the Customer Generation Facility.
- 2.12 Prudent Utility Practices: Those practices, methods, and acts, that are commonly used by a significant portion of the renewable energy powered electric generation industry in prudent engineering and operations to design and operate electric equipment lawfully and with safety, dependability, reliability, efficiency, and economy, including compliance with any applicable practices, methods, acts, guidelines, standards, and criteria of FERC, NERC, and WECC and all other applicable requirements of law.
- 2.13 Rules: The Rules Governing Electric Service in the City of Los Angeles adopted by the Board of Water and Power Commissioners of the City of Los Angeles (Board) under Resolution No. 56, dated September 8, 1983, and all amendments, revisions, and replacements thereof.
- 2.14 Standard Offer Power Purchase Agreement (SOPPA). The Standard Offer Power Purchase Agreement between the LADWP and Customer, relating to the feed-in tariff project at:

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as may be amended, supplemented or otherwise modified from time to time.

3. AGREEMENT: In consideration of the terms and conditions contained herein and the mutual benefit to be derived by this Agreement, the Parties further agree as follows:

- 3.1 Customer shall purchase Electric Service, as needed, solely from LADWP, in accordance with the appropriate rate schedule in the Electric Rate Ordinance.
- 3.2 Customer shall pay LADWP for all costs associated with the interconnection and safe parallel operation of the Customer Generation Facility in accordance with the terms and conditions contained herein.

4. RESPONSIBILITIES OF CUSTOMER:

- 4.1 Customer shall own the Customer Generation Facility, at its sole risk and expense, in compliance with all applicable codes, laws, Electric Service Requirements, Rules, and Prudent Utility Practices. A person or entity acting on Customer's behalf may operate and maintain the Customer Generation Facility in compliance with all applicable codes, laws, Electric Service Requirements, Rules, and Prudent Utility Practices. Meeting this requirement shall not relieve Customer of its obligations pursuant to the terms and conditions of this Agreement.
- 4.2 When Customer submits the signed Agreement to LADWP for execution, Customer shall also submit the following information:
- 4.2.1 Electrical plans including load schedules and single-line diagrams.
- 4.2.2 Plot and site development plans showing generator, disconnect, metering equipment locations and LADWP access to generator, disconnect and meter equipment locations.
- 4.2.3 Energy Source Information:
- (1) Maximum kilowatt rating
  - (2) Nominal voltage output
  - (3) Voltage regulation
  - (4) Maximum fault current contribution

- 4.2.4 Protective system information:
- (1) Protective system plan
  - (2) Manufacturer's data sheets and maintenance requirements for protective equipment
  - (3) Any additional information required by LADWP
- 4.3 Review by LADWP of Customer's specifications shall not be construed as confirming or endorsing the design, any warranty of safety or durability of the Customer Generation Facility.
- 4.4 LADWP shall not, by reason of review or failure to review, be responsible for strength, details of design, adequacy or capacity of the Customer Generating Facility or any of its component equipment, nor shall LADWP's acceptance be deemed to be an endorsement of the Customer Generation Facility or any of its component equipment.
- 4.5 Within thirty (30) calendar days following the In-Service Date or at a date mutually agreed to between the Authorized Representatives, Customer shall submit in writing to LADWP's Authorized Representative that the Customer Generation Facility meets the standards set forth in the applicable Electric Service Requirements.
- 4.6 Customer shall operate and maintain the Customer Generation Facility in accordance with the applicable Electric Service Requirements and Prudent Utility Practices.
- 4.7 Customer shall not energize, at any time, a de-energized portion of LADWP's electric system without express permission from LADWP's Authorized Representative.
- 4.8 Customer shall obtain and maintain in full force and effect appropriate insurance coverages for the Customer Generation Facility with limits not less than those set forth in Section 12 of this Agreement.
- 4.9 The Parties recognize that, from time to time, certain improvements, additions, or other changes in the interconnection and protection equipment at the Customer Generation Facility may be required for the safe parallel operation of the Customer Generation Facility with LADWP's electric system. Such improvements, additions, or other changes shall be in

accordance with Prudent Utility Practices. LADWP shall have the right to require Customer to make those changes on the Customer Generation Facility upon reasonable advance written notice from LADWP's Authorized Representative.

- 4.10 Failure of Customer to comply with Section 4.9 within a reasonable period of time after receipt of such written notice may result in the Customer Generation Facility being disconnected from LADWP's electric system pursuant to Section 7.

5. RESPONSIBILITIES OF LADWP:

- 5.1 LADWP shall be the sole provider of Electric Service required by Customer at the location of the Customer Generation Facility subject to future amendments to the existing Rules.
- 5.2 If it is deemed necessary by LADWP to do so after evaluating the Customer Generation Facility's plans, LADWP will design, construct, own, operate, and maintain an LADWP Facility and make any necessary modifications to LADWP's electric system for the safe operation of the Customer Generation Facility in parallel with LADWP's electric system.
- 5.3 LADWP reserves the right to make measurements or other tests on the Customer Generation Facility, from time to time, as specified in the Electric Service Requirements. If the measurements or tests determine that the Customer Generation Facility does not meet the specifications, LADWP will require Customer to disconnect the Customer Generation Facility from LADWP's electric system pursuant to Subsection 7.1. Customer shall make the appropriate changes to the Customer Generation Facility before reconnection to LADWP's electric system.
- 5.4 The Parties recognize that, from time to time, certain improvements, additions, or other changes in LADWP's electric system may be required for the safe parallel operation of the Customer Generation Facility. Such improvements, additions, or other changes will be in accordance with Prudent Utility Practices. LADWP shall have the right to make those changes upon reasonable advance written notice from LADWP's Authorized Representative to Customer. LADWP shall bill Customer for such

improvements, additions, or other changes in accordance with Section 8 of this Agreement.

5.5 LADWP shall have the right of ingress to and egress from Customer's premises pursuant to Section 11 of this Agreement.

5.6 LADWP shall bill Customer for Customer's pro rata share of the costs incurred in the implementation of this Agreement pursuant to Section 8 of this Agreement.

6. METERING:

6.1 LADWP shall install dual channel metering equipment and recorders at the output point of the Customer Generation Facility, to measure electric energy and other electric parameters deemed appropriate by LADWP. The appropriate rate schedule from the Electric Rate Ordinance shall apply to any energy consumed from LADWP's grid by the Customer Generation Facility.

6.2 For Customer Generation Facilities with nameplate ratings of at least 1,000 kW, Customer shall provide LADWP with the capability to remotely monitor the Customer Generation Facility. LADWP shall install telemetering equipment at the output point of the Customer Generation Facility to monitor the electrical generation at LADWP's Energy Control Center. Customer is responsible for all costs associated with installation of such telemetering equipment.

6.3 LADWP meters shall be sealed with LADWP seals only. The seals shall not be broken except when the meters are inspected, tested, or adjusted by LADWP. LADWP shall test the meters, at its own expense, in accordance with its routine practice and the Rules. Customer may request testing of meters prior to their normally scheduled test dates, and LADWP shall test the meters upon request within a reasonable time. Customer shall be given reasonable notice to have a representative present at the time of meter testing. Customer shall pay for the cost of the requested meter testing if the meters are found to be within the tolerances specified within the Rules.

6.4 Disputes concerning alleged meter discrepancies shall be resolved in accordance with the Rules.

7. DISCONNECTION OF THE CUSTOMER GENERATION FACILITY:

- 7.1 LADWP shall require Customer to disconnect the Customer Generation Facility from LADWP's electric system if Customer does not comply with the covenants of this Agreement, the Electric Rate Schedules, the applicable Electric Service Requirements, the Rules, or SOPPA. LADWP's Authorized Representative shall provide the Customer with thirty (30) calendar days written notice of such intent. In the event the Customer takes prompt action to comply, and pursues such action to completion, then LADWP will take no further action.
- 7.2 In accordance with procedures established in the Electric Service Requirements, LADWP shall require Customer to disconnect the Customer Generation Facility immediately from LADWP's electric system if LADWP determines in good faith that an emergency and hazardous condition exists and such action is necessary to protect persons, LADWP's electric system, or other customer facilities from damage or interference caused by Customer's electrical equipment, or to allow LADWP to repair, replace, or maintain any equipment associated with LADWP's distribution system.
- 7.3 Each Party shall endeavor to correct the condition on its electric system that resulted in the separation and shall coordinate reconnection of the Customer Generation Facility for parallel operation.
- 7.4 LADWP shall provide for reconnection of the Customer Generation Facility to LADWP's electric system when reasonable to do so.
- 7.5 LADWP shall not be liable to Customer or any person or entity acting on Customer's behalf including, but not limited to, any agent, designee, contractor, or lessee for damages of any type or nature whatsoever resulting from the connection or disconnection of the Customer Generation Facility from LADWP's electric system.

8. INTERCONNECTION BILLING DETERMINANTS:

If LADWP determines after review of the Customer Generation Facility's plans that an LADWP Facility must be constructed and modifications made to LADWP's electric system for the safe operation of the Customer Generation in parallel with LADWP's electric system, then this Section 8 shall apply.

- 8.1 For each detailed cost estimate and detailed design for the LADWP Facility and modifications to LADWP's electric system, LADWP shall bill Customer a nonrefundable amount equal to ten (10) percent of the preliminary cost estimate of the Interconnection Costs. The estimate made shall be based on Customer's Generation Facility specifications, pursuant to Subsection 4.2. Upon receipt of the nonrefundable amount, LADWP shall prepare a detailed cost estimate and a detailed design in a timely manner.
  - 8.2 LADWP shall bill Customer for the amount of the Interconnection Costs based on the detailed cost estimate, less the ten (10) percent amount previously advanced pursuant to Subsection 8.1.
  - 8.3 Upon receipt of the necessary funds, LADWP shall proceed with the LADWP Facility and any necessary modifications to the electric system for the safe parallel operation of the Customer Generation Facility.
  - 8.4 If it is determined, at the completion of the LADWP Facility, that Customer has advanced funds that are greater or less than the actual Interconnection Costs, LADWP's Authorized Representative shall make the appropriate adjustment within ninety (90) calendar days after the In-Service Date. Payment shall be made within thirty (30) calendar days thereafter.
  - 8.5 If it is determined, pursuant to Subsection 5.4 of this Agreement, that LADWP must make improvements, additions, or other changes to either the LADWP Facility or to LADWP's electric system, LADWP will bill Customer for all costs incurred for such improvements, additions, or other changes.
9. ELECTRIC SERVICE BILLING DETERMINATIONS:
    - 9.1 LADWP shall bill Customer after the end of each billing period for Electric Service. The bill shall be calculated using the applicable rates described in the appropriate rate schedule in the Electric Rate Ordinance and recorded billing data that shall consist of metered values deemed required by LADWP. The recorded billing data shall be obtained from LADWP dual channel meters and recorders. The bill shall also include any unpaid costs associated with the installation of telemetering equipment specified in Subsection 6.2. Customer shall send the payment to the address specified in Subsection 10.2.

- 9.2 For energy purchased by LADWP during the just-ended billing period, LADWP shall calculate a dollar payment based on methodology set forth in the Standard Offer Power Purchase Agreement.

10. BILLINGS AND PAYMENTS:

- 10.1 Billings and payments pursuant to Section 8, Interconnection Billing Determinants, shall be transmitted to the following addresses:

10.1.1 If to LADWP:

Department of Water and Power  
of the City of Los Angeles  
P. O. Box 30870, Room 434  
Los Angeles, California 90030-0870  
Attention: General Accounting

10.1.2 If to Customer:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

- 10.2 Billings and payments pursuant to Section 9, Electric Service Billing Determinations, shall be transmitted to the following addresses:

10.2.1 If to LADWP:

Department of Water and Power  
of the City of Los Angeles  
P. O. Box 51111  
Los Angeles, California 90051-5700  
Attention: Accounts Receivable

10.2.2 If to Customer:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

- 10.3 Either Party may change, by written notice to the other Party, the name or address of the person to receive invoices or payments pursuant to this Agreement.
- 10.4 All bills, except as provided otherwise in this Agreement, are due and payable upon presentation. Payment shall be made in accordance with the Rules.
- 10.5 If the correctness of any bill for Electric Service, or any part thereof, or if the correctness of other charges or practices of LADWP is disputed by Customer, LADWP shall conduct an investigation in accordance with the Rules.
11. INGRESS AND EGRESS:
- 11.1 LADWP shall have, at all times, the right of ingress to and egress from Customer's premises for the following reasons:
- 11.1.1 Any purpose related to furnishing or receiving electric energy under this Agreement.
- 11.1.2 In order to exercise any and all rights secured to LADWP by law, this Agreement, or the Rules.
- 11.2 While on Customer's premises, LADWP shall abide by Customer's safety rules and regulations.
12. INSURANCE: It is the policy of the LADWP Feed-in Tariff Program that 30 days prior to the anticipated date of the meter installation of a Customer Generation Facility, equal or greater than a thirty (30) Kilowatt nameplate rating capacity, the Customer must provide evidence of insurance that conforms to the insurance requirements of the Agreement. Insurance requirements are explained in detail in the following language and "Contract Insurance Requirements" sheet (EXHIBIT C) which specifically outlines the types and amounts of coverage required for this Agreement. For Customer's information and use, "Special Endorsement Forms", "Guidance for Submitting Evidence of Insurance" and information on LADWP's insurance program for small vendors are available on LADWP's website.

Such insurance must then be maintained current throughout the term of the Agreement. Approved evidence of insurance must be on file with the Risk



Management Section in order for the Customer's system to be interconnected to the LADWP grid.

For further information regarding these insurance requirements, please contact:

Los Angeles Department of Water and Power

Risk Management Section

Phone: (213) 367-4674

Fax: (213) 367-0214

Website: [www.ladwp.com/riskmanagement](http://www.ladwp.com/riskmanagement)

13. **INDEMNIFICATION**: To the fullest extent permitted by applicable law, except for the sole negligence or willful misconduct of LADWP, Customer undertakes and agrees to defend, indemnify and hold harmless LADWP, the City of Los Angeles, and each of their respective boards, commissioners, officers, agents, employees, assigns and successors in interest, as applicable (hereinafter, collectively, "Indemnitees") from and against any and all suits and causes of action (including proceedings before FERC), claims, losses, demands, penalties, judgments, costs, expenses, damages (including indirect, consequential, or incidental), disbursements of any kind or nature whatsoever, including but not limited to attorney's fees (including allocated costs of internal counsel), other monetary remedies, and costs of litigation, damages, obligation or liability of any kind or nature whatsoever, in any manner arising by reason of, incident to, or connected in any manner with the performance, non-performance or breach of this Agreement, or any other act, error or omission or willful misconduct by or of the Customer or Customer's officers, employees, agents, contractors, sub-contractors of any tier, including but not limited to any such performance, non-performance, breach, act, error or omission or willful misconduct that results in intellectual property infringement or leads to death or injury to any person, including but not limited to Customer, Customer's officers, employees, agents, contractors or sub-contractors of any tier, or damage or destruction to property of any kind or nature whatsoever, of either Party hereto, or of third parties, or loss of use (hereinafter, collectively, "Indemnified Liabilities"). The provisions of this paragraph shall be in addition to, and not exclusive of, any other rights or remedies which Indemnitees

have at law, in equity, under this Agreement or otherwise. To the extent that the undertakings to defend, indemnify, pay and hold harmless set forth in this subsection may be unenforceable in whole or in part because they are violative of any law or public policy, Customer shall contribute the maximum portion that it is permitted to pay and satisfy under applicable law to the payment and satisfaction of all Indemnified Liabilities incurred by Indemnitees or any of them. The provisions of this paragraph shall survive the expiration or termination of this Agreement.

14. ADMINISTRATION:

- 14.1 Within thirty (30) calendar days after the effective date of this Agreement, Customer and LADWP's Director of Power System Engineering Division or designee shall each designate, by written notice to the other, a representative who is authorized to act in each Party's behalf with respect to those matters delegated to the Authorized Representatives. Each Party may delegate an authorized alternate with full authority to act in the absence of the Authorized Representative. Each Party shall have the right to change its Authorized Representative or authorized alternate by written notice to the other Party.
- 14.2 The Authorized Representatives shall provide liaison between the Parties and a means of securing effective cooperation, interchange of information, and consultation on a prompt and orderly basis concerning the various matters that may arise, from time to time, in connection with this Agreement.
- 14.3 The Authorized Representatives shall review and attempt to resolve any disputes between the Parties under this Agreement. Should the Authorized Representatives be unable to resolve a dispute, the matter shall be referred to Customer and LADWP's Director of Power System Engineering Division who shall use their best efforts for resolution.
- 14.4 Prior to the In-Service Date, the Authorized Representatives shall agree on written procedures pertaining to the synchronization, operation, maintenance, administration, and other activities that may require coordination between the Parties.

- 14.5 All actions, agreements, resolutions, determinations, or reports made by the Authorized Representatives shall be made in writing and shall become effective when signed by the Authorized Representatives.
- 14.6 Any expenses incurred by an Authorized Representative or authorized alternate in connection with their duties shall be paid by the Party they represent unless otherwise agreed to in writing by Customer and LADWP's Director of Power System Engineering Division.
- 14.7 The Authorized Representatives shall have no authority to modify this Agreement.
15. DEFAULT:
- 15.1 Default by Customer: The occurrence of any of the following shall constitute a material breach and default of this Agreement by Customer:
- 15.1.1 Failure by Customer to make payment to LADWP of uncontested amounts within the time set forth in Section 10 herein; or
- 15.1.2 Failure by Customer to comply with requirements pertaining to the safety of persons or property set forth herein, in the Electric Rate Ordinance, in the Rules, or in the applicable Electric Service Requirements; or
- 15.1.3 Failure by Customer to substantially observe and perform any other material provision of this Agreement where such failure continues for thirty (30) calendar days after receipt by Customer of written notice from LADWP. Provided, however, that if the nature of such default is curable, but that the same cannot with due diligence be cured within the thirty (30) calendar day period Customer shall not be deemed to be in default if it shall within the thirty (30) calendar day period commence to cure the default and, thereafter, diligently prosecute the same to completion; or
- 15.1.4 Default by Customer under the SOPPA or any Ancillary Document (as defined in the SOPPA).
- 15.2 Default by LADWP: Failure by LADWP to substantially observe and perform any material provision required by this Agreement, where such failure

continues for thirty (30) calendar days after receipt of written notice from Customer, shall constitute a material breach and default by LADWP of this Agreement. Provided, however, that if the nature of such default is curable, but that the same cannot with due diligence be cured within the thirty (30) calendar day period LADWP shall not be deemed to be in default if it shall within the thirty (30) calendar day period commence to cure the default and, thereafter, diligently prosecute the same to completion.

16. REMEDIES UPON DEFAULT: Each party shall be entitled to money damages according to proof of actual damages resulting from default of the other and, in addition, each party shall have the right to terminate this Agreement upon the occurrence of any of the events of default described in Section 15. In no event shall incidental or consequential damages be payable.
17. FORCE MAJEURE: Neither Party shall be considered to be in default in the performance of any of its obligations under this Agreement (other than obligations of said Party to make payments due) if failure of performance shall be due to a Force Majeure. The term "Force Majeure" shall mean any event or circumstance, including any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, wildland fire or firestorm, storm or flood, or any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities (i) which prevents one Party from performing any of its obligations under this Agreement, (ii) which could not reasonably be anticipated as of the date of this Agreement, (iii) which is not within the reasonable control of, or the result of negligence, willful misconduct, breach of contract, intentional act or omission or wrongdoing on the part of the affected Party, and (iv) which despite the exercise of commercially reasonable efforts the affected Party is unable to overcome or avoid or cause to be avoided. Nothing contained herein shall be construed so as to require a Party to settle any strike or labor dispute in which it may be involved. Either Party rendered unable to fulfill any obligation under this agreement by reason of uncontrollable force shall promptly provide a written detailed notice of such fact to the other Party and shall exercise due diligence to remove any inability with all reasonable dispatch.

18. AUTHORIZATIONS AND APPROVALS:
- 18.1 Each Party shall obtain all the necessary authorizations, licenses, approvals, and permits from Federal, State, or local agencies having jurisdiction.
- 18.2 This Agreement and all operations hereunder are subject to the applicable laws, ordinances, orders, rules, and regulations of local, State, and Federal governmental authority having jurisdiction.
19. EFFECT OF SECTION HEADINGS: Section headings appearing in this Agreement are inserted for convenience only and shall not be construed as interpretations of text.
20. NONWAIVER: None of the provisions of this Agreement shall be deemed waived unless expressly waived in writing. Any omission or failure of either Party to demand or enforce strict performance of provisions of the Agreement shall not be construed as a waiver or as a relinquishment of any rights. All provisions and rights shall continue and remain in full force and effect as if such omission or failure had not occurred.
21. NONDEDICATION OF FACILITIES: This Agreement shall not be construed as a dedication of any properties or facilities, or any portion thereon, by either Party to each other or the public.
22. NO THIRD-PARTY BENEFICIARIES: This Agreement is for the sole benefit of the Parties hereto and shall not be construed as granting rights to any person or entity other than the Parties or imposing on either Party obligations to any person other than a Party.

23. NOTICES:

23.1 Any written notice under this Agreement shall be deemed properly given if delivered in person or sent by registered or certified mail, postage prepaid, to the person specified below unless otherwise provided for in this Agreement:

23.1.1 If to LADWP:

Department of Water and Power  
of the City of Los Angeles  
P. O. Box 51111, Room 951  
Los Angeles, California 90051-5700  
Attention: Director of Power System  
Engineering Division

23.1.2 If to Customer:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

23.2 Either Party may, by written notice to the other Party, change the name or address of the person to receive notices pursuant to this Agreement.

24. TRANSFER OF INTEREST: Neither Party shall assign or transfer this Agreement, in whole or in part, without the prior written consent of the other Party. The consent to assign or transfer shall not be unreasonably withheld. LADWP's Director of Power System Engineering Division or designee shall execute assignment or transfer of this Agreement or the consent to assign or transfer this Agreement.

25. SEVERAL OBLIGATIONS: The duties, obligations, and liabilities of the Parties are several and not joint or collective. Nothing contained in this Agreement shall be construed to create an association, trust, partnership, or joint venture or to impose a trust, partnership duty, obligation, or liability on or with regard to either Party. Each Party shall be individually and severally liable for its own obligations under this Agreement.

26. SEVERANCE: If any paragraph, sentence, clause, phrase, or word is held by a court of competent jurisdiction to be void or unenforceable, the balance of this

Agreement shall remain in full force and effect provided that the purposes of this Agreement can still be fulfilled.

27. EFFECTIVE DATE AND TERM:

27.1 This Agreement shall become effective upon the date of execution by the Parties.

27.2 This Agreement shall be coterminous with the "Agreement Term" as defined in the SOPPA.

27.3 Upon the date of termination of this Agreement all rights to services provided hereunder shall cease and neither Party shall claim or assert any continuing right to such services hereunder. However, such termination shall not affect the rights and obligations to pay money for transactions occurring prior to termination. Such termination shall not end indemnification, pursuant to Section 13, provided to LADWP by Customer for periods where customer operates or has operated a generation source electrically connected to LADWP's electric system.

28. GOVERNING LAW AND VENUE: This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the State of California and the City of Los Angeles, without regard to conflict of law principles. All litigation arising out of or relating to this Agreement shall be brought in a State or Federal court in the County of Los Angeles in the State of California. The parties irrevocably agree to submit to the exclusive jurisdiction of such courts in the State of California and waive any defense of forum non conveniens.

29. UNDERSTANDING: This Agreement contains the entire understanding between the Parties with respect to the subject matter hereof; and there are no other promises, terms, conditions, obligations, understandings, or agreements between the Parties with respect thereto. This Agreement supersedes all previous communications, representations, understandings, and agreements, either oral or written, between the Parties with respect to the subject matter hereof.

30. REPRESENTATION: Each Party has been represented by legal counsel in the negotiation and execution of this Agreement.

31. EXHIBITS: Exhibits A through C attached hereto are incorporated herein by this reference.

32. EXECUTION: IN WITNESS WHEREOF, the signatories hereto represent that they have been appropriately authorized to enter into this \_\_\_\_\_ - LADWP Renewable Energy Customer Generation Interconnection Agreement on behalf of the Party for whom they sign. This Agreement is hereby executed on the day and year written below.

\_\_\_\_\_  
(Customer)  
By:  
  
Name (Signature): \_\_\_\_\_  
Name (Print): \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

CITY OF LOS ANGELES ACTING BY AND THROUGH THE  
DEPARTMENT OF WATER AND POWER

By:  
  
Name (Signature): \_\_\_\_\_  
Name (Print): \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



EXHIBIT A

CUSTOMER GENERATION DATA SHEETS

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

Address: \_\_\_\_\_

\_\_\_\_\_

Owner/Company: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone: \_\_\_\_\_

Primary Product/Service of Facility: \_\_\_\_\_

Unit Start-Up Date: \_\_\_\_\_

SYSTEM CHARACTERISTICS

Capacities: Nameplate Rating \_\_\_\_\_ kW

Thermal \_\_\_\_\_ BTU/Hr \_\_\_\_\_ lbs./Hr

Operations: Schedule \_\_\_\_\_ hours/day \_\_\_\_\_ days/year

Typical Daily Profile, O = On and X = Off

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 Control Mode:

INTERCONNECTION WITH LADWP

\_\_\_\_\_ Isolated, no connection to power grid

\_\_\_\_\_ Parallel, connected to grid to purchase power

\_\_\_\_\_ Parallel, connected to grid, Utility owned or operated

\_\_\_\_\_ Electric Load including planned expansions

## GENERATION FACILITY DESCRIPTION

### Schematic Diagram

### Written Description

(Use additional pages if necessary)

ANNUAL PLAN PRODUCTION/USE CHARACTERISTICS

OUTPUT: Electric \_\_\_\_\_ kWh  
Thermal \_\_\_\_\_ Billion BTUs  
Mechanical \_\_\_\_\_ HP-hr  
CONSUMPTION: Electric \_\_\_\_\_ kWh  
Thermal \_\_\_\_\_ MM BTUs  
PEAK DEMAND: Electric \_\_\_\_\_ kW  
Thermal \_\_\_\_\_ MM BTUs/hr  
System Efficiency \_\_\_\_\_ percent  
Net Heat Rate \_\_\_\_\_ BTU/kWh  
Fuel Type \_\_\_\_\_ Amount Used \_\_\_\_\_  
\_\_\_\_\_ MMBTUs

ECONOMIC CHARACTERISTICS

Capital Costs \_\_\_\_\_ O&M Costs \_\_\_\_\_ \$/year  
Fuel Costs: \_\_\_\_\_ \$/year  
Cost of Generated Electricity \_\_\_\_\_ cents/kWh

FOR LADWP USE ONLY:

ACCOUNT REPRESENTATIVE \_\_\_\_\_

IS No. \_\_\_\_\_ VOLTAGE CONNECTION \_\_\_\_\_

EXHIBIT B  
SINGLE-LINE DIAGRAM AND EQUIPMENT LIST  
FOR THE LADWP FACILITY

If the LADWP Facility is constructed, a single-line diagram and equipment list for the LADWP Facility will be attached to this Exhibit after the LADWP Facility has been designed and constructed.

LADWP's Authorized Representative will provide a copy of Exhibit B for Customer's files.

EXHIBIT C  
CONTRACT INSURANCE REQUIREMENTS

**I. GENERAL REQUIREMENTS**

Thirty (30) days prior to the In-Service Date, Customer shall furnish the LADWP evidence of coverage from insurers acceptable to the LADWP and in a form acceptable to the LADWP's Risk Management Section and the Office of the Los Angeles City Attorney. LADWP shall not by reason of its inclusion under these policies incur liability to the insurance carrier for payment of premium for these policies.

Any insurance carried by LADWP which may be applicable shall be deemed to be excess insurance and Customer's insurance is primary for all purposes despite any conflicting provision in Customer's policies to the contrary.

Said evidence of insurance shall contain a provision that the policy cannot be canceled or reduced in coverage or amount without first giving thirty (30) calendar days prior notice thereof (ten (10) days for non-payment of premium) by registered mail to The Office of the City Attorney, Water and Power Division, Post Office Box 51111, GOB Room 340, Los Angeles, California 90051-0100.

Should any portion of the required insurance be on a "Claims Made" policy, Customer shall, at the policy expiration date following completion of work, provide evidence that the "Claims Made" policy has been renewed or replaced with the same limits, terms and conditions of the expiring policy, or that an extended discovery period has been purchased on the expiring policy at least for the contract under which the work was performed.

**II. SPECIFIC COVERAGES REQUIRED**

**A. Commercial General Liability**

Customer shall provide Commercial General Liability insurance with Blanket Contractual Liability, Independent Contractors, Broad Form Property Damage, Premises and Operations, Products and Completed Operations, fire Legal Liability and Personal Injury coverages included. Such insurance shall provide coverage for total limits actually arranged by Customer, but not less than \$1,000,000.00 combined single limit per occurrence. Should the policy have an aggregate limit, such aggregate limits should not be less than double the Combined Single Limit and be specific for this contract. Umbrella or Excess Liability coverages may be used to supplement primary coverages to meet the required limits. Evidence of such coverage shall be on the LADWP's Additional Insured Endorsement form or on an endorsement to the policy acceptable to the Risk Management Section and the Office of the Los Angeles City Attorney, and shall provide for the following:

1. Include LADWP and its officers, agents, and employees as additional insureds with the Named Insured for the activities

and operations under this Agreement.

2. Severability-of-Interest or Cross-Liability Clause such as:  
"The policy to which this endorsement is attached shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the company's liability."
3. A description of the coverages included under the policy.

#### **B. Excess Liability**

Customer may use an Umbrella or Excess Liability Coverage to meet coverage limits specified in this Agreement. Customer shall require the carrier for Excess Liability to properly schedule and to identify the underlying policies as provided for LADWP on the LADWP Additional Insured Endorsement Form, or on an endorsement to the policy acceptable to LADWP's Risk Management Section and the Office of the Los Angeles City Attorney. Such policy shall include, as appropriate, coverage for Commercial General Liability, Commercial Automobile Liability, Employer's Liability, or other applicable insurance coverages.

### **III. APPLICABLE TERMS AND CONDITIONS**

#### **A. Additional Insured Status Required**

Customer shall procure at its own expense, and keep in effect at all times during the term of this Agreement, the types and amounts of insurance specified on the Contract Insurance Requirements form. The specified insurance shall also, either by provisions in the policies, by the City of Los Angeles' own endorsement form or by other endorsement attached to such policies, include and insure City of Los Angeles, LADWP, the Board, and all of its officers, employees and agents, their successors and assigns, as Additional Insureds, against the area of risk described herein as respects Customer's acts, errors or omissions in the performance of this contract or other related functions performed by or on behalf of Customer. Such insurance shall not limit or qualify the liabilities and obligations of the Customer assumed under the contract.

#### **B. Severability of Interests and Cross Liability Required**

Each specified insurance policy (other than Workers' Compensation and Employers' Liability and Property coverages) shall contain a Severability of Interest and Cross Liability clause which states, "It is agreed that the insurance afforded by this policy shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the company's liability," and a Contractual Liability Endorsement which shall state, "Such insurance as is afforded by this policy shall also apply to liability assumed by the insured under this Agreement with the City of Los Angeles."

**C. Primary and Non-Contributory Insurance Required**

All such insurance shall be Primary and Noncontributing with any other insurance held by the City of Los Angeles or LADWP where liability allegedly arises out of or results from the acts or omissions of Customer, its agents, employees, officers, assigns, or any person or entity acting for or on behalf of Customer. Any insurance carried by the City of Los Angeles or LADWP which may be applicable shall be deemed to be excess insurance and the Customer's insurance is primary for all purposes despite any conflicting provision in the Customer's policies to the contrary.

**D. Deductibles Subject to Department's Discretion**

Deductibles and/or self-insured retentions shall be at the sole discretion of the Risk Manager of LADWP (hereinafter referred to as "Risk Manager"). LADWP shall have no liability for any premiums charged for such coverage(s), nor for payment of deductibles. The inclusion of the City of Los Angeles or LADWP, its Board, and all of its officers, employees and agents, and their agents and assigns, as additional insureds, is not intended to, and shall not, make them, or any of them a partner or joint venturer with Customer in its operations.

**E. Proof of Insurance for Renewal or Extension Required**

At least ten (10) days prior to the expiration date of any of the policies required on the attached Contract Insurance Requirement form, documentation showing that the insurance coverage has been renewed or extended shall be filed with LADWP. If such coverage is canceled or reduced in coverage, Customer shall, within fifteen (15) days of such cancellation or reduction of coverage, file with the Department evidence that the required insurance has been reinstated or provided through another insurance company or companies.

**F. Submission of Acceptable Proof of Insurance and Notice of Cancellation**

Customer shall provide proof to LADWP's Risk Manager of all specified insurance and related requirements either by production of the actual insurance policy(ies), by use of LADWP's own endorsement form(s), by other written evidence of insurance acceptable to the Risk Manager, but always in a form acceptable to the Risk Manager and the Office of the City Attorney. The documents evidencing all specified coverages shall be filed with LADWP prior to Customer beginning operations hereunder. Said proof shall contain at a minimum, the applicable policy number, the inclusive dates of policy coverages, the date the protection begins for LADWP, and the insurance carrier's name. It shall bear an original signature of an authorized representative of said carrier, and shall provide that such insurance shall not be subject to cancellation, material reduction in coverage or non-renewal except after written notice by certified mail, return receipt requested, to the City Attorney of the City of Los

Angeles at least thirty (30) calendar days prior to the effective date thereof. The notification shall be sent by registered mail to: Risk Management Section, L.A. Water and Power , Post Office Box 51111, JFB Room 465, Los Angeles, California 90051-0100.

**G. Failure to Maintain and Provide as Cause for Termination**

Failure to maintain and provide acceptable evidence of the required insurance for the required period of coverage shall constitute a breach of contract, upon which LADWP may immediately terminate or suspend the agreement.

**H. Periodic Right to Review/Update Insurance Requirements**

LADWP and Customer agree that the insurance policy limits specified on the attached Contract Insurance Requirements page may be reviewed for adequacy annually throughout the term of this Agreement by the Risk Manager/City Attorney, who may thereafter require Customer to adjust the amounts and types of insurance coverage however the Risk Manager/City Attorney deems to be adequate and necessary. The City of Los Angeles reserves the right to have submitted to it, upon request, all pertinent information about the agent and carrier providing such insurance, including applicable license and ratings.

**I. Specific Insurance Requirements**

Specific insurance requirements are set forth in the attached Contract Insurance Requirements form.



**CONTRACT INSURANCE REQUIREMENTS -- DEPARTMENT OF WATER AND POWER**  
**For Contractors, Service Providers, Vendors, and Tenants**

Agreement/Activity/Operation: Feed In Tariff Agreements for Sale of Power  
 Reference/Agreement: \_\_\_\_\_  
 Term of Agreement: \_\_\_\_\_  
 Contract Administrator and Phone: Anh Wood  
 Buyer and Phone Number: \_\_\_\_\_  
 Risk Manager /Date: AMN/4-14-11

Contract-required types and amounts of insurance as indicated below by checkmark are the minimum which must be maintained.  
 All limits are Combined Single Limit (Bodily Injury/Property Damage) unless otherwise indicated. Firm 30 day Notice of Cancellation required by Receipted Delivery.

| <b>PER OCCURRENCE LIMITS</b>                                                                                                      |                                                                   |                                                             |
|-----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------|
| <input type="checkbox"/> WORKERS' COMPENSATION(Stat. Limits)/Employer's Liability: ( )                                            |                                                                   |                                                             |
| <input type="checkbox"/> Broad Form All States Endorsement                                                                        | <input type="checkbox"/> US L&H (Longshore and Harbor Workers)    |                                                             |
| <input type="checkbox"/> Jones Act (Maritime Employment)                                                                          | <input type="checkbox"/> Outer Continental Shelf                  |                                                             |
| <input type="checkbox"/> Waiver of Subrogation                                                                                    | <input type="checkbox"/> Black Lung (Coal Mine Health and Safety) |                                                             |
| <input type="checkbox"/> Other: _____                                                                                             | <input type="checkbox"/> Other: _____                             |                                                             |
| <input type="checkbox"/> AUTOMOBILE LIABILITY: ( )                                                                                |                                                                   |                                                             |
| <input type="checkbox"/> Owned Autos                                                                                              | <input type="checkbox"/> Any Auto                                 |                                                             |
| <input type="checkbox"/> Hired Autos                                                                                              | <input type="checkbox"/> Non-Owned Auto                           |                                                             |
| <input type="checkbox"/> Contractual Liability                                                                                    | <input type="checkbox"/> Additional Insured                       |                                                             |
| <input type="checkbox"/> MCS-90 (US DOT)                                                                                          | <input type="checkbox"/> Trucker's Form                           |                                                             |
| <input type="checkbox"/> Waiver of Subrogation                                                                                    | <input type="checkbox"/> Other: _____                             |                                                             |
| <input checked="" type="checkbox"/> GENERAL LIABILITY: ( ) Limit Specific to Project ( ) Per Project Aggregate ( \$1,000,000.00 ) |                                                                   |                                                             |
| <input type="checkbox"/> Broad Form Property Damage                                                                               | <input checked="" type="checkbox"/> Contractual Liability         | <input checked="" type="checkbox"/> Personal Injury         |
| <input checked="" type="checkbox"/> Premises and Operations                                                                       | <input checked="" type="checkbox"/> Products/Completed Ops.       | <input checked="" type="checkbox"/> Independent Contractors |
| <input type="checkbox"/> Fire Legal Liability                                                                                     | <input type="checkbox"/> Garagekeepers Legal Liab.                | <input type="checkbox"/> Child Abuse/Molestation            |
| <input type="checkbox"/> Corporal Punishment                                                                                      | <input type="checkbox"/> Collapse/Underground                     | <input type="checkbox"/> Explosion Hazard                   |
| <input type="checkbox"/> Watercraft Liability                                                                                     | <input type="checkbox"/> Pollution                                | <input checked="" type="checkbox"/> Addition Insured Status |
| <input type="checkbox"/> Waiver of Subrogation                                                                                    | <input type="checkbox"/> Airport Premises                         | <input type="checkbox"/> Hangarkeepers Legal Liab.          |
| <input type="checkbox"/> Marine Contractors Liability                                                                             | <input type="checkbox"/> Other: _____                             | <input type="checkbox"/> Other: _____                       |
| <input type="checkbox"/> PROFESSIONAL LIABILITY: ( )                                                                              |                                                                   |                                                             |
| <input type="checkbox"/> Contractual Liability                                                                                    | <input type="checkbox"/> Waiver of Subrogation                    | <input type="checkbox"/> 3 Year Discovery Tail              |
| <input type="checkbox"/> Additional Insured                                                                                       | <input type="checkbox"/> Vicarious Liability Endt.                | <input type="checkbox"/> Other: _____                       |
| <input type="checkbox"/> AIRCRAFT LIABILITY: ( )                                                                                  |                                                                   |                                                             |
| <input type="checkbox"/> Passenger Per Seat Liability                                                                             | <input type="checkbox"/> Contractual Liability                    | <input type="checkbox"/> Hull Waiver of Subrogation         |
| <input type="checkbox"/> Pollution                                                                                                | <input type="checkbox"/> Additional Insured                       | <input type="checkbox"/> Other: _____                       |
| <input type="checkbox"/> PROPERTY DAMAGE: ( ) Loss Payable Status (AOIMA) ( )                                                     |                                                                   |                                                             |
| <input type="checkbox"/> Replacement Value                                                                                        | <input type="checkbox"/> Actual Cash Value                        | <input type="checkbox"/> Agreed Amount                      |
| <input type="checkbox"/> All Risk Form                                                                                            | <input type="checkbox"/> Named Perils Form                        | <input type="checkbox"/> Earthquake: _____                  |
| <input type="checkbox"/> Builder's Risk:\$_____                                                                                   | <input type="checkbox"/> Boiler and Machinery                     | <input type="checkbox"/> Flood: _____                       |
| <input type="checkbox"/> Transportation Floater:\$_____                                                                           | <input type="checkbox"/> Contractors Equipment\$_____             | <input type="checkbox"/> Loss of Rental Income: _____       |
| <input type="checkbox"/> Scheduled Locations/Propt.                                                                               | <input type="checkbox"/> Other: _____                             | <input type="checkbox"/> Other: _____                       |
| <input type="checkbox"/> WATERCRAFT: ( )                                                                                          |                                                                   |                                                             |
| <input type="checkbox"/> Protection and Indemnity                                                                                 | <input type="checkbox"/> Pollution                                | <input type="checkbox"/> Additional Insured                 |
| <input type="checkbox"/> Waiver of Subrogation                                                                                    | <input type="checkbox"/> Other: _____                             | <input type="checkbox"/> Other: _____                       |
| <input type="checkbox"/> POLLUTION: ( )                                                                                           |                                                                   |                                                             |
| <input type="checkbox"/> Incipient/Long Term                                                                                      | <input type="checkbox"/> Sudden and Accidental                    | <input type="checkbox"/> Additional Insured                 |
| <input type="checkbox"/> Waiver of Subrogation                                                                                    | <input type="checkbox"/> Contractor's Pollution                   | <input type="checkbox"/> Other: _____                       |
| <input type="checkbox"/> CRIME: ( ) Joint Loss Payable Status ( ) Additional Insured ( )                                          |                                                                   |                                                             |
| <input type="checkbox"/> Fidelity Bond                                                                                            | <input type="checkbox"/> Financial Institution Bond               | <input type="checkbox"/> Loss of Monies/Securities          |
| <input type="checkbox"/> Employee Dishonesty                                                                                      | <input type="checkbox"/> In Transit Coverage                      | <input type="checkbox"/> Wire Transfer Fraud                |
| <input type="checkbox"/> Computer Fraud                                                                                           | <input type="checkbox"/> Commercial Crime                         | <input type="checkbox"/> Forgery/Alteration of Docs.        |
| <input type="checkbox"/> Other: _____                                                                                             | <input type="checkbox"/> Other: _____                             |                                                             |
| <input type="checkbox"/> ASBESTOS LIABILITY: ( ) Additional Insured ( )                                                           |                                                                   |                                                             |

Page 2. CONTRACT INSURANCE REQUIREMENTS (continued)

|                    |           | PER OCCURRENCE LIMITS |
|--------------------|-----------|-----------------------|
| ( ) _____          |           | (\$ _____)            |
| (type of coverage) |           |                       |
| ( ) _____          | ( ) _____ | ( ) _____             |
| ( ) _____          | ( ) _____ | ( ) _____             |
| ( ) _____          | ( ) _____ | ( ) _____             |
| ( ) _____          |           | (\$ _____)            |
| (type of coverage) |           |                       |
| ( ) _____          | ( ) _____ | ( ) _____             |
| ( ) _____          | ( ) _____ | ( ) _____             |
| ( ) _____          | ( ) _____ | ( ) _____             |
| ( ) _____          |           | (\$ _____)            |
| (type of coverage) |           |                       |
| ( ) _____          | ( ) _____ | ( ) _____             |
| ( ) _____          | ( ) _____ | ( ) _____             |
| ( ) _____          | ( ) _____ | ( ) _____             |