



# Regular Board Meeting

September 22, 2022

# Item 6: Power Purchase Agreement with Cape Generating Station 1 LLC

# Item 6: PPA with Cape Generating Station 1 LLC

- Recommendation:
  - Approve 15-Year Power Purchase Agreement with Cape Generating Station 1 LLC for geothermal renewable energy for an amount not to exceed \$38,200,000. Authorize the Chief Executive Officer to execute all documents, subject to Transactions Attorney approval.

# Item 6: PPA with Cape Generating Station 1 LLC

- Background:
  - CPUC Decision 21-06-035 (Mid-Term Reliability Requirement)
    - Procurement of additional resources to respond to extreme weather events, replace 2,700 MW of retiring natural gas plants and 2,200 MW from Diablo Canyon;
    - Project online by 8/1/2023, 6/1/2024 or 6/1/2025 with a preference for earlier date
    - Goal to increase resource diversity with at least 1,000 MW from clean firm resources such as geothermal
    - Available for minimum 10 years
    - Non-fossil fueled

# Item 6: PPA with Cape Generating Station 1 LLC

- December 2021 Solicitation
  - Joint with Desert Community Energy and California Choice Energy Authority
  - Responses representing 80 projects
  - Short-list based on price, location, and CPUC compliance
- Cape Generating Station 1 LLC project
  - Geothermal Resource
  - 15-year delivery
  - Meets CPUC Mid-Term Reliability Requirement
  - Project is within the pro-forma cost assumptions

# Questions/Discussion